



UNIVERSITY COURT

5 December 2022, John McIntyre Conference Centre, Pollock Halls

Web Version

Minute

- Members Present:** Debora Kayembe, Rector
Joyce Anderson, Trade Union Professional Services Staff Member
Frank Armstrong, Co-opted Member
Shereen Benjamin, Senatus Assessor
Richard Blythe, Senatus Assessor
Alastair Dunlop, Chancellor's Assessor
Perdita Fraser, Co-opted Member
Ruth Girardet, Co-opted Member
Tobias Kelly, Academic Staff Member
Janet Legrand, Senior Lay Member
Peter Mathieson, Principal & Vice-Chancellor
Sarah McAllister, Professional Services Staff Member
Douglas Millican, Co-opted Member
Jock Millican, General Council Assessor
Hugh Mitchell, Co-opted Member
Kathryn Nash, Trade Union Academic Staff Member
Niamh Roberts, Students' Association President
Alistair Smith, Co-opted Member
Isi Williams, Students' Association Vice-President Community
Sarah Wolffe, General Council Assessor
- Member Apologies:** Robert Aldridge, City of Edinburgh Council Assessor
Douglas Alexander, General Council Assessor
- In Attendance:** Leigh Chalmers, Vice-Principal & University Secretary
Kate Huang, Governance Apprentice
Sophia Lycouris, Rector's Assessor
- Presenters & Observers:** Lewis Allan, Head of Court Services
David Argyle, Interim Head of College
Christina Boswell, Vice-Principal Research & Enterprise
Lucy Evans, Deputy Secretary Students
Iain Gordon, Vice-Principal & Head of College
Kim Graham, Provost
Lee Hamill, Director of Finance
Colm Harmon, Vice-Principal Students
Gary Jebb, Director of Place
Catherine Martin, Vice-Principal Corporate Services
Gavin McLachlan, Vice-Principal, Chief Information Officer & Librarian to the University
Theresa Merrick, Director of Communications & Marketing
Sarah Prescott, Vice-Principal & Head of College
James Saville, Director of Human Resources
Rona Smith, Deputy Secretary Governance & Strategic Planning
Barry Nielson, Director of Strategic Change (for Paper F1)

OPENING ITEMS

1 Senior Lay Member Extension of Term

Paper A

The Senior Lay Member and all attendees, presenters and observers aside from the Vice Principal & University Secretary and the Head of Court Services absented the meeting for this item.

Debora Kayembe, Rector, reminded all present of the confidentiality of discussions at Court meetings.

Noting that Janet Legrand, Senior Lay Member, is serving the final year of a first term of office and that the relevant legislation and regulations allow for an extension of this term, a proposed extension for a second and final period of three years from 1 August 2023 to 31 July 2026 was considered. It was noted that Frank Armstrong, in his capacity as Intermediary Member of Court, had sought feedback from all Court members, held a review meeting with the Senior Lay Member and then updated Nominations Committee, who were unanimous in recommending that an extension be made. On the recommendation of the Nominations Committee, Court approved an extension of the Senior Lay Member's term of office to 31 July 2026.

2 Senior Leadership Team Remuneration Review 2023 – Proposed Approach

Paper B

All attendees, presenters and observers aside from the Vice Principal & University Secretary, the Director of Human Resources and the Head of Court Services absented the meeting for this item.

Court reviewed the proposed approach of the Remuneration Committee to the annual review of the remuneration of the Senior Leadership Team, to be presented for approval by the Remuneration Committee in January 2023. The proposed general framework was supported. It was noted that Paper F2 (Senate Letter to Court on People and Money System Implementation) includes a recommendation relevant to the Senior Leadership Team Remuneration Review and this would be considered under that item.

3 Minute

Papers C1-C2

The minute of the meeting and the note of the seminar both held on 4 October 2022 were approved.

4 Matters Arising & Review of Action Log

Paper C3

There were no matters arising and the action log was noted.

