



Queen Margaret University

EDINBURGH

UNIVERSITY COURT

CONFIRMED Minutes of meeting held on 2 December 2015

PRESENT

Keir Bloomer (Chair)
Professor Graham Caie CBE
Ian Calder
Craig Cathcart
Professor Alan Gilloran
Cynthia Guthrie (from item 5)
Dr Lindesay Irvine
Mark Laing
Jackie Macdonald

Miller McLean
Linda McPherson
Margaret O'Connor
Robert Rae
Adam Roe
Judith Sischy OBE
Heidi Vistisen
Professor Petra Wend

IN ATTENDANCE

Dr Richard Butt	Dean of School of Arts, Social Sciences and Management
Dr Fiona Coutts	Dean of School of Health Sciences
Gordon Craig	Head of Planning
Malcolm Cutt	Director of Operations and Finance
Irene Hynd	University Secretary (Secretary)
Steve Scott	Director of Campus and Commercial Services

1 WELCOME AND APOLOGIES

The Chair welcomed members and those in attendance to the meeting.

Apologies were received from Jim Bradshaw, Professor Bob Cormack, Dr Anthony Falconer, Dr Anna Gregor and Dr Lindesay Irvine.

2 CONFLICTS OF INTEREST

There were no conflicts of interest declared.

3 DETERMINATION OF OTHER COMPETENT BUSINESS

There was no other competent business.

4 NOMINATIONS COMMITTEE

4.1 Members RECEIVED a report on the outcome of the meetings of the Nominations Committee held on 30 October and 6 November 2015 (COURT (15) 42).

4.2 Members APPROVED the following recommendation for appointment to the lay membership of the Court:

Appointed for a period of office of three years with effect from 1 December 2015

*Cynthia Guthrie, Joint Managing Director, Guthrie Group Ltd, Livingston
Former Group HR Director, British Sky Broadcasting. Member of Board of Governors, West Lothian College.*

4.3 Members NOTED that arrangements would commence in the New Year for recruitment to forthcoming vacancies in the lay membership. Further thought would be given as to how best to build on current external recruitment arrangements in order to broaden the range of candidates.

4.4 Members APPROVED the recommendations of the Nominations Committee that:

- Cynthia Guthrie be appointed to the Finance and Estates Committee for a period of 3 years with effect from 1 December 2015, and
- the period of office of Jim Bradshaw, Convener of the Finance and Estates Committee, be extended by one year to 30 April 2017.

4.5 It was NOTED that the process to appoint a new Chancellor was ongoing.

4.6 Cynthia Guthrie was invited to join the meeting.

5 CHAIR'S REPORT

5.1 The Chair reported that he had recently attended meetings of the UCEA Board. All unions involved had either agreed to, or noted, the 2015/16 pay deal, with the exception of the EIS. It was confirmed that the pay award of a 1% uplift had been implemented for QMU staff with effect from the November payroll.

5.2 The Chair also reported that he had given a presentation at the Leadership Foundation seminar, 'Being an effective Governor (Scotland)', held on 13 November 2015. Court members Linda McPherson and Jackie Macdonald had also attended.

6 PRINCIPAL'S REPORT

6.1 Members RECEIVED a detailed report from the Principal (COURT (15) 43) which highlighted academic developments, staff and student news and a range of external engagements.

6.2 Members who had attended the donors' reception in the Dovecot Studios congratulated the students in attendance in particular, and suggested that student participation in such events contributed significantly to the event's success.

- 6.3 The media summary prepared for Court meetings was commended to members as an excellent read, which demonstrated the extent of media coverage across the full range of the University's activities.

7 MINUTES

The minutes of the meeting of Court held on 7 October 2015 (COURT (15) MINS 04) were APPROVED as a true record, subject to Mark Laing being noted as present.

