

COURT**Minutes**

In the Chair: Mr Gavin Gemmell

Date of Meeting: 2 October 2006

Present also: Acting Principal, John Simmons
 Mr Michael Breaks
 Mr Malcolm Durie
 Mr Steven Findlay
 Mr Neil Fraser
 The Rt Hon Lord Johnston
 Mr James Maguire
 Mrs June Maxwell
 Dr Judith McClure

Mr Ray Perman
 Mr Jim Polson
 Dr John Sawkins
 Councillor Andrew Scobbie
 Dr Gillian Thomson
 Professor Adrian Todd
 Professor Andy Walker
 Mr David Woods

In attendance: Professor Denis Hall, Deputy Principal (Research)
 Mr Stefan Kay, Director of Campus Services, Scottish Borders Campus
 Mr Peter Kerr, Director of Estate & Building Services
 Mr Richard McGookin, Director of Planning
 Mr Phil McNaull, Director of Finance & IS/IT
 Mrs Kathy Patterson, Academic Registrar & Deputy Secretary
 Professor Alan Prior, Dean of the University
 Mr Peter Wilson, Secretary of the University
 Mr Alastair Hood, Assistant Secretary (Court)
 Ms Lorna Kirkwood-Smith, Senior Executive Officer

Dr Alexander Bell, Secretary, HWU UCU (for item 14)
 Dr Victor De Lima, University Physician (for item 13)
 Professor Bob Reuben, Convener, Occupational Health & Safety Committee (for item 12)

1 APOLOGIES

Apologies for absence were intimated from Baroness Susan Greenfield, Mr Graeme Bissett, Dr Moyra Kedslie, Dr Alan Parsley, Dr John Steel, Ms Yvonne Savage and Mr E Weeple.

2 MINUTES

Approved the minutes of the meeting of Court held on 26 June 2006.

3 REPORT FROM THE COURT EMERGENCY COMMITTEE (PAPER A)

Noted that the Court Emergency Committee had approved, by correspondence, the following senior academic promotions which took effect from 1 August 2006:

Dr M Desmulliez	Engineering & Physical Sciences	Professor
Dr P Jenkins	The Built Environment	Professor
Dr P T Konstantopoulos	Mathematical & Computer Sciences	Professor
Dr G J Michaelson	Mathematical and Computer Sciences	Professor
Mr H Pawson	The Built Environment	Professorial Fellow
Dr A J Moore	Engineering and Physical Sciences	Reader

4 COMMUNICATIONS FROM THE CHAIRMAN OF COURT

The Chairman referred to a number of matters with which he had been actively concerned over the course of the summer:

- graduation ceremonies held in July had been, once again, highly successful;
- work over recent months to appoint a new Principal & Vice-Chancellor was nearing completion. The joint Committee of Court and Senate, with the support of the Recruitment Consultant appointed by the University, had been engaged in an extensive process of selection. While the task had not been an easy one, the Committee had arrived at a clear recommendation. An offer had been made to, and accepted by, the successful candidate and the due process of taking up references was underway. In terms of Ordinance 27, special meetings of the Court and of the Senate would be called for the afternoon of Tuesday 10 October 2006. Formal notice of the meeting of Court would be mailed by the Secretary of the University. Due to the importance of this meeting, Court members were requested to make every effort to attend;
- the Chairman looked forward to meeting colleagues at the farewell dinner to be held in honour of Professor John Archer on 2 October 2006. Colleagues who would like to contribute towards gifts for Professor and Mrs Archer were advised that they still had the opportunity to do so.

5 COMMUNICATIONS FROM THE ACTING PRINCIPAL/PME (PAPER B)

Noted communications from the Acting Principal/PME. The report, supplemented by an additional paper tabled at the meeting, included a range of news topics of current/recent interest and involvement.

The following further observations/comments were made:

- the importance, in student recruitment drives, of active promotion of the University brought by physical outreach activity;
- the University should continue to keep a watchful eye on any squeeze on facilities that might result from growth in on-campus student numbers. While it was anticipated that the overall population of on-campus students would be broadly comparable to recent years, any concerns about pressure on facilities should be reported to the Secretary or the Deputy Secretary;
- market testing activities were planned in respect of development of CPD activity in the University;
- the University could consider involvement of an alumni member of Heriot-Watt to help support implementation of the Athena Swan Charter;
- Court members were reminded that they would be very welcome to attend either of the graduation ceremonies scheduled to take place on Saturday 18 November 2006. These would be the last occasions on which Heriot-Watt graduations would take place at the Festival Theatre.

6 COMMUNICATIONS FROM THE SENATE: ACADEMIC PROMOTIONS BOARD (SENIOR PROMOTIONS) (PAPER C)

Approved the following senior academic promotions, recommended by the Principal & Deans Committee acting on behalf of the Senate, to take effect from 1 September 2006:

Dr G S Buller	Engineering & Physical Sciences	Professor
Dr C J Fortune	The Built Environment	Professor

7 REPORT FROM THE AUDIT COMMITTEE (PAPER D)

Received a report from the Audit Committee, noting those items presented for information.

Approved recommended changes to the terms of reference of the Audit Committee as detailed in the paper presented.

8 REPORT FROM THE ESTATE STRATEGY COMMITTEE (PAPER E)

Received and noted a report from the Estate Strategy Committee including the Annual Report – 2005/06 of the Estate Office.

The following observations/comments were made:

- the Convener reported encouraging progress, a very positive shared sense of purpose and a collaborative approach to the SBC Co-location Project by the partners involved. The Director of Finance & IS/IT expressed confidence that the SBC Co-location Project would run to schedule. The project was currently on target and good progress was being made. Full project management structure and reporting accountabilities were in place as were risk management procedures for the construction part of the project. The tendering process for major areas of the project had not yet been reached. It was noted, with regard to tendering, that contracts had been set in such a way that smaller companies would be able to compete;
- Borders College had secured funding from the Scottish Funding Council to enable production of a best practice guide to support future joint FE/HE collaborations;
- the Director of Estate & Building Services highlighted the challenge of managing the backlog maintenance requirement. A condition and compliance survey was underway and by the end of the calendar year information which will influence future strategy should become available;
- the importance of continuing to review the University's performance in terms of its energy consumption and to identify ways to reduce this further in the future;
- The President of the Students' Association reported on the theft, in the previous year, of an ATM unit from Association premises. The President highlighted the matter of adequate CCTV coverage as an issue that the Students Association was keen to see addressed in the future.

9 REPORT FROM THE FINANCE COMMITTEE (PAPER F)

Received and noted a report from the Finance Committee.

Noted also a supplementary oral update by the Vice-Principal on recent developments in respect of Interactive University. Members of Court were reminded of the strictly confidential nature of this item of business, discussions on which were at a sensitive stage. Noted that discussions involving Heriot-Watt, Interactive University and the Scottish Executive were ongoing and that PME had agreed to review the situation at its meeting on 26 October 2006 in the light of progress made. Noted that the additional time set aside for ongoing consultations would not leave the University open to additional risk.

10 REPORT OF THE STAFFING STRATEGY COMMITTEE (PAPER G)

Received and noted a report from the Staffing Strategy Committee.

The Convener highlighted, in particular, the negative impact of costs associated with the pay settlement and the Framework Agreement on the University's current and future financial position, and significant areas of work/negotiation outstanding on some of key aspects of Framework Agreement implementation.

11 STRATEGY REVIEW AND DEVELOPMENT (PAPER H)

Noted and approved a proposed approach to the further development of the University's Strategy as detailed in a paper presented by the Acting Principal, noting that the paper represented "work in progress". The proposals, which provided a coherent approach to addressing the fundamental issue of the University's future financial sustainability, included/highlighted:

- a process for strategic development which emphasised the responsibility of Court for the vision, mission, values, strategic goals and key targets of the University, advised by PME;
- the responsibility of PME for the more detailed objectives, targets and activities for each strategic development activity, advised by the Boards of PME;
- the responsibility of the Boards of PME for developing a detailed strategy to achieve the objectives;

- the strategic objective of growth and the conciliation of University targets with School plans;
- the responsibility of PME for the overall process and structure.

Approved recommendations that:

- the University's mission statement should remain unchanged; this being expressed currently: *the mission of the University is to create and transfer knowledge, to enable students and staff to fulfil their potential and to enrich all the communities with which it engages*;
- development of the University's vision and values statements should be taken forward under the leadership of the new incoming Principal & Vice-Chancellor of the University;
- strategic goals should include, inter alia, achievement of a financial operating surplus of 7% by 2011 – a target that management considered to be in the upper reaches of the University's aspirations but which was, nevertheless, considered achievable;
- strategic development should focus on Learning and Teaching, Research and Knowledge Transfer and Institutional Infrastructure, the details of which will be developed further by the Boards of PME.