A summary of the Principal's main activities since the last meeting was noted, with the Principal commenting on the following:

- The implementation of the finance component of the People & Money system has been a key area of activity and will be considered in more detail later in the agenda. This has been challenging and has affected many in the University. It has also generated much public commentary, some of which has been inaccurate, impacting the University's reputation;
- An internal recruitment process is underway for the appointment of a new Head of College of Medicine & Veterinary Medicine as Professor Moira Whyte will conclude her first term in March 2023 and will not seek a second term;
- The 2022 Principal's Medals have been awarded to the following staff and students in recognition of their exceptional support to the University and/or wider community:
 - Lianne Henry - Head of Student Allocations, Accommodation, Catering and Events;
 - Lesley Penny - Director of Bioresearch & Veterinary Services;
 - Stav Salpeter - recent graduate from the School of Social and Political Sciences and the Law School;
 - Karen Riddell and Rebecca Whitefield, Protocol Team; and,
 - Student Counselling Service - accepted by Ronnie Millar, Director, Student Counselling Service on behalf of the team.
- The Universities and Colleges Employers' Association intend to bring forward the 2023-24 annual pay negotiations and could make a pay award six months earlier than usual;
- The King's Buildings Nucleus has opened and members are very welcome to visit and tour the building – a future meeting will also be held there if suitable; and,
- The University's partnership with the Mastercard Foundation has been renewed and will enable hundreds of fully-funded scholarships to be offered to students from largely sub-Saharan African countries.

Following on from comments at a recent all staff Town Hall meeting, it was queried whether consideration is being given to recalibrating University grades across the pay scale and enabling a pay uplift for all staff. It was confirmed that, while there are no plans to recalibrate all pay scales, an uplift has been made at Grade 3 level given pay compression resulting from increases in the National Living Wage and that a wider review is underway to consider certain job categories where difficulties are being experienced in attracting and retaining staff.

6 Committee Business

• Senior Lay Member's Overview

Janet Legrand, Senior Lay Member, noted that the annual Court stakeholder update event had been held on 1 November and had been well attended, with over 500 people participating. An updated draft version of the Scottish Code of Good Higher Education Governance is in development and should be finalised shortly. Members were thanked for their participation in the internal effectiveness review meetings held

over the summer and summarised in the paper to be considered within Item 16 below.

- **Policy & Resources Committee** **Paper E1**

The report was noted, with the Committee having concentrated on the People & Money system at the most recent meeting, as well as considering the Strategy 2030 Key Performance Indicators and the Size and Shape update amongst other items.

- **Nominations Committee** **Paper E2**

The report was noted.

- **Audit & Risk Committee** **Paper E3**

The report was noted, including the Committee's consideration of the People & Money system and the Annual Report and Accounts and its encouragement to management to reduce the number of overdue actions resulting from Internal Audit reports, with the Provost to set up a working group to oversee this. The Committee is initiating an appointment process for new External Auditors and aim to submit a recommendation to the June 2023 Court meeting for approval.

- **Remuneration Committee Annual Report** **Paper E4**

The report was noted, including the significant amount of senior staff recruitment over the past year, as well the Committee's support for a doubling of staff who could be considered for a salary award, a 50% increase in the number who could be recognised for a lump sum award and the exceptional payment of £500 made to all staff in recognition of the contributions made over the past two challenging years.

- **Knowledge Strategy Committee** **Paper E5**

The report was noted, including the update on the development of a University Digital Strategy.

- **Senate** **Paper E6**

The report was noted, including Senate's discussion of the Sustainable Travel Policy and associated travel provider, with Senate's views conveyed to the University Executive.

KEY ITEMS FOR DISCUSSION/DECISION

- 7 **People and Money** **Paper F1**
 - **People and Money Implementation and Strategic Change**

An update on the implementation of the People and Money system and wider work on the future provision of strategic change and continuous improvement support was

reviewed. It was reiterated that the rationale for the People and Money system is to replace outdated systems for HR, Finance, Payroll and Procurement, with a new system and processes to support the HR and Finance Transformation programmes. The implementation of Phase 3, a new finance system and processes, from 31 August, has led to significant disruption across a range of areas, including payments due to students and suppliers, research grants processes, budgeting and forecasting, as well as concerns over how the system operates in terms of user autonomy and functionality. Urgent work is underway to make overdue payments, improve research grant processes and budgeting and forecasting, as well as to communicate with those affected and improve training provision for users and improve resourcing in the Finance Operations team. An external review of the system implementation will be commissioned, with the scope to be considered by Court, and recognition that lessons should be learned for managing future change projects in the University more generally.

