

MINUTE OF A MEETING of the University Court of the University of Edinburgh held in Prestonfield Room, John McIntyre Centre, Pollock Halls on Monday, 14 December 2009.

Present: Dr J Markland, Vice-Convenor (in chair)
The Principal
The Rt Hon Lord Cameron of Lochbroom
Mr D A Connell
Professor A M Smyth
Mrs M Tait
Professor D Finnegan
Professor P Munn
Professor J Barbour
Professor S Monro
Mr M Murray
Ms A Richards
Ms G Stewart
Mr T Graham, President Students' Representative Council
Mr E Beswick, Vice-President Students' Representative Council

In attendance: Ms S Beattie-Smith, Rector's Assessor
Vice-Principal Professor N Brown
Acting Vice-Principal Professor D Fergusson
Vice-Principal Professor J Haywood
Vice-Principal Professor A McMahon
Mr M D Cornish, University Secretary
Mr N Paul, Director of Corporate Services
Dr A Cornish, Director of Planning and Deputy Secretary
Mr I Conn, Director of Communications and Marketing
Mr A Currie, Director of Estates and Buildings
Mr J Gorringe, Director of Finance
Ms S Gupta, Director of HR
Ms J McCloskey, Principal's Policy and Executive Officer
Professor J Ansell, Senate Assessor elect
Dr K J Novosel, Head of Court Services

Apologies: The Rector
Dr M Aliotta
Professor L Yellowlees
The Rt Hon G Grubb, Lord Provost of the City of Edinburgh
Mr P Budd
Mr D Workman
Mr D Brook

The Court received a presentation from Mr Richard Kington, Director of Accommodation Services entitled 'Accommodation Services – An Update'.

A FORMAL BUSINESS

1 MINUTE OF THE MEETING HELD ON 19 OCTOBER 2009

Paper A1

The Minute of the meeting held on the 19 October 2009 was approved as a correct record.

Court noted with regret that the Rector had been unable to attend this meeting for health reasons and that he was unlikely to be able to undertake duties until April or May 2010. The Court asked that its best wishes be conveyed to the Rector.

Court further noted that this would be the last meeting attended by Professor Pamela Munn and warmly thanked her for her commitment and service to the University and wished her well in her retirement.

Court warmly welcomed Professor Jake Ansell, Senate Assessor elect, who was in attendance at this meeting.

The University Secretary provided Court with updated information on a postgraduate student and it was agreed that it would be appropriate for a formal letter to be sent to the individual from Court expressing full confidence in the handling of this difficult case by the Principal and the University Secretary.

2 NOTE OF THE SEMINAR HELD ON 12 OCTOBER 2009 Paper A2

Court noted and approved the informal note of its seminar held on 12 October 2009 which had focussed on the work of ERI in assisting in the delivery of the strategic goal of excellence in commercialisation and knowledge exchange.

B PRINCIPAL'S BUSINESS

1 PRINCIPAL'S COMMUNICATIONS Paper B1

The production of a written Principal's Report was welcomed by Court and the format was considered helpful in providing members with information on current issues and recent events grouped under the headings of International, UK, Scotland and University News.

The Principal further reported on the following: for the third consecutive year, the University's Confucius Institute had been designated Confucius Institute of the Year; the receipt of £15k from Santander to support an environmental project at the University; UCU had now formally written to UCEA noting the conclusion of the 2009 national negotiation round and the pay offer of 0.5%; the intention to arrange an early meeting with Mr Mike Russell, an alumni of the University who had been appointed to the position of Cabinet Secretary of Education and Lifelong Learning; praise for the Protocol section in its handling of arrangements for three high profile events held on 16 November 2009; the announcement of £24m joint funding from the Department for Business Innovation and Skills through the Strategic Investment Fund and Scottish Enterprise to develop a 'bioincubator' facility on the BioQuarter site; the exhibition Masterpieces 1 in the Main Library had attracted much media interest with Scotland's oldest surviving book, a pocket-size book of Psalms on display; the launch of EUSA's teaching awards on 11 December 2009; the successful Carol Service held on 13 December 2009; and that it was unlikely that the decision to reduce government funding for teacher training places would be reversed and that it was unclear if transitional funding would be made available.

2 UNIVERSITY SECRETARY Paper B2

Court noted with regret the firm intention of the University Secretary to retire late summer 2010 after 32 years of service to the University and approved the proposal to initiate an external advertisement recruitment process as soon as possible to facilitate an appropriate handover period.

3 VICE-PRINCIPAL (EQUALITY AND DIVERSITY) Paper B3

It was noted that Professor Waterhouse's term of office as Vice-Principal, Equality and Diversity was due to cease on the 31 December 2009. Court approved the proposal that Professor Waterhouse should continue in this position for a further three years until 31 December 2012, recognising the continuing importance of this role.