Agreed that the University's statement of mission, vision, values, strategic goals and key targets should be brought back for consideration at the away day meeting of Court in May 2007 and that an update on progress on the detailed objectives, targets and activities should be presented to Court at its meeting in December 2006.

12 ANNUAL REPORT OF THE OCCUPATIONAL HEALTH & SAFETY COMMITTEE (PAPER I)

Received and noted the Annual Report 2005/06 from the Occupational Health & Safety Committee.

Court members were advised that a fuller report of the Committee would be available on request from the Secretary of the University.

13 ANNUAL REPORT OF THE HEALTH SERVICE (PAPER J)

Received and noted the Annual Report 2005/06 of the University Health Service.

14 ANNUAL REPORT OF THE UCU JOINT NEGOTIATING AND CONSULTATIVE COMMITTEE (PAPER K)

Received and noted the Annual Report 2005/06 of the UCU Joint Negotiating and Consultative Committee.

15 ANNUAL REPORT OF THE EIS-ULA JOINT NEGOTIATING AND CONSULTATIVE COMMITTEE (PAPER L)

Received and noted a Report of the EIS-ULA Joint Negotiating and Consultative Committee covering the years 2004/05 and 2005/06.

16 APPOINTMENTS OF HONORARY CHAPLAIN (PAPER M)

Approved, on the recommendation of the Chaplaincy Council, the appointment of the following as Honorary Chaplains to the Chaplaincy Council, with immediate effect:

- The Reverend Geoffrey Baines, nominated by the Methodist Church in Edinburgh;
- The Rev. David Broderick, nominated by the former Honorary Baptist Chaplain.

17 COURT SCHEDULE: STRATEGIC ISSUES (PAPER N)

Noted and approved a proposed schedule of reporting to Court in key strategic areas from 2006/07 and beyond. This remained unchanged from the schedule of business previously agreed with the exception of the presentation to Court of a number of annual reports. The Secretary of the University confirmed that the proposed changes were designed to streamline the schedule of business, and present reports to Court as soon as was practical following the period of reporting covered. Almost all annual reports could, therefore, be presented to the October meeting of Court each year. A notable exception was the report of the Office of Student Affairs which reported retrospectively on the academic year. In this case a presentation at the December meeting of Court was proposed.

18 DATE OF NEXT MEETING

Court members were reminded that the date of the next meeting is **Monday 11 December 2006**.

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COURT**Minutes**

In the Chair: Mr Gavin Gemmell

Date of Meeting: 11 December 2006

Present also: Acting Principal, John Simmons
 Mr Liam Burns
 Mr Malcolm Durie
 Mr Steven Findlay
 Mr Neil Fraser
 The Rt Hon Lord Johnston
 Mr James Maguire
 Mrs June Maxwell
 Dr Alan Parsley

Mr Ray Perman
 Mr Jim Polson
 Dr John Sawkins
 Dr John Steel
 Professor Adrian Todd
 Professor Andy Walker
 Mr Ed Weeple
 Mr David Woods

In attendance: Mr Phil McNaull, Director of Finance & IS/IT
 Mrs Kathy Patterson, Academic Registrar & Deputy Secretary
 Professor Alan Prior, Dean of the University
 Mr Peter Wilson, Secretary of the University
 Mr Alastair Hood, Assistant Secretary (Court)
 Ms Lorna Kirkwood-Smith, Senior Executive Officer
 The Reverend Howard Taylor (for item 33)
 Mr David Guest (for item 35)

20 APOLOGIES

Apologies for absence were intimated from Baroness Susan Greenfield, Mr Michael Breaks, Mr Graeme Bissett, Dr Moyra Kedslie, Dr Judith McClure, Ms Yvonne Savage, Councillor Andrew Scobbie and Dr Gillian Thomson.

21 MINUTES

Approved the minutes of the meeting of Court held on 2 October 2006 and of the extraordinary meeting held on 10 October 2006.

22 COMMUNICATIONS FROM THE CHAIRMAN OF COURT

The Chairman referred to several matters with which he had been actively concerned over the period since the last meeting:

- the most significant recent development had been the appointment of Professor Anton Muscatelli who would take up the appointment of Principal & Vice-Chancellor of the University on 1 February 2007;
- the Chairman had engaged in discussions in the sector involving chairmen of other HEI governing bodies to consider how the sector should best represent its interests in the light of the forthcoming Scottish Parliamentary general election in May 2007 and the next spending review settlement;
- the Chairman had made plans to visit the Dubai Campus in January 2007;
- the Chairman outlined, with reference to the Nominating Committee (Court) recommendations, the intention to retain a degree of flexibility by not filling every vacancy on Court. A small amount of slack might be advantageous with respect to succession planning in the period of 18 months through to the end of his period of office.

23 COMMUNICATIONS FROM THE ACTING PRINCIPAL/PME (PAPER A)

Noted communications from the Acting Principal/PME. The report included a range of news topics of current/recent interest and involvement of the University.

The following observations/comments were made:

- in response to a question raised as to action that the University was taking to address the matter of shortfalls against targets for recruitment of postgraduate and overseas students, the Director of Planning confirmed that a report on student numbers growth strategy and trends would be considered at the meeting of PME on 14 December 2006. Discussion would focus on student recruitment and recruitment strategies including diversification in the market. The Acting Principal highlighted that, in the meantime, progress had been made in raising standards in entry qualifications in some areas. In particular this was evident in the achievements of the School of Textiles & Design;
- the Principal Designate had been fully briefed on plans associated with development and review of the University Strategy.

24 STRATEGY REVIEW AND DEVELOPMENT: PROGRESS REPORT

Received a presentation from the Deputy Principal (Learning & Teaching) outlining progress to date in respect of the ongoing review and development of the University strategy. In summary, the key points highlighted were:

- the need for the University's Strategy to deliver an operating surplus of 7% by 2011;
- elements of the Strategy would include: core functions of learning & teaching and research & knowledge transfer; delivery functions including finance, estate and infrastructure, staff and HR, management and leadership and; key large impact projects such as research pooling and restructuring of the academic year;
- responsibilities had been clarified: mission and objectives - owned by Court; key features of learning and teaching, research and institutional infrastructure - owned by PME; detailed plans, projects and activities – owned by Schools and Support Sections;
- LTB progress included approval of modified key features, development of themes for growth, the student learning experience, academic practice and employability. LTB was undertaking a review of options for growth for discussion at the next meeting and at the Board's Away Day in January and February 2007 respectively;
- RCB progress included approval of modified key features, strategic preparation for RAE, development of strategic options (knowledge transfer partnerships, staff development, planning for EU FP7);
- SSB progress included the ongoing activities of HR and change management, business process review (e.g. the new Student Administration System), risk management linked to the strategy, and a review of remit and membership of the Board to make it more effective in supporting strategic change;
- finance progress to date included a review of the planning process to create better alignment with strategy, developing with the Boards economic cost models to support decision making, improved management reporting, and development of fundraising as a mainstream activity;
- the Vision and "Destination Statement" would be developed as agreed previously under the leadership of the new Principal;
- an options appraisal for change would be undertaken by PME early in 2007 following reporting by the three Boards. This would consider issues such as financial return, market position, risk assessment etc;
- looking to the coming period, in March and April detailed options would be worked up and priorities identified. The HR Framework Agreement would be implemented and the School and Support Section planning process completed. The updated Strategic Plan would be complete by June 2007.

Noted key stages in the process for the engagement of Court:

- 19 March 2007: Strategic update informed by the recent CUC publication on the 'Monitoring of Institutional Performance and the Use of Key Performance Indicators' and discussion on highest level objectives. Consideration should be given to the format of the March meeting of Court to accommodate this discussion.
- 14 May 2007: Review of options and proposals against objectives at the Court Away Day.
- It was commented that while Court has key responsibilities in terms of the University Strategy, there appeared to be a mismatch between those responsibilities and the discharge of business in the University, in particular in relation to development of the core elements of the strategy - learning & teaching and research & KT. In the first instance, there was an opportunity for

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Court members to feed back further thoughts on the point raised through the current questionnaire survey aimed at reviewing the effectiveness of Court.

25 COMMUNICATIONS FROM THE SENATE (PAPER B)

Received a report from the Senate relating to the meetings held on 25 October and 29 November 2006:

6.1 Proposed revisions to Ordinances

Approved proposed revisions to the following Ordinances subject to apparent inconsistencies relating to eligibility of part-time staff being addressed. It was understood to be the intention of the University that part-time members of staff should have the same rights of eligibility as those employed full-time, a requirement that should be reflected clearly in the Ordinances:

- Ordinance 13: Election of Members of Academic Staff to the Senate;
- Ordinance 6: Graduates Association;
- Ordinance 15: Academic Congress;
- Ordinance 30: Appointment to the Court of Members of Academic and Academic-Related Staff
- Ordinance 31: Appointment to the Court of members of staff other than academic and Academic-Related;
- Ordinance 36: Approved Service Units.