Members raised the following points:

- Recognising the challenges for staff involved in operating the new system and ensuring that they are able to take leave over the Christmas and New Year period – the Finance Operations team are making early payments where possible ahead of the closure period in preparation and a rota system has been prepared to enable staff involved to take leave over the period;
- Progress in stabilising and improving the system and processes has been made in recent weeks and there was support expressed for continuing with the implementation in order to realise in due course the benefits the system can offer, noting that it is not uncommon for major new systems of this type to encounter disruption in their early stages. It was cautioned against initiating an external review before the system has been sufficiently embedded;
- Whether there are indications of improvements at a local level and how this can be assessed – implementation groups are well-established and are resolving or escalating issues in local areas where appropriate;
- The open meetings on the new system that had been held in November across the campuses were welcomed;
- An opportunity for Court members to meet key staff such as Directors of Professional Services and Heads of School to discuss the new system was suggested;
- There are a number of other strategic change projects progressing at present and lessons should be learned and applied in these projects as rapidly as possible;
- Ensuring that the full costs of change management projects, including costs at a local level, are integrated into resource planning – this is being worked on through Strategic Change, linking to the Planning Round process;
- The external review could be broadened to look at decision making more broadly; and,
- Whether the need for greater risk mitigation and resource for this could have been anticipated and put in place at an earlier stage – while a payments backlog was anticipated with the changeover in systems, and plans for resolving this made, the eventual scale of the backlog was much larger than anticipated.

- **Senate Letter to Court on People and Money System Implementation**

Paper F2

All attendees, presenters and observers aside from the Vice-Principal & University Secretary and the Head of Court Services absented the meeting for this item.

The Senate Assessors presented a paper and an associated open letter from many elected members of Senate and co-signatories on the impact of the implementation of the finance processes of the People and Money system on the University's core business, strategic agenda and reputation and proposed actions in response. It was commented that it is known that implementing systems of this type can be difficult and disruptive and that anticipated issues had been raised by staff in advance but the level of risk mitigation taken in response had been inadequate. Court was asked to consider and respond to the letter and to the proposed actions in the paper.

The following points were raised in discussion:

- The scope and timing of an external review was debated, including potentially incorporating relevant academic expertise and whether the review should be broadened to include wider decision-making and its relation to other strategic change projects – it was proposed that the scope of an external review focused on People and Money and including relevant academic expertise be drafted by the Head of Internal Audit and reviewed and approved by Court at its next meeting. It was noted that the University Executive is also actively considering the approach to the future provision of strategic change and continuous improvement support and Court's next external effectiveness review will consider wider governance oversight;
- A need to improve institutional learning from change projects had been raised by staff prior to the People and Money system and there are wider issues with a sense of overload and low morale, which has been exacerbated by the difficulties with the system's implementation;
- The importance of learning lessons for other change projects, while recognising that some are very different in nature, such as the Curriculum Transformation Programme;
- The extent of Court's involvement to date in oversight of the system's development and implementation, noting that Court and its committees have received regular updates and agreed to proceed with the development of the system at the outset of the pandemic given the need to replace outdated systems in place at the time;
- Court should continue to receive regular updates, including an update prior to the next meeting and reporting on the resolution of implementation issues;
- The implementation of the HR component of the People and Money system should also be considered; and,
- Whether to issue a public statement from the Court and the timing and clearance of this.

It was agreed that:

- The Senior Lay Member would authorise a public statement on behalf of Court to issue the following day;

- A timely and rigorous external review should be instigated with a proposal on commissioning, scope, and timescale of the review to be submitted to Court for approval, recognising that this needs to be balanced against completion of the stabilisation work currently underway;
- The outcomes of the external review should help to inform future decision-making and oversight for major change projects and system procurement and implementation;
- Consideration will be given by the Remuneration Committee to the People and Money planning and crisis response when assessing performance as part of its annual review of remuneration of members of the Senior Leadership Team.