8 MATTERS ARISING

8.1 Minute 20 – dates of future meetings

Members were advised that the starting time of meetings would be considered as part of a broader discussion of the Court Effectiveness Review at the Away Days in February 2016. Members also NOTED that, due to there being full occupancy in the student residences, it was unlikely that accommodation would be available for Court members at the Away Days. It was AGREED that alternative arrangements would be investigated.

8.2 Minute 14 - Higher Education Governance (Scotland) Bill

The Convener of the Committee of Scottish Chairs continued to engage in discussion with the Cabinet Secretary and senior civil servants.

9 MASTERPLAN DEVELOPMENT STRATEGY

- 9.1 The Director of Operations and Finance presented a paper (COURT (15) 44) providing an update on the development of the land surrounding the University. It was NOTED that, following a meeting of East Lothian Council on 17 November 2015, a Local Development Plan had been produced for consultation. In this document, the land to the North-West of the University campus was specifically referenced for development as an innovation park. The next step for the University would be a discussion with Scottish Enterprise to explore in more detail thoughts on the innovation park.
- 9.2 It was confirmed that the University's plans included both an innovation park on adjacent land and commercial and social development on its own land. On exploring the relationship between the two, members NOTED that the key to unlocking the overall development would be the innovation park which would make further related development viable.
- 9.3 MINUTE REDACTED – The record of discussion under Minute 9.3 is exempt from disclosure under Section 33 (1) (b) of the Freedom of Information (Scotland) Act 2002.
- 9.4 The wider context of the Local Development Plan was considered. It was AGREED that the University should pursue influencing the wider plans in the context of linked social facilities, while being aware of the sensitivities of development on greenbelt land.
- 9.5 Members NOTED the key messages highlighted in the paper to be used when communicating with stakeholders and other interested parties and CONFIRMED that the University should proceed with plans in this area as set out in the paper.

10 STRATEGIC PLAN

The Strategic Plan was APPROVED for publication (COURT (15) 45).

11 FINANCIAL SUSTAINABILITY

- 11.1 Members NOTED a paper (COURT (15) 46) outlining the likely financial environment over the next few years, how this might affect the University, and possible actions to address the position. It was likely that there would be cuts in public funding in future years, but the scale would not be known until the Scottish Government budget announcement on 16 December 2015, and subsequent SFC translation into its funding announcement. An additional meeting of the Finance & Estates Committee would be held in January 2016 at which various funding scenarios and resultant actions would be discussed, prior to fuller discussion at the Court in early February.
- 11.2 Members also NOTED that the Principal was part of a small group which had been attending meetings with civil servants and the Cabinet Secretary for Finance, Constitution and Economy. Meetings had focused on the development of a five year compact between Government and the universities concerning what outputs universities would deliver in return for funding.

12 RISK MANAGEMENT

Members NOTED the Corporate Risk Register (COURT (15) 47) and the areas to be considered at the Executive Board's next review. It was confirmed that this review would take into account IT security, including cyber attacks.

13 EFFECTIVENESS REVIEW

- 13.1 Members RECEIVED a paper (COURT (15) 48) containing a report on the effectiveness of the Court. It was NOTED that, overall, the Court has effective arrangements in place to ensure that it meets its key obligations as set out in the University Court Statement of Primary Responsibilities. Members welcomed this assessment.
- 13.2 Members agreed to the recommendation that the report and recommendations should be NOTED at this stage and discussed fully at the Court away days in February 2016.

14 ANNUAL ACCOUNTS

- 14.1 Members CONSIDERED the draft audited financial statements for QMU and its subsidiary and associated companies for the year ended 31 July 2015 (COURT (15) 49 and 49a).
- 14.2 Members NOTED the University and the Group results for the year and associated cash flow and balance sheet analysis. Members also NOTED the detailed analysis of the University's financial situation, which included comparisons of the 2014/15 financial statements with financial forecasts and the previous year's financial statements. The main points highlighted were:
- An underlying surplus of around £700k was being reported for 2014/15.
 - The reported retained surplus of £1.3 million included the impact of the transfer of the student accommodation from QMSS to the University
 - There had been a significant reduction in overall borrowing
 - The University was in compliance with the Barclays loan covenant
 - The University was considered to be a going concern.