Approved, with reference to Ordinance 30 and 31, recommendations from the Senate that the current restriction on full-time academic and academic-related staff be removed, in accordance with similar amendments to other Ordinances and Regulations, so that full-time and part-time permanent academic and academic-related staff (including research staff) were eligible for appointment to Court. Approved also a recommendation that Ordinances 30 and 31 be combined to provide a single Ordinance which would apply to all categories of staff.

Noted that the proposed modifications would require a similar amendment to the Charter and Statutes, and to that effect, would require approval from the Privy Council and approved a recommendation from the Senate, that in terms of Article 21(3), and by Special Resolution, paragraphs 1(vii) and 1 (viii) of Statute XII: The Court be modified to reflect the above proposals.

(Addendum: It was confirmed, following a check by the Academic Registrar and Deputy Secretary, that references to 'part-time' had intentionally been left in the documentation pro tem in those instances where it will be necessary for the University to secure approval for change from the Privy Council. Communication on this matter had already been made with the Privy Council.)

6.2 Conferment of the title of Professor

Approved a recommendation, in terms of paragraph 8(c) of Statute XII, that the title of Professor be conferred upon Anton Muscatelli at the commencement of his appointment as Principal and Vice-Chancellor of the University on 1 February 2007.

6.3 Conferment of the title of Professor Emeritus

Approved a recommendation, in terms of Ordinance 18, a recommendation that the title of Professor Emeritus be conferred upon the following:

- Professor C B Hague, School of the Built Environment;
- Professor B H V Topping, School of Engineering & Physical Sciences;
- Professor A J Sangster, School of Engineering & Physical Sciences;
- Professor A M Close, School of Engineering & Physical Sciences.

6.4 Items presented for information

Noted other matters reported to Court for information. Noted, with regard to item 5, 'Conferment of Honorary Titles', that acceptances had also very recently been confirmed in respect of the following:

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- Lord David Sainsbury of Turville, Honorary Degree of Doctor of Engineering in November 2007, in recognition of his personal and professional championing of science technology and innovation;
- His Excellency George M Richards, President of Trinidad & Tobago, Doctor of the University in recognition of his distinction in the discipline of chemical engineering and in public service in Trinidad and Tobago, to be conferred at a time to be agreed.

Noted that The University was currently in communication with two other prospective recipients of honorary degrees.

6.5 Future Graduation Ceremonies

Noted also, supplementary to the report, that non SBC summer graduation ceremonies would take place in the James Watt Centre, Heriot-Watt University on 10, 11, 12 and 13 of July 2007. Two ceremonies would be held on each date.

26 REVIEW OF ORDINANCES & REGULATIONS: PROGRESS REPORT (PAPER C)

Noted a report from the Ordinances & Regulations Committee providing an update on the progress made on review and update of Ordinances & Regulations since University restructuring in 2002.

Noted also current consideration being given to potential streamlining of Ordinances and Regulations through use of supplementary guidance notes which could avoid the need for many revisions to the Ordinance itself to accommodate minor changes. There may also be scope for reducing Ordinances & Regulations in number.

27 DISABILITY EQUALITY SCHEME (PAPER D)

Noted a report on the Disability Equality Scheme drawing the attention of Court to the statutory 'General Duty (Disability Equality Duty or DED)' on all public authorities to promote disability equality. A condensed version of the University's Disability Equality Scheme 2006-2009 was presented. This provided an outline of DES processes, guiding principles, involvement of stakeholders, progress monitoring and an Action Plan.

The Acting Principal informed the Court that 387 students and 27 staff of the University had declared disabilities of one sort or another.

28 REPORTS FROM THE AUDIT COMMITTEE (PAPER E)

Received and noted reports from the Audit Committee including:

- a report relating to the meeting of the Committee on 20 November 2006;
- an Annual Report from the Committee for the year ended 20 November 2006.

The Convener highlighted in particular that significant progress had been made by University management in addressing issues that were raised last year and new staff resources had been deployed to help support this process. While much work remained to be done, the University's financial governance had been set on a solid footing for the future. The Committee was broadly satisfied that an appropriate risk management culture was being more progressively embedded in the University's business and the audit programme aligned more closely with risks identified.

The following comments/observations were made:

- internal and external audit reports were held by the Director of Finance and were available to Court members to view on request;
- in response to a question from the President of the Students Association relating to risk management and the view of management on the current absence of a Health & Safety Officer and the imminent departure from the University of the Fire Risk Officer, the Secretary of the University confirmed that the Health & Safety Officer post had been redefined and would be re-advertised in the near future. In the mean time the University would continue to contract appropriate cover from the University of Edinburgh. It might be an option to extend this to

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cover Fire Safety pending recruitment of a Fire Risk Officer

29 REPORT FROM THE ESTATE STRATEGY COMMITTEE (PAPER F)

Received and noted a report of the Estate Strategy Committee relating to its meeting on 29 November 2006. The Convener highlighted in particular:

- the deadline of 11 December for receipt of tenders in respect of the High Mill building project;
- a University Condition and Compliance survey was imminent;
- continuing concern in relation to ERDF funding due to the very tight timetable for completion of approved projects;
- the formalisation of development plans for the Edinburgh South Campus for playing field use. Proposals had been made to the Council conceding conditions to be fulfilled by the University as embodied in Section 69 Agreements in seeking to develop the site. Noted that plans would be considered in the context of changes to green belt policy by the Scottish Executive.

30 REPORT FROM THE FINANCE COMMITTEE (PAPER G)

Received and noted a report from the Finance Committee relating to a meeting of the Committee on 20 November 2006.

(Reserved section: ref Section 30 of FOI(S)A.)

31 ANNUAL REPORT FROM THE FINANCE COMMITTEE (PAPER Gii)

Received and noted Annual Report of the Finance Committee and accompanying submission for approval of the Annual Accounts for the year ending 31 July 2006.

Approved the Annual Accounts for the year ending 31 July 2006.

The following points were highlighted in particular:

- a reported surplus for the year of £1.1m;
- the five year trend in Gift Aid payments made by the group's subsidiaries to the University as a result of profits earned from their commercial activities;
- an improvement in the group's net debt position over the year; however over the medium term the cash demands of the group were expected to increase due to a scheduled increase in debt repayments from the end of 2008 and the anticipated increase in capital spend required to upgrade and refurbish the University's campuses;
- the anticipated deficit position of the University in 2006/07 when considered independently of its subsidiary companies. The consolidated position of slim surpluses forecast for the current year and the following two years in the planning period would require the University to strengthen overall financial awareness and to ensure the delivery of major projects to plan.

32 REPORT FROM THE STAFFING STRATEGY COMMITTEE (PAPER H)

Received and noted a report from the Staffing Strategy Committee comprising a progress report on the University's implementation of the National Framework Agreement.

The Convener highlighted in particular further work required on the development of procedures and policy in relation to harmonisation of employment terms and conditions. The University's proposals were under consideration at national level where Unison and Amicus had referred documentation for approval of national officers. Documentation with UCU remained outstanding. The Convener also highlighted problems reported by the Director of HR relating to delay in the return of job matching forms from some staff. There was a role for management in encouraging all staff members to co-operate in this process. The Acting Principal confirmed that senior management was aware of the matter reported and this was being addressed.

33 ANNUAL REPORT FROM THE UNIVERSITY CHAPLAIN (PAPER I)

Received and noted an Annual Report from the University Chaplain. The Chaplain highlighted in particular the following:

- the emphasis on the student community who make use of Chaplaincy facilities and engage in

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social activities, e.g. the Wednesday meal had attracted 100-150 students all the way through the autumn term;

- the Chaplain planned to get to know the University Wardens through a series of informal group lunches;
- The Chaplaincy Public Lecture on 5 February 2007 would be chaired by Professor Anton Muscatelli.

34 APPOINTMENT OF HONORARY CHAPLAIN (PAPER J)

Approved, on the recommendation of the Chaplaincy Council, the appointment of the following as Honorary Chaplain to the Chaplaincy Council, with immediate effect:

- Father Raphael Pavouris of the Greek Orthodox Church.

