



UNIVERSITY COURT

5 December 2016

Minute

- Present:** Mr Steve Morrison, Rector (in chair)
The Principal, Professor Sir Timothy O'Shea
Ms Anne Richards, Vice-Convener
Sheriff Principal Edward Bowen
Ms Doreen Davidson
Dr Alan Brown
Mr Ritchie Walker
Professor Sarah Cooper
Dr Claire Phillips
Professor Elizabeth Bomberg
Professor Alexander Tudhope
Ms Angi Lamb
Dr Chris Masters
Mr David Bentley
Dr Robert Black
Mr Alan Johnston
Lady Susan Rice
Mr Alec Edgecliffe-Johnson, President, Students' Association
Ms Jenna Kelly, Vice-President, Students' Association
- In attendance:** Mr Sandy Ross, Rector's Assessor
University Secretary, Ms Sarah Smith
Senior Vice-Principal Professor Charlie Jeffery
Vice-Principal Professor Dorothy Miell
Vice-Principal Professor Jonathan Seckl
Mr Hugh Edmiston, Director of Corporate Services
Mr Gavin McLachlan, Chief Information Officer & Librarian to the University
Ms Tracey Slaven, Deputy Secretary, Strategic Planning
Mr Phil McNaul, Director of Finance
Ms Leigh Chalmers, Director of Legal Services
Mr Gary Jebb, Director of Estates
Dr Ian Conn, Director of Communications and Marketing
Mr Gavin Douglas, Deputy Secretary, Student Experience
Ms Fiona Boyd, Head of Stakeholder Relations
Mr Lee Hamill, Deputy Director of Finance
Vice-Principal Professor Jane Norman (for Item 19)
Ms Kirstie Graham, Deputy Head of Court Services
Dr Lewis Allan, Head of Court Services
- Apologies:** The Rt Hon Donald Wilson, Lord Provost of the City of Edinburgh
Mr Peter Budd
Ms Alison Grant

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| 1 | Minute | Paper A1
Paper A2 |
| | The Minute of the meeting and note of the seminar held on 26 September 2016 was approved. | |
| 2 | Matters Arising | Verbal |
| | There were no matters arising. | |
| 3 | Principal's Communications | Paper B |
| | Court noted the content of the Principal's report and the additional information on: recent public and ceremonial events including the November Graduation Ceremonies, with an immersive artwork display in George Square Gardens by honorary doctorate recipient Tony Oursler, St Andrew's Day celebrations, the Remembrance Day service and the Christmas carol concert held at St Giles' Cathedral; a doubling of grant income compared to the equivalent quarter last year including the renewal of funding for the Wellcome Centre for Cell Biology and the announcement of £8m in funding from Cancer Research UK for the University's Cancer Research UK Edinburgh Centre; and the UK Government's Autumn Statement, with a £2bn per annum National Productivity Investment Fund announced. | |
| 4 | Policy & Resources Committee Report | Paper C |
| | Key items considered by the Policy & Resources Committee were summarised, with a wide range of transformative activities underway. An analysis of expenditure on estates projects in the previous three years showing a net underspend of £8.8m (4.3%) and the University's involvement in the proposal to establish the Rosalind Franklin Institute – a national research centre at the interface between the physical, engineering and life sciences – was welcomed. | |
| SUBSTANTIVE ITEMS | | |
| 5 | Student Experience Update | Paper D |
| | The Senior Vice-Principal thanked Court members for their contribution to the student experience seminar held prior to the Court meeting and presented an update on ongoing work to understand and enhance the student experience. The importance of work to enhance staff-student engagement and community building was noted and communicating the 2017 National Student Survey with assistance from EUSA was discussed. | |
| 6 | Teaching Excellence Framework (TEF) Participation | Paper E |
| | A summary of the UK Government's TEF Year 2 process and a recommendation as to whether the University should join the scheme was reviewed. After careful consideration of a number of Scottish-specific factors, it was agreed that the University should not | |

participate in the TEF at this stage. Participation in future years of the TEF will be kept under review as the scheme evolves.