4 RENAMING OF THE WEST WING, OLD MEDICAL QUAD Paper B4

The proposal to transfer the name William Robertson from the existing building on the east side of George Square to the refurbished West Wing of the Old Medical Quad was approved by Court; the refurbished West Wing was to house the School of History, Classics and Archaeology. It was noted that the timing of the transfer would be subject to consideration of the continuing use of any of the teaching space in the current William Robertson building and to clarification of the acceptable postal address for the refurbished building.

C SUBSTANTIVE ITEMS

1 REPORT OF THE FINANCE AND GENERAL PURPOSES COMMITTEE

Dr Markland presented the papers previously circulated.

Report from the Central Management Group's Meeting of 18 November 2009 **Paper C1.1**

Court noted the analysis of preliminary student intake figures for 2009/2010 and the actions being taken as a consequence of over recruitment of home/EU undergraduate students. Court further noted the planning round assumptions for 2010/2011. The first report of the Standing Consultative Committee on Redundancy Avoidance (SCCRA) was welcomed by Court and its demonstration of the proactive, transparent approach being taken forward in respect of these issues; Court endorsed yearly reports from this Committee. Court further welcomed the approach to manage the implications of the announcement by the Scottish Government on future funding of initial teacher training places in respect of both students and staff.

The IT Strategy and Information Security Policy were both approved by Court.

Report on other Items **Paper C1.2**

The Research and Commercialisation Report for the first quarter of the new financial year was noted and that a series of actions were being taken forward to improve the position including actions to encourage submission of grant applications. The Fraud Policy was approved subject to revision to ensure that the correct legislation and legal processes were being quoted. The approval of funding to retain the necessary EUCLID team staff for the period August to December 2010 was noted.

Court approved the subsidiary companies' Financial Statements for the year ended 31 July 2009 on the recommendation of the Finance and General Purposes Committee. Court further noted the content of the financial update and the approval of central funds to support voluntary severance during 2009/2010.

2 RISK MANAGEMENT COMMITTEE END OF YEAR REPORT Paper C2

Court noted the Annual Report from the Risk Management Committee including the detailed responses from Colleges and Support Groups on the risk questionnaire as set out in the Risk Register Annual Return and the helpful Assurance map on the actions taken

to mitigate the risks identified on the University's Risk Register (version 6).

3 RISK MANAGEMENT - POST YEAR END ASSURANCE STATEMENT Paper C3

Court noted the assurance statement.

4 AUDIT COMMITTEE ANNUAL REPORT Paper C4

It was noted that the Audit Committee endorsed the opinion of the Internal Audit Service, based on the Internal Audit Annual Report appended to its Annual Report, on the adequacy of the overall controls and governance arrangements operating in the University during 2008/2009. Court commended the formal review process now undertaken by the Audit Committee in respect of Internal and External Audit Services and welcomed the outcomes including the intention to formalise the external audit client review process.

Court further noted the draft Minute of the last meeting of the Audit Committee and that the Committee commended adoption of the Reports and Financial Statements for year ended 31 July 2009 and the Letter of Representation to Court. Court was satisfied with the Committee's process to review External Audit's Highlights Memorandum and the monitoring process now in place to ensure that items within the external audit action plan were appropriately taken forward.

5 REPORTS AND FINANCIAL STATEMENTS

Reports and Financial Statements for the year ended 31 July 2009 **Paper C5.1**

Court noted that the Group Income and Expenditure Account recorded total income in 2008/2009 of £591.5m, a 6.5% increase in turnover from the previous year demonstrating the University's continuing strong financial position; the movement in the various income streams as detailed in the notes to the Accounts were also noted. Court further noted the details on staff expenditure including the 8% increase compared to last year and the impact of the introduction of the pension salary sacrifice arrangements for members of USS and SBS schemes. Variances from the previous year's expenditure in the areas of utilities and refurbishment where significant increases were recorded and decreases in other areas were also noted by Court. Court considered that the £4m surplus achieved was a satisfactory outcome.

The notes in respect of the Balance Sheets recorded University investment of £52m in fixed assets and Court was pleased to be informed of a recovery in endowment investment since year end. Court noted the growth in creditors as a result of the University receiving advanced payments from funding bodies particularly for capital projects. Information on pension liability was set out in detail in the notes. The cash flow statement confirmed the continuing strong financial position of the Group.

Court welcomed and approved the Reports and Financial Statements for year ended 31 July 2009, noting the External Auditor's report and unqualified opinion and authorised the Principal, Vice-Convener and the Director of Finance to sign the Reports and Financial Statements as appropriate on behalf of Court.