35 ANNUAL REPORT OF THE UNIVERSITY COLLECTIONS COMMITTEE (PAPER K)

Received and noted an Annual Report from the University Collections Committee. This incorporated the University Collections Management and Development Plan for 2006/07 and 2007/08. The Convener highlighted in particular the following:

- the University Museum and Archive was a registered museum under the Museums, Libraries and Archives Council (MLA) Registration Scheme administered in Scotland by the Scottish Museums Council. Re-accreditation would be sought in the coming year. The Court had responsibilities as the governing body overseeing the Museum and Archive in terms of its MLA accreditation;
- the role of the Archives Records Management & Museums Service had extended in recent times to include responsibility for the University's compliance with the Freedom of Information Act and responses to requests for information under the Act;
- the University should consider whether it is doing enough to collect and preserve information on its activities on an ongoing basis, to create good historical records for the future.

The Chairman, thanked David Guest for his work as Convener of the Collections Committee and noted with pleasure that Ed Weeple had agreed to take up the role of Convener from December 2006.

36 ANNUAL REPORT FROM THE OFFICE OF STUDENT SERVICES (PAPER L)

Received and noted a summary Annual Report from the Office of Student Services. The Academic Registrar and Deputy Secretary highlighted in particular:

- success of the Careers Advisory Service in gaining accreditation against the UK Matrix Quality Standard – a quality assurance framework against which other services provided from within the Office of Student Services might also seek accreditation;
- development of Student Welfare Services by the Director who joined the University early in 2006;
- looking forward, the Office would continue to contribute significantly to developments leading to the new Student Administration System and to the Restructuring of the Academic Year (RAY) project. Examples of other new initiatives included support for international students, and a pilot scheme focusing on student retention and improving the first year experience.

37 ANNUAL REPORT OF THE STUDENTS ASSOCIATION (PAPER M)

Received and noted an Annual Report from the Heriot-Watt University Students Association. The President of the Students Association highlighted in particular the following:

- over the last year the Association had developed progressively as a campaigning organisation, locally and nationally;
- the student body was represented through the committee structure and through the School Officer system in a range of University initiatives and was actively engaged with, as a key example, Learning & Teaching Strategy developments;
- the last few years had been financially difficult for the Association which, for a variety of reasons, had suffered ongoing decline in its trading income. Noted that PME, at its meeting on

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23 November 2006, had invited the Secretary of the University to investigate and advise on a review of the financial position of the Association. Initial dialogue had taken place.

38 **REPORT OF FORMAL STUDENT COMPLAINTS 2005/06 (PAPER N)**

Received and noted a report of formal student complaints brought forward to the Student Complaints Officer in 2005/06 and managed in accordance with the University Complaints Policy. Noted that recent advice from the Scottish Public Services Ombudsman (SPSO) was that University formal complaints processes should be owned by the governing body as a standing item for consideration. A report would therefore be presented to the Court annually. Noted also, in accordance with SPSO guidance, that an anonymised version of the report should be published internally and externally. This had already been actioned with information made available on the University website.

39 **NOMINATING COMMITTEE (COURT) (PAPER O)**

Received and approved the undernoted appointments, except where indicated from 11 December 2006 as recommended by the Nominating Committee (Court):

Court	Reappointment of Ray Perman (from 1 August 2006) Reappointment of Mr David Woods (from 1 August 2006)
Audit Committee	Mr David Brew
Estate Strategy Committee	Mr Jim Polson Dr Eddie Finch
Finance Committee	Mr Malcolm Durie
Emergency Committee	Dr Alan Parsley Professor Adrian Todd
Staffing Strategy Committee	Reappointment of Lord Johnston as member and Convener (from 15 March 2007) Dr Judith McClure Dr John Steel Vice-Principal ex officio
JNCC	Professor Adrian Todd Mr Michael Breaks Mrs June Maxwell Mr Ed Weeple
University Collections Committee	Mr Ed Weeple as member and Convener
Nominating Committee	Noted that the Convener of the Audit Committee would be invited to propose an appointment to fill an existing vacancy in the Nominating Committee.

40 **REVIEW OF THE EFFECTIVENESS OF COURT**

Members of Court were encouraged by the Chairman to participate in the ongoing survey, managed by the Secretary of the University, aimed at collecting information which would inform a review of the effectiveness of Court.

41 **DATE OF NEXT MEETING**

Court members were reminded that the date of the next meeting would be **Monday 19 March 2007**.

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COURT

Minutes

In the Chair: Mr Gavin Gemmell **Date of Meeting: 19 March 2007**

Present also: Principal, Professor Anton Muscatelli
 Mr Graeme Bissett
 Mr Michael Breaks
 Mr Liam Burns
 Mr Malcolm Durie
 Mr Steven Findlay
 Mr James Maguire
 Mrs June Maxwell
 Dr Judith McClure
 Dr Alan Parsley

Mr Ray Perman
 Mr Jim Polson
 Dr John Sawkins
 Ms Yvonne Savage
 Dr John Steel
 Dr Gillian Thomson
 Professor Adrian Todd
 Professor Andy Walker
 Mr Ed Weeple
 Mr David Woods

The Rt Hon Lord Johnston

In attendance: Mr Phil McNaull, Director of Finance & IS/IT
 Mrs Kathy Patterson, Academic Registrar & Deputy Secretary
 Professor Alan Prior, Dean of the University
 Mr Peter Wilson, Secretary of the University
 Professor Patrick Corbett, Head, Institute of Petroleum Engineering
 Professor Julian Jones, Head, School of Engineering & Physical Sciences
 Professor Bob Craik, DP(Learning & Teaching)
 Mr Richard McGookin, Director of Planning
 Mr Peter Kerr, Director of Estates & Building Services (for item 49)
 Mr Alastair Hood, Assistant Secretary (Court)
 Ms Lorna Kirkwood-Smith, Senior Executive Officer

41 APOLOGIES

Apologies for absence were intimated from Baroness Susan Greenfield, Mr Neil Fraser, Dr Moyra Kedslie and Councillor Andrew Scobbie.

42 MINUTES

Approved the minutes of the meeting of Court held on 11 December 2006.

43 MATTERS ARISING

Monitoring Institutional Performance and the use of Key Performance Indicators: Report by the CUC.

The Secretary of the University drew members' attention to the recent new report which should set some of the context for discussions at the Court Away Day on 14 May 2007. It was anticipated that high-level KPIs for use by the Court would be agreed upon completion of the University Strategic Plan in December 2007. The report would offer very helpful guidance in this respect.

44 OBITUARIES (PAPER A)

Noted obituary notices relating to:

- Dr Marilyn Stone, Senior Lecturer in Marketing in the School of Management & Languages who had died in service
- Professor Gareth Roberts, President of Wolfson College Oxford and an honorary graduate of the University (DSc November 2005)
- Professor Martin Kruskal, a pre-eminent applied mathematician and mathematical physicist and an honorary graduate of the University (DSc 2000).

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45 BUSINESS TRANSACTED SINCE THE LAST MEETING (PAPER B)

Noted, in terms of Regulation 36, confirmation by the Emergency Committee of Court of the decision of the Moderator for Appeals in the case of an appeal to the Court by a candidate for the Degree of MSc in Petroleum Engineering. Court received a tabled copy of the Moderator's report and noted that no prima facie case had been made for further review. Noted also that the student had been informed of the outcome, with reasons, and that no further mechanisms existed within the University for review of the matter.

46 COMMUNICATIONS FROM THE CHAIRMAN OF COURT

The Chairman referred to several matters with which he had been actively concerned over the period since the last meeting:

- the most significant recent event had been the welcome arrival of the new Principal, Professor Anton Muscatelli;
- the Chairman had visited the Dubai Campus in January 2007;
- a Fundraising meeting would take place on 19 March: solid progress was being made with plans to launch the Campaign;
- expressions of good-will had been relayed by the University to Professor John Archer and his family in the light of recent news of illness;
- a busy programme of events at the University on 14 March had included a very successful public lecture by Baroness Susan Greenfield, the Annual Meeting of General Convocation and a dinner to welcome Professor Anton Muscatelli and to boost the Fundraising Campaign.

47 COMMUNICATIONS FROM THE PRINCIPAL/PME (PAPER C)

Noted communications from the Principal/PME. The report included a range of news topics of current/recent interest and involvement of the University. The Principal highlighted in particular:

- plans to undertake a redevelopment of the University's Strategic Plan with a view to presenting a new 5-year Plan to Court for approval at its meeting in December 2007. The Principal highlighted key stages in the process including inter alia the involvement of Court at the Away Day meeting in May 2007 and to undertake a strategic academic audit;
- the significant announcement by the Scottish Funding Council of their intention to lift/relax the cap on categories of UK/EU undergraduate "fees only" places. This development opened the way for the University to increase its target intake of students in 2007/08;
- an upward swing in performance in the value of research grants & contracts proposals and awards in the current year;
- participation of the University in the National Student Survey in 2007.