- 14.3 Members ENDORSED the accounting policies used in the preparation of the accounts and APPROVED the audited financial statements.
- 14.4 Members CONSIDERED a management representations letter (COURT (15) 50) to be provided to the external auditors and AUTHORISED the Chair of Court to sign this letter on behalf of the Court.
- 14.5 Members NOTED the external audit report from Ernst and Young for the year ended 31 July 2015 (COURT (15) 51).
- 14.6 Members NOTED the 2014/15 internal audit report from KPMG (COURT (15) 52).

15 MANAGEMENT ACCOUNTS

Members NOTED the Management Accounts and associated reports for the quarter to 31 October 2015 (COURT (15) 53). The budget gap previously reported had been closed, and there was a small improvement to the projected out-turn.

16 KEY PERFORMANCE INDICATORS

- 16.1 The Court RECEIVED a report showing the KPIs for the first quarter 2015/16 (COURT (15) 54), and updating the 2014/15 out-turn to include figures that were not available at the time of the previous report.
- 16.2 The report was NOTED, with particular thanks extended to the accommodation team for achieving full occupancy in the student residences.
- 16.3 Members CONSIDERED and APPROVED a report to the Scottish Funding Council containing a financial sustainability assessment of the University (COURT (15) 55).

17 OUTCOME AGREEMENT SELF-EVALUATION 2014/15

- 17.1 Members NOTED the Self-Evaluation submitted to SFC at the end of October (COURT (15) 56). The challenge in meeting SIMD20/40 targets in the context of additional funded places for such students being given to research intensive universities was highlighted.
- 17.2 The extent to which engagement with SMEs was a revenue stream was queried. It was reported that the income in this area would increase in line with increased engagement and the securing of new contracts. The University's increasing profile in the niche specialism of families and small business was NOTED.
- 17.3 It was NOTED that there would be a minor refresh of the Outcome Agreement for 2016/17. The Agreement already contained targets for 2016/17 with which SFC is content. The main change would be in the opening narrative to reflect the new Strategic Plan.

18 COUNTER TERRORISM AND SECURITY ACT – PREVENT DUTY IN SCOTLAND

- 18.1 Members RECEIVED a briefing paper on the University's statutory duty under the Counter Terrorism and Security Act 2015, and the action being taken to ensure compliance with that duty (COURT (15) 57). It was NOTED that this was a challenging and controversial area and potentially conflicted with freedom of speech and academic freedom.
- 18.2 Members were advised that an equivalent briefing paper had been circulated for discussion at the Senate on 9 December 2015, along with suggested amendments to the University IT

Acceptable Use Policy. It was noted that this would be an item for discussion at the Student Union Partnership Board on 15 December, and that relevant policy developments in this area would be considered by the Senate.

19 SENATE

Members RECEIVED the minutes of the Senate meeting held on 7 October 2015 (SENATE (15) MINS 04).

20 AUDIT COMMITTEE

Members RECEIVED the minutes of the Audit Committee meeting held on 19 November 2015 (AUDIT (15) MINS 04) and NOTED the annual report from the Audit Committee to the University Court (COURT (15) 58)

21 FINANCE AND ESTATES COMMITTEE

Members RECEIVED the minutes of the Finance and Estates Committee meeting held on 18 November 2015 (FEC (15) MINS 05) and NOTED the annual report from the Finance and Estates Committee to the University Court (COURT (15) 59).

22 EQUALITY AND DIVERSITY COMMITTEE

Members RECEIVED the minutes of the Equality and Diversity Committee held on 4 November 2015 (EDC (15) MINS 03).

23 DATES OF NEXT MEETINGS

Court will meet on the following dates:

4 - 5 February 2016 (Away Days)
6 April 2016
22 June 2016