7 Strategic Planning

The Deputy Secretary, Strategic Planning, presented the following:

- **Strategic Plan 2012-16: Targets and KPIs progress report** **Paper F1**

The annual report on progress against the targets and Key Performance Indicators (KPIs) within the Strategic Plan 2012-16 was received. Noting the volatility of the external policy environment over the period, that a review of the University's employability strategy is underway and that performance measures for the Strategic Plan 2016 will give a more balanced assessment of performance, Court agreed that the University has broadly delivered or made substantial progress against the targets and key performance indicators in the Strategic Plan 2012-16.

- **Outcome Agreement** **Paper F2**

The proposed approach to negotiating the 2017-18 Outcome Agreement with the Scottish Funding Council was endorsed.

8 Audit & Risk Committee Annual Report **Paper G**

The Convener of the Audit & Risk Committee presented the Annual Report to Court. Noting the unqualified opinion of the Internal and External Auditors and the review of financial controls across the University Group, Court was content that the assurances provided on the University's internal control environment were sufficiently adequate to allow approval of the University's Annual Report and Accounts.

9 Risk Management Post year Assurance Statement **Paper H**

It was noted that no College or Support Group had reported any significant new events or material issues since the year end of 31 July 2016 which might impact on the ability of Court to approve the Annual Report and Accounts.

10 Finance

The Director of Finance presented the following:

- **Finance Director's Update** **Paper I1**

Management Accounts for the month of October 2016, updates to the Ten Year Forecast, progress on the review of the University's financial controls and an update on revisions to the University's Staff Benefits Scheme to take effect from 1 January 2017 were noted. Contingency planning, including modelling effects of inflation and

volatility in relation to the valuation of the Universities Superannuation Scheme (USS), was discussed.

- **Annual Report and Accounts 2015/16**

Paper I2

Following scrutiny by Audit & Risk Committee and Policy & Resources Committee, the Annual Report and Accounts for the year ended 31 July 2016 were presented for approval. Highlights, including growth in revenue from £825m to £890m (excluding exceptional items), growth in student numbers from 35,255 to 37,510 and an increase in net assets from £1,864m to £1,920m, were welcomed. Court thanked all staff for their contribution towards the financial performance of the University and those involved in producing the Annual Report and Accounts.

Court approved the Annual Report and Accounts 2015/16 and authorised the Principal, Vice-Convener of Court and Director of Finance to sign the document on behalf of Court as appropriate.

- **Letter of Representation**

Paper I3

Court approved the Letter of Representation to provide the required declaration to the External Auditor on the information contained in the Annual Report and Accounts subject to minor typographical amendments and authorised its signing by the Principal and Vice-Convener.

- **US GAAP Management Commentary and Financial Statements 2015/16**

Paper I4

Court approved the US GAAP Management Commentary and Financial Statements 2015/16.

11 Roslin Technologies

Paper J

The Director of Corporate Services presented a revised business model and plan to establish Roslin Technologies Ltd – a commercialisation company to develop and commercialise Intellectual Property from the Roslin Institute and the Royal (Dick) School of Veterinary Studies. It was noted that any proceeds obtained by the University will be used to further advance its charitable purpose and that the University's share of any profit/loss made by Roslin Technologies will be consolidated in the University Group's Income & Expenditure statement.

Court approved the delegation of authority to the Director of Corporate Services to complete the commercial diligence process and finalisation of the necessary legal agreements so that the Joint Venture can be constituted, the investment received and the University take its 50% equity stake in the company and the delegation of authority to the University Secretary for signing the legal agreements.

12 Estates

The Vice-Principal Planning, Resources & Research Policy presented the following:

- **Building a New Biology**

Paper K1

Noting the key points from the Business Case and the £38.2m funding previously approved for the project, Court approved £43.6m funding from University Corporate Resources to complete the redevelopment of the Darwin Tower and BioHive and approved £28.6m from University Corporate Resources to complete the new Biology Biomedical Research Facility.