The following comments/observations were made:

- the usefulness of the CUC report: *Monitoring Institutional Performance and the Use of Key Performance Indicators* which Court members would have an opportunity to consider ahead of the Away Day;
- the usefulness of teaching and research data relating to the University's international activities. It was planned that this and other background information/data would be available to support Court Away Day discussions;
- pressure on facilities including, inter alia, student residences would need to be considered further in the light of upwardly revised student recruitment targets;
- in response to a point raised about lack of reference to the student body in plans to restructure the Support Services Board, the Secretary of the University confirmed that further consultation would take place with the Students Association on this issue.

48 COMMUNICATIONS FROM THE SENATE (PAPER D)

Received a report from the Senate relating to the meetings held on 31 January and 7 March 2007.

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1. Appointment to the Senate

Approved the recommendation of the Senate that Professor Julian Jones be appointed as a member of the Senate in terms of paragraph 1 (vii) of Statute XIII on his appointment from 1 May 2007 as Deputy Principal (Strategy & Resources).

2. Appointment of Head of School

Approved the recommendation of the Principal and Deans Committee on behalf of the Senate that, in terms of Ordinance 26: Heads of Schools, Professor Philippe De Wilde be appointed as Head of the School of Mathematical & Computer Sciences for a period of five years from 1 February 2007.

3. Proposed revision to Ordinance 9: Student Discipline and the introduction of Regulation 50: Student Discipline and Guidelines for Staff and Students

Approved the recommendations of the Senate for proposed modifications to Ordinance 9: Student Discipline subject to these being considered further in the light of comments received, as noted below:

- question as to the appropriateness of the wording, in Regulation 50, para 2.3(a) “behaviour of a scandalous, immoral or disgraceful nature” as this relied on subjective judgement. Noted that categories of offences were currently under review and that in addition to making comparisons with the regulations of other universities, legal advice was being sought on these;
- question as to the appropriateness of levying fines as described in Regulation 50, para 6.2(c). Noted, however, that this was not a new development and it remained one of the few sanctions open to the University in respect of student discipline and offences of a non-academic nature;
- point raised in respect to penalties that it would be useful to include a tariff for non-academic offences. The Vice-Principal and the Academic Registrar & Deputy Secretary agreed that guidance could be drawn from what had evolved through past practice and precedent;
- point raised in respect of the indeterminate nature of section 9.3 of the guidelines on student discipline procedures: “The Court shall determine the procedures to be followed for appeals to the Court.” that the procedures ought to be specified. The Academic Registrar & Deputy Secretary confirmed that this would be considered further in the context of the review of Regulation 36 as recorded below;
- point raised that the guidelines ought to make clear the routes of appeal through either of regulation 36 or 50. The Academic Registrar & Deputy Secretary confirmed that Regulation 36 was currently under review with a view to introducing greater clarity;
- point raised by the President of the Students Association that while Students Association representation was involved through committee membership in student discipline cases, categorisation of discipline cases as ‘reserved business’ in higher committees, meant that Students Association representation would be excluded.

4. Proposed rescinding of Ordinance 33: Validation of Courses at Limerick Institute of Technology

Approved the recommendation of the Senate that Ordinance 33: Validation of Courses at Limerick Institute of Technology be rescinded.

5. Proposed revision to Ordinance 42: University and Court Business

Approved the recommendations of the Senate in respect of proposed modifications to Ordinance 42: University and Court Business, subject to the Ordinance being considered further in the context of comments made, as noted below:

- the examples of information which would be provided in the guidance for Court members did not include information on the University – its mission, vision, strategy etc;
- *prescription* by Court of the programme of induction training for new members of Court seemed a

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- heavy-handed approach;
- while the University held the Register of Interests and would make this available for perusal on request, other institutions were known to make this information more freely available on their websites.

Noted other matters presented for information including:

- conferment of honorary titles;
- Congregations for the conferment of degrees;
- Honorary Degrees 2007;
- proposed revision to Regulation 21: Students Association; and
- Restructuring of the Academic Year.

49 **REPORT FROM THE AUDIT COMMITTEE (PAPER E)**

Received and noted a report of the Audit Committee relating to its meeting on 6 March 2007. The Convener highlighted in particular:

- receipt of the strategic internal audit plan for 2006/07 – 2008/09 and the annual operational plan for 2006/07 from the University's internal auditor Scott-Moncrieff;
- plans to review the terms of reference of the Committee;
- receipt of the Audit Planning Memorandum proposed by the University's external auditor KPMG for the year ending 31 July 2007.

XXX (RESERVED ITEM)XXX

50 **REPORT FROM THE ESTATE STRATEGY COMMITTEE (PAPER F)**

Received and noted a report from the Estate Strategy Committee relating to its meeting on 27 February 2007. In the absence of the Convener of the Committee, the report was presented by the Director of Estate & Building Services who highlighted the following:

- progress being made with the Scottish Borders Campus Co-location Project. In respect of residences at SBC EU tendering procedures were underway and an invitation for expressions of interest, as part of a process of evaluating the option of a third-party provider had elicited 38 responses;
- work relating to the planned refurbishment of Lecture Theatres 2 and 3 had gone out to tender;
- tenders received for the Postgraduate Centre had substantially exceeded the budget allowance, reflecting apparent volatility in the market. This was noted as a matter for serious concern which the University management would have to consider further;
- the Director of Estate & Building Services confirmed that an update on the South Campus Planning Application could be brought forward in the near future.

51 **REPORT FROM THE FINANCE COMMITTEE (PAPER G)**

Received and noted a report of the Finance Committee relating to its meeting on 2 March 2007. The Convener highlighted in particular:

- the accounts for the period to 31 January 2007 highlighted a full year forecast close to a break-even position - some £600K below budget, including IU provisions. In the light of this, budget planning for the forthcoming new financial year which was being taken through the planning round assumed even greater importance;
- concerns about Dubai operations. The forecast for 2007/08 was a break-even position, however this assumption would need to be looked at in closer detail. The Secretary of the University highlighted cause for optimism however: while staffing/accommodation costs associated with Dubai operations were substantial, efficiencies were being found. Furthermore, the University's presence in Dubai was being positively received.

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- work progressing on re-development of a new strategic plan integrated with a new and challenging framework for priority based budgeting. It was important through this integrated, holistic approach to planning that the University consider fully the capital, operational costs and revenue generation capabilities associated with strategic activities and goals.
- question raised as to how realistic the target to achieve a 7% surplus by 2011 still was. In this context, the University's capital requirements over coming years were significant against dwindling borrowing capacity. The Principal confirmed that no other HEI in Scotland was currently achieving close to this level of surplus, highlighting the ambitious nature of the target. While the University needed to be realistic in setting such a goal, it was also the case that failure to meet a target of this order would lead to problems in the longer term. The Director of Finance & IS/IT confirmed that it was too early to make a solid assessment of how achievable the target was, given the large amount of work to be undertaken to reshape the University's activities. This process would identify those areas with the greatest potential to generate revenue and would inform resource reallocations with the aim of achieving overall growth. Court was asked to support continued adherence to the target.

With regard to the HWU Research Park, the Secretary of the University confirmed very positive news of a recent new Edinburgh Science Triangle appointment with an emphasis on marketing and increasing the profile of the research parks involved, including the HWU Research Park. The Chairman encouraged the University to exploit further future funding opportunities.

52 STAFFING STRATEGY COMMITTEE (PAPER H)

Received and noted a report of the Staffing Strategy Committee relating to its meeting on 5 March 2007.

1. National Framework Agreement

Approved National Framework Agreement proposals to be taken forward to the University's Trade Unions in a ballot process. These included proposals in respect of: Grade Structure; Harmonisation; Market Supplements; and Performance and Development Review.

Noted some detailed aspects of the Agreement which were expected to be concluded with Unison shortly. Following this, the proposals would be presented to all relevant Trade Unions in a single process.

Noted the expectation that the ongoing job matching process would be completed by the end of April 2007.

2. Public Interest Disclosure Policy

Approved a recommended amendment to the University's Public Interest Disclosure Policy which reflected recent changes in legislation.

Noted that the Convenor would, in consultation with Human Resources, review the Policy more fully.

3. Joint Negotiating & Consultative Committees - Review

The Convenor highlighted the Committee's discussion at the meeting on a paper which set out observations on the role and adequacy of the University's formal mechanisms for consulting and negotiating with staff, with a proposal that there be an early comprehensive review of these arrangements.

Noted that the Committee had accepted the proposal for the review and had agreed that, to avoid any potential complications in the current delicate process of Framework Agreement negotiations, this should be taken forward following implementation of the Framework.