8 Student Experience Update

Paper G

An update on student experience work covering the first quarter of the academic year was reviewed. The first phase of the new student support model has been implemented and has been well received to date, with work underway to prepare for implementation across all Schools at the start of the next academic year. The University Executive will consider student experience and curriculum transformation at an away day later this week and an additional briefing session covering student experience and curriculum transformation will be offered to Court members early in 2023. Whether all students receive digital skills training and learning from curriculum change programmes in other institutions were raised as topics of interest for the next update.

9 Students' Association and Sports Union Reports

Papers H1-H2

The regular reports from the Students' Association and Sports Union were noted.

10 Audit & Risk Committee Annual Report

Paper I

The Convener of Audit & Risk Committee presented an annual report to support approval of the University's financial statements. It was noted that the Committee has reviewed the draft financial statements and received sufficient assurances from the Head of Internal Audit and the external auditors. The Committee was content with the adequacy of internal controls, compliance with the Scottish Code of Good Higher Education Governance and the assessment and management of risk and will also look to undertake more work on risk management in the coming year. The Senior Lay Member thanked Committee members and staff supporting the work of the Committee for their work in reviewing and preparing the financial statements and associated documents.

11 Risk Management Post Year End Assurance Statement

Paper J

The Risk Management Post Year End Assurance Statement in support of the Annual Report and Accounts 2021-22 was noted.

12 Finance

• Director of Finance's Report

Paper K1

The Director of Finance's Report was reviewed, including a proposed new contract for merchant acquiring services. The award of the contract for merchant acquiring services to Lloyds Bank (Cardnet) was approved.

• Annual Report and Accounts 2021-22

Paper K2

The Annual Report and Accounts 2021-22 was approved.

• Letter of Representation

Paper K3

The Letter of Representation and its signing by the Principal and Senior Lay Member was approved subject to minor amendment.

• Annual Report and Accounts 2021-22 – US GAAP

Paper K4

The restatement of the figures within the Annual Report and Accounts according to the United States Generally Accepted Accounting Principles (US GAAP) was approved.

13 Performance Measures to Support Strategy 2030: 2021-22 Year-End Report

Paper L

The 2021-22 year-end report for the Strategy 2030 Key Performance Indicators was reviewed. Members discussed potential enhancements and complementary reporting information that would be useful to Court, including data on the physical estate in relation to staff and student numbers, developing a measure for KPI 4 "Efficient systems", including more benchmarking/milestone data in future iterations and including information on research culture within the research indicators or within the research strategy currently under development.

14 Size and Shape: Update

Paper M

An update on work to determine a framework for size and shape planning for the student population was considered. It was requested that future updates include on and off campus numbers and weighted space per student/staff. It was noted that the University has the largest number of Scottish and Rest of UK undergraduates in the Scottish sector.

ITEMS FOR NOTING OR FORMAL APPROVAL

15 Outcome Agreement 2022-23

Paper N

The Outcome Agreement 2022-23 and associated annexes were reviewed and approved, with authority delegated to the Deputy Secretary Governance & Strategic Planning to make any final amendments prior to submission to the Scottish Funding Council. It was queried whether there is a long term institutional strategy for

researchers on fixed term contracts, noting that this is currently being considered within the development of a research cultures action plan, with an intention to move towards open ended contracts.

16 Court Internal Effectiveness Review 2021-22 **Paper O**

Court considered and approved the annual internal effectiveness review for 2021-22.

17 Donations and Legacies; Alumni Activities **Paper P**

Court noted legacies and donations received since the last meeting and an update on alumni relations activities.

18 Resolutions
• **Resolution: Code of Student Conduct** **Paper Q1**

The following Resolution was approved:

- No. 117/2022: Code of Student Conduct.

• **Resolutions: Chairs** **Paper Q2**

The following Resolutions were approved:

- No. 118/2022: Foundation of a Personal Chair of Computational Medicine
- No. 119/2022: Foundation of a Personal Chair of Data Arts and Society
- No. 120/2022: Alteration of the title of the Personal Chair of Data Science

19 Any Other Business

It was requested that impact case studies developed for the Research Excellence Framework 2021 be circulated.

20 Date of Next Meeting

Monday, 27 February 2023