- **Central Bioresearch Services Estates Strategy**

Paper K2

Noting the benefits from consolidating Biomedical Research Facilities, Court approved the Central Bioresearch Estates Strategy.

- **Biological Research Facility at the Institute of Regeneration and Repair**

Paper K3

Noting the key points from the Business Case, Court approved £12.7m funding from University Corporate Resources to finance the Biological Research Facility at the Institute for Regeneration and Repair, to move the project to main contractor procurement and to completion on site.

- **St Leonard's Street Student Accommodation**

Paper K4

Court approved an agreement to enter into a 15 year Nominations Agreement for a 579 room student accommodation building at St Leonard's Street. The importance of communal spaces in student accommodation buildings and providing a range of affordable student accommodation options with leases suitable for undergraduate and postgraduate students was discussed.

13 Annual Review 2015/16

Paper L

Court approved nine feature articles for publication in the University's Annual Review 2015/16.

14 EUSA President's Report

Paper M

The EUSA President reported on activities since the last meeting, including a student referendum on the provision of 'nap pods' in the University Library; the award of grants to 133 students from widening participation backgrounds to assist with participation in student societies involving travel or specialist equipment costs; preparation for the second annual Mental Health & Wellbeing Week in late January; and the first Green Festival to celebrate sustainability at the University and in the city.

15 Court Survey **Paper N**

The University Secretary presented the summary findings from the annual survey of Court members completed over the summer period. Members discussed the frequency of reviews of Court members' contributions, with the Vice-Convenor and University Secretary to consider whether annual reviews and peer reviews may be appropriate. Providing additional comparative institutional benchmarking data and Court oversight of activity to enhance the student experience was also discussed.

ITEMS FOR NOTING OR FORMAL APPROVAL

16 Review of Delegated Authority Schedule **Paper O**

The revised Delegated Authority Schedule was approved.

17 EUSA Democracy Review Phase 2 **Paper P**

Phase 2 of the EUSA Democracy Review – facilitating a change in the number and individual responsibilities of sabbatical officers, the appointment of student trustees and a change in the membership of Student Council – and accompanying changes to the Articles of Association, Sabbatical Regulations and Democracy Regulations, was approved.

18 New bank accounts **Paper Q**

The establishment of two HSBC and Santander bank accounts for treasury management purposes was approved.

19 Committee Reports **Paper R1**

- **Exception Committee**

The following matter approved by the Exception Committee on behalf of Court was noted: an unsuccessful bid to purchase two student accommodation blocks to subsequently lease to the Edinburgh Student Housing Co-operative.

- **Court EU Referendum Sub-Group** **Paper R2**

Progress with the three stands of activity: Communications; Scenario Planning & Mitigation; and Strategic Partnerships, since the September Court Seminar discussion was discussed.

- **Audit & Risk Committee** **Paper R3**

Key points from the report were noted and the Modern Slavery Statement approved.

- **Remuneration Committee**

Paper R4

The Convener of Remuneration Committee summarised the annual report, with the Vice-Principal People & Culture providing further information on work to understand and address the Grade 10 gender pay gap.

- **Knowledge Strategy Committee**

Paper R5

Key points from the report were noted and two approvals granted:
i) Renewal of the Elsevier ScienceDirect Agreement for academic journal subscriptions for five years from 2017 to 2021
ii) Purchase of a £2.4 million High Performance Computer system extension – wholly funded by the Engineering & Physical Sciences Research Council – with signing authority delegated to the Head of the College of Science & Engineering.

- **Senate**

Paper R6

Court noted key points from the September Senate meeting.

20 Donations and Legacies

Paper S

Donations and legacies received by the Development Trust from 1 September 2016 to 15 November 2016 were noted.

21 Uses 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.

22 Any Other Business

Court members were reminded of the invitation to attend a reception for long-serving members of staff in the Playfair Library following the conclusion of the meeting.

23 Date of next meeting

Monday, 6 February 2017