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53 NOMINATING & REVIEW COMMITTEE (ORAL REPORT)

Approved recommendations from the Nominating Committee which met on 19 March 2007, provided orally by the Secretary of the University. These included appointments to:

Court

Mr E J Weeple

Mr A Muirhead

- with the intention to retain a single vacancy in the co-opted membership of Court.

Period of Appointment

3 years from 1 August 2007

3 years from 1 August 2007

Collections Committee

Mr James Maguire

From 1 April 2007 to 31 July 2009

Staffing Strategy Committee

Dr J Sawkins

Rt Hon Lord Johnston

From 1 April 2007 to 31 July 2009

Full member and Convener from 14 March 2007

Nominating & Review Committee

Mr R Perman

From January 2007 to 31 July 2009

Convocation

It was agreed that the Secretary of the University would confirm the list of proposed Convocation appointments with the minutes of the meeting of Court on 19 March. These are included below:

Para 1 (4) (h) Learned & Professional Societies

Reappointment of existing bodies to 2010

Para 1(4)(j) Colleges

Renew all appointments to 2010

Para 1 (4)(k) Schools

Following consultation with Recruitment & Admissions, renew all appointments as follows:
Ross High School, Peebles High School, Stewart's Melville: 2 years to 2009

George Watson's, Firrhill, Lasswade: 3 years to 2010

Para 1(4)(h) Artistic and Creative Bodies

Renew all appointments to 2010

Para 1(4)(o) Religious and Cultural Group

Renew all appointments to 2010

Para 1 (5)(b) 6 other persons appointed by Court

Re-appoint Mr A Hector and Ms P Henton to 2010
Retain 3 vacancies

The Secretary of the University advised Court members that he would write to members soon seeking their views on a potential successor to the current Chairman of Court whose Chairmanship would come to an end on 31 July 2008. Noted also that nominations would be sought on a member of Court who could deputise for the current Chairman when necessary.

54 EMERGENCY COMMITTEE (PAPER I)

54.1 Amendments to banking covenants

Noted that the Committee, on behalf of Court had approved amendments to loan facility letters issued by Lloyds TSB and the Clydesdale Bank, in order to bring the arrangements set out in the facility letters within the scope of the Financial Reporting Standard 17 relating to retirement benefits.

Noted that the Committee had further agreed the terms of resolutions to be attached to the minutes of the meeting of Court of 19 March in respect of each facility letter (Appendix A attached), and that Mr P C McNaull and Mr P L Wilson be authorised to sign the amendment letters on behalf of the University.

Court homologated these actions.

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XXX(RESERVED ITEM)XXX

55 SPECIAL RESOLUTION AND AMENDMENTS TO ORDINANCES (PAPER J)

Renewed approval of the Special Resolution considered at the meeting of Court on 11 December 2006 with a view to confirmation of the same in terms of Article 26 at the meeting of Court on 14 May 2007.

Renewed approval of amendments to Ordinances 6, 13, 15, 30, 31 and 36, also considered at the meeting of Court on 11 December with a view to confirmation of the same at the meeting of Court on 14 May 2007.

Noted that, whereas the above amendments had been displayed publicly in the University for the stipulated period of 28 days and no observations were received, the period of time between the December 2006 and March 2007 meetings of Court had exceeded the maximum period of three calendar months permissible in terms of Article 26. Noted also that recent advice received from the Privy Council confirmed that the Emergency Committee of Court did not have appropriate delegated authority for Special Resolutions. Noted that in future Special Resolutions could be presented and confirmed at the following adjacent pairs of Court meetings: March-May, May-June and October-December.

56 MONITORING INSTITUTIONAL PERFORMANCE AND THE USE OF KEY PERFORMANCE INDICATORS

Noted.

57 ANY OTHER COMPETENT BUSINESS

Monitoring the effectiveness of Court & Court committees

The Secretary of the University encouraged those who had yet to complete the survey on the effectiveness of Court and Court committees to do so. The Chairman of Court recommended that a summary of the outcomes of the survey be reported at the meeting of Court on 14 May 2007 along with any other non-Away Day business.

58 DATE OF NEXT MEETING

Court members were reminded that the date of the next meeting was Monday 14 May 2007 at the Marriott Dalmahey Hotel in Edinburgh. The programme for this all-day event would be advised to members shortly.

COURT

Minutes

In the Chair: Mr Gavin Gemmell

Date of Meeting: 14 May 2007

Present also: Principal, Professor Anton Muscatelli
Mr Liam Burns
Mr Malcolm Durie
Mr Steven Findlay
Mr Neil Fraser
Mrs June Maxwell
Dr Alan Parsley

Mr Ray Perman
Mr Jim Polson
Ms Jane Queenan
Dr John Sawkins
Dr Gillian Thomson
Professor Andy Walker
Mr E Weeple

In attendance: Professor Julian Jones, Head, School of Engineering & Physical Sciences
Mrs Kathy Patterson, Academic Registrar & Deputy Secretary
Mr Peter Wilson, Secretary of the University
Ms Lorna Kirkwood-Smith, Senior Executive Officer

58 APOLOGIES

Apologies for absence were intimated from Baroness Susan Greenfield, Mr Graeme Bissett, Dr Moyra Kedslie, Councillor Andrew Scobbie, Mr James Maguire, Dr Judith McClure, Ms Yvonne Savage, Professor Adrian Todd and Mr David Woods.

59 MINUTES

Approved the minutes of the meeting of Court held on 19 March 2007.

60 COMMUNICATIONS FROM THE CHAIRMAN OF COURT

The Chairman referred to the outcomes of the survey of the effectiveness of Court which had been co-ordinated by the Secretary of the University. The Chairman highlighted the following in particular:

- Most though not all Court members had responded to the survey;
- On the whole, Court members were content with the general conduct of Court business in terms of timeliness of papers etc;
- Less favourable views were expressed on the theatre style layout of the meeting space which was not particularly conducive to interaction and debate. It was noted, on reflection of the comments, that, given the size of the membership, a board-room style set up did not seem to offer a practical alternative;
- A large majority of members were happy with the level of engagement achieved through the Court committee structure and with the Court Away Day;
- Some members had highlighted a desire for greater involvement of the Court in the University's strategy development process or to consider and contribute to decision-making on strategic issues. Some lay members in particular felt that there had not been sufficient opportunity to add value in these areas;
- Some members had expressed a desire for more opportunities for engagement with academic staff and students other than through the committee structure
- While some members considered the size of Court to be satisfactory, others considered it too large. The Chairman observed that a reduction in size would make it difficult to populate Court Committees with lay members.

The Chairman expressed his view that Court needed to do more in terms of appraising its performance, and confirmed his intention to convene a small group of Court members drawn from each of the main categories to consider this further.

The Principal confirmed with reference to strategy development that, following the Court Away Day he would welcome the further involvement of Court members in the process of developing the new Strategic Plan.

It was suggested that showcase visits to Schools for members of Court could be a very positive way of helping to develop the relationship between lay members of Court and the University community in the future.

The Chairman of Court confirmed that he had attended a few recent meetings of Chairmen of Court. Topical issues for discussion had included the Funding Council debate on teaching quality assessment and the Spending Review.

61 COMMUNICATIONS FROM THE PRINCIPAL

Noted communications from the Principal.

The Principal highlighted in particular, the appointment of Prof John Simmons as Head of the School of Engineering & Physical Sciences for an interim period from 1 May 2007 until 30 September 2007. In the meantime the position of Head of School would be advertised internally and externally.

The Principal also advised that Court approval would be sought at its meeting on 25 June 2007 in respect of an appointment of Head to the School of Management & Languages.

The Principal confirmed that he had recently been elected as Convener of the SFC Research and Commercialisation Committee. He was also representing the sector in on the UK HE and Funding Councils' discussion group on RAE reform.

62 OBITUARIES (PAPER A)

Noted an obituary notice relating to Ann Trotman, former Director of Student Welfare Services.

63 REPORT FROM THE EMERGENCY COMMITTEE OF COURT

Noted a report from the Emergency Meeting of Court confirming approval of a revised budget for the Postgraduate Centre of £6.855m, less savings of around £25K that could be achieved through changing the specification of certain pipework. Noted that the original budget to cover build and fitting out had been set at £6m. The lowest tender for the project had been valued at £7.4m; however, the design team had been able to reduce this to £6.855m through a range of savings that would not detract too extensively from the operating quality of the building. Key areas of saving included removal from the plans of a bridge-link and photovoltaic panels. Noted that the Committee had been briefed by the Architect on the reasons for the discrepancy between the pre-tender estimated cost and the actual tender cost. An unfavourable tendering climate and materials' shortages creating cost increases appeared to be influencing factors.