Letter of Representation **Paper C5.2**

Court ratified the Letter of Representation and authorised the Principal to sign the Letter on its behalf.

The preparation of this detailed reported was welcomed. Court noted the continuing work to introduce a more transparent approach to forecast reporting across the University.

6 COMMISSIONERS' ORDINANCE

Court noted that as difficulties had now arisen in the approach previously proposed there would be a delay in the final version of the Ordinances been considered by Court. It was noted that the Privy Council had raised questions on the draft Ordinances submitted for informal consultation and that further legal advice including seeking Counsel's Opinion was being pursued to ascertain an appropriate way forward. Also as a result of initial electronic dialogue with Senate it had been agreed it would be more appropriate to debate the draft Ordinances at the next meeting of Senate in February and report thereon to Court.

It was further noted that discussions were continuing with trade unions on this matter. Court approved the approach in taking forward these discussions as set out in the paper under points a) to e) including Court's involvement in regard to appeals in any new arrangements and particularly endorsing the proposed dissemination of information on the proposed new arrangements to all staff.

Court noted that an update would be provided at its next meeting which may include seeking delegated authority to proceed to the next stage in the Privy Council approval process once observation had been received from Senate.

7 PERFORMANCE MONITORING

Strategic Plan 2008-2012 Targets – Annual Progress Report

Court noted the current progress in delivering the 33 targets set out in the Strategic Plan. This was the first such report on the updated Strategic Plan. The various actions being taken to improve performance in respect of those targets where it had been determined that further work was required were noted. In particular the series of actions to enhance student feedback across the University including the involvement of EUSA and the arrangements to raise students' awareness of the opportunities and benefits of participating in formally approved student exchange programmes. Court further noted that the status of some targets was yet to be determined and that in the case of those targets requiring the University's performance to be compared with other institutions this was because national data was not yet available. Progress in formally determining, at a corporate level, appraisal completion rates and participation in leadership development programmes was noted: Court emphasised the importance of bringing this work to completion.

The final progress report on the targets within the 2004/2008 Strategic Plan was noted.

8 REMUNERATION COMMITTEE ANNUAL REPORT

It was noted that this was the second annual report presented to Court since approval of the new terms of reference of the Remuneration Committee. Court noted the gender information in respect of the grade 10 staff cohort and asked that further analysis be undertaken to better determine any underlying trends. Court was assured of the robust procedure undertaken in respect of grade 10 and equivalent staff salary reviews, noted the Committee's awareness of salary levels for recently appointed grade 10 and equivalent staff and noted the intention to undertake a major exercise to improve the

recording of data on ethnicity, disability and nationality including encouraging staff declaration. Court further noted the position in respect of the Principal's remuneration for 2009/2010.

9 GOVERNANCE ISSUES

Final outcome of discussions with Court Members

Paper C9.1

Court endorsed the proposed approach and was in agreement with the items which should now be taken forward and asked that a progress report be prepared for a future meeting. Court further agreed that the other items should be referred for consideration as part of the Court's effectiveness review.

Reviewing Court's Effectiveness – methodology

Paper C9.2

Court noted the process previously undertaken in 2005/2006 to review its effectiveness and that of its Committees and the suggested ways forward in respect of undertaking the 2009/2010 review. It was agreed that a specific subgroup of Court be established to conduct the review process; the membership to be initially considered by the Nominations Committee and recommendations made to the next meeting of Court. The membership to consist of: the Principal, the Vice-Convenor of Court, a Senate Assessor, a General Council Assessor, two further lay members of Court, the University Secretary and an external member from another institution with appropriate knowledge on higher education governance matters. It was further agreed that it would be helpful to seek expressions of interest in particular from Court members and that the chair of the group should be appointed by Court and was not expected to be the Vice-Convenor.

D ITEMS FOR FORMAL APPROVAL OR NOTE

1 RESOLUTIONS

Paper D1

Court approved the following Resolutions:

- Resolution No. 48/2009: Alteration of the title of the Personal Chair of Sedimentary Geology
- Resolution No. 49/2009: Foundation of a Chair of Paediatric Clinical Neuroscience
- Resolution No. 50/2009: Amendments to Resolutions 16/2009 and 41/2009
- Resolution No. 51/2009: Alteration of the title of the Personal Chair of Mathematical Geoscience
- Resolution No. 52/2009: Alteration of the title of the Chair of Medical Imaging

2 DONATIONS AND LEGACIES

Paper D2

Court was pleased to note the donations and legacies to be notified received by the University of Edinburgh, Development Trust between 1 October and 30 November 2009, particularly welcoming the lifetime gift of £1.264m from Mr Storey towards the Medical Graduate fund.

3 USE OF THE SEAL

A record was made available of all the documents executed on behalf of the Court since its last meeting and sealed with its common seal.