64 MEMBERSHIP OF THE COURT

Noted and approved the following who had been elected to the membership of Court for the period 1 June 2007 to 31 July 2008:

- Mr Jim Polson
- Ms Jane Queenan

Noted that the new memberships had arisen from a casual vacancy with effect from 1 June 2007 in the category of membership of Court drawn from the Academic & Related Staff of the University with the resignation of Dr John Steel. The procedure having been set in train to identify, from the last election in 2005, those persons who wished to maintain their candidature for membership of the Court, there remained two candidates for the two available places, Ms J M Hill having withdrawn.

Noted that membership within the category of Academic & Related Staff would be reviewed again in 2008.

65 SPECIAL RESOLUTION AND AMENDMENTS TO THE ORDINANCES

Confirmed approval of the Special Resolution considered initially at the meeting of Court on 11 December 2006. This followed approval at the meeting of Court on 19 March 2007; however, as the stipulated maximum period of three calendar months, in terms of Article 26 of the Charter, had been exceeded between the meetings in December and March, it had been agreed that confirmation of approval should follow at the May meeting of Court.

Confirmed approval of amendments to Ordinances 6, 13, 15, 30, 31 and 36 also considered at the meetings of Court on 11 December 2006 and 19 March 2007 which also fell within the terms of Article 26.

66 PROMOTION TO PROFESSORIAL FELLOW

Approved a recommendation from the Principal & Deans Committee, in terms of Ordinance 25, acting on behalf of the Senate that the title of Professorial Fellow be conferred on Dr U Böser, School of Management & Languages.

67 SCHEDULE OF MEETINGS OF COURT: 2007/08

Approved proposed dates for meetings of Court, 2007/08:

- 1 October 2007*
- 10 December 2007*
- 17 March 2008
- 12 May 2008 (Away Day)
- 23 June 2008
- 29 September 2008
- 15 December 2008

*approved previously

68 ANY OTHER COMPETENT BUSINESS

PRESIDENT OF THE STUDENTS' ASSOCIATION

Noted that this would be the last meeting of Court attended by Steven Findlay who would pass over Presidency of the Students' Association in the summer. The Chairman thanked him for his valued service to the Court, and for his contribution, as a representative of the student body, to the public relations and promotion of the University.

69 DATE OF NEXT MEETING

Court members were reminded that the date of the next meeting was Monday 25 June 2007.

COURT

Minutes

In the Chair: Mr Gavin Gemmell

Date of Meeting: 25 June 2007

Present also: Principal, Professor Anton Muscatelli
Mr Graeme Bissett
Mr Malcolm Durie
Mr Neil Fraser
Mr James Maguire
Mrs June Maxwell

Mr Jim Polson
Dr John Sawkins
Dr Gillian Thomson
Professor Adrian Todd
Professor Andy Walker
Mr E Weeple

The Rt Hon Lord Johnston

In attendance: Mr Peter Wilson, Secretary of the University
Mr Phil McNaull, Director of Finance & IS/IT
Professor Julian Jones, Deputy Principal (Strategy & Resources)
Professor Bob Craik, Deputy Principal (Learning & Teaching)
Mrs Kathy Patterson, Academic Registrar & Deputy Secretary

Ms Lorna Kirkwood-Smith, Senior Executive Officer

70 APOLOGIES

Apologies: Baroness Susan Greenfield, Mr Liam Burns, Mr Steven Findlay, Dr J McClure, Councillor T McKay, Dr A Parsley, Mr Ray Perman, Ms Jane Queenan, Ms Y Savage and Mr D Woods.

71 OBITUARIES (PAPER A)

Noted an obituary notice relating to the death, on 11 June 2007, of Mr James (Jim) Wall BA, Administrative Assistant in the Estate Office. Jim Wall had been a member of staff of the University for 24 years.

72 MINUTES OF THE PREVIOUS MEETING AND NOTES OF THE COURT AWAY DAY

Approved the minutes of the meeting of Court held on 14 May 2007.

Approved the report of the Court Away Day held on 14 May 2007 as a record of the discussions held and the outcomes of the day.

73 COMMUNICATIONS FROM THE CHAIRMAN OF COURT

The Chairman updated Court on the outcomes of the Strategic Dialogue Meeting (SDM) with the Scottish Funding Council which had taken place at the University on 6 June 2007. This was considered by all involved to have been a very successful meeting. The University had had the opportunity to discuss with the Council plans to undertake a strategic review and develop a new five-year plan in 2007, and to discuss key aspects of the University's strategy including international research and teaching activities.

The Chairman updated Court on an event that he attended with Principal Anton Muscatelli on 7 June 2007. This related to the SFC consultation on the Council's approaches to monitoring, evaluation and accountability. The 7 June meeting was one of the regular meetings between the SFC, Chairs and Principals. The Education Minister had delivered a short address at the event indicating cabinet plans and outlining future priorities.

74 COMMUNICATIONS FROM THE PRINCIPAL AND THE PLANNING & MANAGEMENT EXECUTIVE (PAPER B)

Received and noted a report from the Principal and the Planning & Management Executive. The Principal highlighted in particular:

- the appointment of Professor Gavin Gibson, School of Mathematical & Computer Sciences, to the post of Deputy Principal (Research & Knowledge Transfer) from 1 August 2007. The Principal conveyed his thanks and appreciation for the valuable contribution made by Professor Denis Hall, the current Deputy Principal (Research), highlighting in particular the University's success under the leadership of Professor Hall in respect of Scottish research pooling initiatives;
- the appointment of Dr John Sawkins, School of Management & Languages, as Dean in the areas of Arts, Humanities and Social Sciences for a period of 3 years from 1 October 2007. The Principal took the opportunity to convey his appreciation and thanks to Professor Alan Prior, for his service as Dean, and for the valuable advice and support provided to him by Professor Prior;
- recent developments in the Strategy Review process;
- positive feedback had been received from the Scottish Funding Council following the Strategic Dialogue Meeting on 6 June 2007;
- a forthcoming meeting convened by the First Minister and his Cabinet Secretaries with a small group of Universities Scotland Vice-Chancellor members including Professor Muscatelli to discuss strategic HE priorities;
- the recent visit by the Principal and the Secretary of the University to Dubai. The outcomes of discussions with colleagues there and other findings would help inform the revised business case for Dubai operations currently under development as well as plans for operational enhancements. It was expected that the Dubai Campus would operate close to a break-even position in 2007/08.
(Reserved section: Ref Section 30 of FOI(S)A).

75 COMMUNICATIONS FROM THE SENATE (PAPER C)

Received and noted a report from the Senate.

Approved:

- a recommendation from the Senate, in terms of Ordinance 26: Heads of Departments, that Professor G Hogg be appointed as Head of the School of Management & Languages for a period of five years from 1 September 2007;
- a recommendation from the Senate, in terms of Ordinance 16: Appointment of Academic Staff, that Dr A Moore, School of Engineering & Physical Sciences be promoted retrospectively to Professor from 1 May 2007.

76 REPORT FROM THE AUDIT COMMITTEE (PAPER D)

Received and noted a report from the Audit Committee. In the absence of the Convener of the Committee, the report was presented by the Director of Finance & IS/IT who highlighted in particular:

- the update report on Risk Management/the Risk Register;
- progress made in respect of the quantity and nature of recommendations for action made by the External Auditors which, encouragingly, continued to decrease.

77 REPORT FROM THE ESTATE STRATEGY COMMITTEE (PAPER E)

Received and noted a report from the Estate Strategy Committee. The Convener highlighted the following in particular:

- progress made on the Scottish Borders Campus Co-location Project including progress on construction and tendering processes for the next phases which were within budget. Approval had been formally granted for funding streams via ERDF and the Gateway III programme. Residences projects at the SBC and Edinburgh campuses had been linked in terms of preparations and financial modelling. The Committee had noted student concerns in relation to availability of accommodation for the freshers' week programme in the light of unavoidable disruption caused by the building

- programme. The University was seeking to assuage these concerns;
- progress on the Postgraduate Centre. Project costs were back on track following identification of major areas of saving in the project;
 - other projects reported were making good progress;
 - Outline Planning Consent - valid for five years and renewable - had been granted for University development of the south campus. This would reinforce the University's case for the eventual purchase of the land in question;
 - the Estate Strategy Committee anticipated a significant focus over coming months on the Strategy Review process and the emerging new five-year strategy of the University, of which the Estate Strategy would be integral;
 - the need - highlighted by a recent case in point - for the newly appointed Director of Corporate Communications to help manage press coverage of the University's development plans.

78 REPORT FROM THE FINANCE COMMITTEE (PAPER F)

Received and noted a report from the Finance Committee.

Approved a report from the Committee relating to the University's Financial Forecasts and Commentary for submission to the Scottish Funding Council (SFC) by the end of June 2007, and a recommendation by the Committee to the Court that Court approve the plan and accompanying commentary. The following key observations were made in the course of discussion:

- completion of the currently ongoing Strategy Review would have a significant impact on financial forecasting for 2008/09 and beyond. Accompanying commentary to the SFC must make clear reference to the Review and the timetable for its completion and implementation as well as its future impact on financial plans. The proposed budget for 2007/08 had been developed on the basis of incremental development of the current plan taking the University through the transitional phase until implementation of the new five-year plan;
- in respect of the current financial year, the currently projected out-turn was a surplus of £0.4m;
- Dubai operations were a major influence on the current year, currently estimated at £900K adrift from budget plans. Noted that a revised business plan for Dubai operations was under development and would be considered by the Planning & Management Executive at its meeting in July 2007. The Secretary of the University highlighted key factors which had impacted on the profitability of the Campus in the past year. These included a substantially lower level of student recruitment and higher staff costs than budgeted for, unfavourable changes to the exchange rate over the year, higher costs associated with recruitment than anticipated and application of a higher level of discounted fees than originally agreed. Other aspects such as absence of a deposit scheme for prospective students were considered to have contributed to the underperformance.
- the University's financial performance remained assessable, in terms of SFC guidelines, as "secure";
- there was some continuing concern relating to difficulties in achieving accurate forecasts, in particular as some operations, for example, Dubai, had the potential to make a significant impact. The Convener of the Committee highlighted the need for the University to maintain efforts to improve forecasting;
- Interactive University operations remained in the process of controlled wind-down. A small number of staff had been transferred under TUPE regulations to HWU and to Napier University, the SCHOLAR programme had been transferred back to the University and in respect of other programmes, new contracts were being established with Approved Learning Partners. Final adjustments were still being made to the accounts, and a small additional contribution might be sought from the Scottish Executive to cover any further costs that might come to light. Noted that the Board of the Company would be wound down in autumn 2007.

Agreed that it would be helpful for Court to receive a report on Dubai from the Secretary of the University detailing the operational/management issues which have impacted on performance to date and future plans in the context of the revised business plan.

79 REPORT FROM THE STAFFING STRATEGY COMMITTEE (PAPER G)

Received and noted a report from the Staffing Strategy Committee.

Approved a recommended 'Procedure for Working Beyond Retirement Age' document which had been prepared in the light of recent age discrimination legislation which meant that employees had the right to request to work beyond the age of 65. Noted that the procedure outlined the legal requirements that should be followed when such a request is received: employers had a duty to consider such requests. Noted that, in the matter of cases submitted in the University, consideration and decisions, made on a case-by-case basis would be undertaken by the Vacancy Management Group.

Noted, in respect of the legislation, that it was likely to be a few years before interpretational guidance emerged from the House of Lords.

The Convener highlighted progress made in respect of implementation of the Framework Agreement including:

- tabling of final proposals to the Trade Unions. Both Amicus and UCU had indicated a readiness to ballot subject to minor amendments. Meanwhile, the Unison national office had provided formal feedback on proposals. While Unison did not consider the harmonisation proposal attractive, the Union appeared prepared to present the package of proposals for the decision of its voting members. It was anticipated that all Trade Unions would ballot during the month of July;
- the job matching exercise which, alone, had entailed a significant volume of work was on track to be completed in July 2007.

80 FINANCIAL PLANNING FORECASTS AND BUDGET FOR 2007/08 (PAPER H)

Noted and approved Financial Forecasts (2007/08 to 2009/10) for submission with a covering letter from the Chairman of Court to the Scottish Funding Council by the end of June 2007.

81 BANKING FACILITIES (PAPER I)

Noted and approved the University's acceptance of the terms of the facilities offer as detailed in a letter from Lloyds TSB on 19 March 2007. Noted that, under the terms of the agreement, facilities would continue to be provided to the University until 31 March 2008 – or earlier, if terminated by the University - by Lloyds TSB throughout the transition phase of transfer of the University's banking facilities.

The Chairman reported that the University had been offered by its bankers, Lloyds TSB Scotland plc (the "Bank"), certain ancillary facilities (the "Facilities") as detailed within a letter from the Bank dated 19 March 2007 (the "Facility Letter"), a copy of which was granted to the meeting.

The University Court considered carefully the terms of the Facility Letter and were unanimously of the opinion that it would be in the commercial interest and to the benefit of the Company to enter into the Facility Letter and that the value to the University, in money or money's worth, of accepting the offer of the Facilities, would not be significantly less than the value in money or money's worth of the consideration provided by the University.

It was unanimously resolved that:

1. it was to the commercial benefit and advantage and in the best interests of the University to accept the offer of the Facilities;
2. the form of the Facility Letter now produced to the meeting by and the same is hereby approved, subject to any amendments detailed below; and
3. Mr Gavin Gemmell and Mr Peter Wilson being Chairman of the Governing Body, the University Court, and the Secretary of the University respectively are hereby authorised to sign and deliver the Facility Letter on behalf of the University incorporating such amendments to the form of Facility Letter produced to the meeting as may in the absolute discretion of such officers be agreed by them, their signatures being conclusive evidence of their agreement to such amendments.

Approved also a recommendation that any two of the following individuals: Peter Wilson; Phil McNaull; and Andrew Walker be permitted to enter into any agreement with Barclays Bank (including banking facility agreements and indemnities), which they consider to be in the interests of the University relating to the transfer of banking facilities from Lloyds TSB bank to Barclays Bank plc.

The Chairman of Court and the Secretary of the University were invited to sign a resolution to this effect.

82 MEMBERSHIP OF COURT (PAPER J)

Noted in respect of membership of Court:

- notification received from Edinburgh City council of the appointment to Court of Councillor Tim McKay (Scottish Liberal Democrat, Inverleith ward), under para iv of Statute XII, in succession to Councillor Andrew Scobbie. Noted that the appointment would be for a period of four years until May 2011, matching the lifetime of the present Council;
- in an election for the appointment to the Court of one member of the Senate under para vi of Statute XII, arising due to the expiry of the term of office of Mr M L Breaks, the election of Dr Robert Mochrie, Senior Lecturer, School of Management & Languages. Noted that the appointment would be for a period of three years from 1 August 2007 until 31 July 2010.

The Secretary of the University expressed, on behalf of the University, thanks and appreciation to Councillor Andrew Scobbie for his service to and participation in the activities of the University. A formal letter of thanks would be sent to Councillor Scobbie.

83 DATES OF COURT MEETINGS 2008/09 (PAPER K)

Noted and approved proposed dates for meetings of Court for 2008/09:

- 29 September 2008*
- 15 December 2008*
- 23 March 2009
- 11 May 2009 (Away Day)
- 29 June 2009
- 28 September 2009
- 14 December 2009

*previously approved.

84 STUDENT APPEAL TO COURT (PAPER L)

Noted and approved the report and recommendations of the Moderator for Appeals on the appeal submitted by a candidate for the degree of Doctor of Philosophy, which was circulated to Court members on 13 June 2007. It was reported that there was no prima facie case for the issues to be considered by an ad hoc committee of enquiry of the Court given the comprehensive enquiry already carried out.

Noted the recommendation of the Moderator that the University further explore with the appellant whether the academic and financial support offered to the appellant for completing an MPhil degree is sufficient for that purpose. The Academic Registrar & Deputy Secretary confirmed that discussion with the relevant School would be taken forward on this issue.

85 DATE OF NEXT MEETING

Court members were reminded that the date of the next meeting was Monday 1 October 2007.

86 ANY OTHER COMPETENT BUSINESS

DISCIPLINARY TRIBUNAL

Noted and endorsed notification from the Secretary of the University that he would make an approach to a member of Court who is not a member of staff of the University, inviting that individual to join a disciplinary tribunal to be established to consider a current case.

CHAIRMAN OF COURT AND DEPUTY CHAIR

Noted a reminder from the Secretary of the University in relation to recent correspondence to the Court membership asking for nominations for a new Chairman of Court following the end of the period of office of Mr Gavin Gemmell and nominations for a member of Court who could deputise for the Chairman in their absence.

REPORTS TO COURT ON TEACHING, RESEARCH AND TRADING ACTIVITIES

Noted an observation that it would be helpful for Court to receive updates on strategic developments in teaching and research and in trading activities. The Secretary of the University suggested that briefing on teaching and research matters might form part of an enhanced report from the Senate to Court. With respect to trading activities, the Secretary agreed to consult further with the Director of Finance & IS/IT and the Convener of the Finance Committee to consider how reporting in this area might be enhanced.