University of Strathclyde

COURT

Minutes: 22nd November 2008

Present: Dr J F Livingston (Convener of Court), Principal, Vice-Principal Professor K Miller, Mr N Campbell, Mr R Cleland, Mr D Dunbar, Mr J Fergus, Dr D Grierson, Dr P Hughes, Mr R J A Hunter, Professor R Kalin, Mr T J Monaghan, Ms K Morrison, Ms M McGarry, Dr J McInnes, Ms F McMenamin, Professor A Paterson, Mr M Ross, Dr C Tedford, Dr G Wilson, Mr M Wishart.

Attending by invitation: Chancellor, Deputy Principal Professor A Ferguson, Deputy Principal Mrs A Hughes, Deputy Principal Professor J Love, Deputy Principal Professor J McDonald, Professor J Bourne (Dean of Education), Professor C Grant (Dean of Engineering), Professor S Hart (Dean of Strathclyde Business School), Professor I Hunter (Dean of Science), Professor N Hutton (Dean of Law, Arts & Social Sciences)

Attending: The Secretary to the University, Ms J Whitley (Deputy Secretary) Mr D Coyle (Finance Director), Mr G Roddick (Director of Estates Management), Mr W Sutherland (Director Human Resources), Ms K McLeod (Assistant Finance Director). Mrs G McArthur (Court Secretary).

Apologies: Mr R Crawford, Mr P Goldfinch, Mr D Gray, Bailie G Matheson, Mr M Strachan, Dr C Vance, Ms L Whiteford

OPEN BUSINESS

CM 4213 WELCOME

On behalf of Court the Convener welcomed the new members to their first residential meeting.

CM 4214 MINUTES

The minutes of the meeting held on 7 October 2008 and of the Special meeting held on 6 November 2008 were approved.

CM 4215 PRINCIPAL’S REPORT

Court noted a report from the Principal which included the following information:

- The Joint Future Thinking Task Force had recently issued its final report. It was the intention that, in the future, the Funding Council would operate a lighter touch in its administration reducing the statistical information that it required and the number and scope of its advisory letters. Whilst a lighter touch was to be welcomed, Court was aware that there had been no similar report for the English sector and this could lead to further divergence between the two sectors. The report had also provided information on the composition and remit of the Tripartite Advisory Group which Court noted.
- Court was pleased to note that 8 crates of surplus glassware donated by the Department of Pure and Applied Chemistry were on their way to Romania to be distributed to various Universities and non-commercial research institutes.
- Court was delighted to note that Raytheon had agreed to fund the Raytheon Chair in Power Electronic Systems in the Department of Electronic and Electrical Engineering.
The Principal had recently helped launch the new school-based Counselling website and DVD that had been developed by the Counselling Unit within the Faculty of Education.

Deputy Principal Mrs Hughes along with Mr A Ingram, Minister for Children and Early Years, had recently launched the first University degree for nursery and childcare workers based on professional standards.

Court was delighted to learn that Dr Gail McConnell, Centre for Biophotonics, had received a NEXUS 2000 Life Sciences award; and Professor Martin Dawson, Institute of Photonics, had been made a Fellow of the Institute of Electronic and Electrical Engineers.

At the Glasgow Sports Personality of the Year Awards held at Kelvingrove Museum and Art Gallery the previous night, Ms Sarah MacIntyre, 3rd year BA in Arts and Social Sciences student and an international curler, had been awarded Student Athlete of the Year; and Ms Aileen McGlynn, partially-sighted track cyclist and Strathclyde alumnus who had won two gold medals at the Beijing Paralympic Games earlier in the year, had been awarded Disabled Athlete of the Year.

CM 4216 FINANCIAL STATEMENTS 2007/08

.1 Court received the draft Financial Statements for 2007/08; a Commentary on the Financial Statements prepared by the Finance Office; reports from the University Management Committee and the Audit Committee on the Financial Statements; the Management Letter from the External Auditors; and Financial Performance Indicators.

The Treasurer informed Court that the University had achieved a good result overall, with a surplus of £9.7M at the year end. However, he reminded Court that this level of surplus would surely diminish in subsequent years as the University invested in its estates development programme. Also, in light of the current economic environment and the impact of the recent salary settlement, some difficult decisions lay ahead and the need for budgetary discipline would be essential.

.2 The Finance Director presented the Financial Statements for the year ended 31 July 2008 to Court. He was pleased to report that the University had achieved a good outcome, with an operating surplus of £9.7M at the year end. Income had increased by £15.3M (7.5%) due to an increase in income from the Funding Council, from tuition fees, from overseas student fees, from research contracts and from interest earned. Expenditure had increased by £13M (6.6%), due mainly to an increase in staff costs (which accounted for £7.4M) as a result of the recent pay awards and higher employers contributions costs to pensions. At the year end the University had cash balances of £97.6M. The value of its fixed asset investments and endowments had been adversely affected by the current economic environment resulting in a decline in market values of £2.7M.

The key messages emerging from the financial statements were that the surplus was a highly satisfactory result but a large proportion of that had been due to interest earned. Liquidity was currently strong but would decline due to the funding of the estates development programme. Future surpluses would be significantly affected by the recent staff pay award, additional maintenance expenditure and depreciation charges, and a reduction in the interest earned as the University met the cost for the estates development.

.3 Court noted that both the Audit Committee and the University Management Committee were satisfied with the Financial Statements. The External Auditors had confirmed that they would be issuing an unqualified report and they had raised no matters in their Management Letter. On the recommendation of the Audit Committee, Court

RESOLVED that the draft Financial Statements for 2007/08 be approved and the relevant officers be authorised to sign the printed statements in due course.

On behalf of Court the Convener thanked the Finance Director and his team for all their hard work in preparing the Financial Statements.
CREATION OF NEW DEPARTMENT (CM 4103; SM11341.2)

Court had been advised previously by the Dean of Science that, within the Faculty, it had been decided that the Departments of Mathematics and of Statistics and Modelling Science should merge to form one department. A merger implementation group had been established to oversee this process and it had now reached the stage where it had come forward with proposals to finalise this process and create the new Department of Mathematics and Statistics. This had been discussed at Senate and, on the recommendation of the Faculty and Senate, Court

RESOLVED that the Department of Mathematics and Statistics be created with effect from 1 August 2009.

COLLABORATIVE AGREEMENTS (SM11341.2)

On the recommendation of Senate, Court

RESOLVED that the revised collaborative agreement between the University and Hamburg University of Technology, Germany, and Aalborg University, Denmark, for the joint award of a Masters in Global Innovation Management be approved with effect from September 2008.

PRIZES (SM11341.2)

On the recommendation of Senate, Court

RESOLVED that the Glaxo Travel Award for Research in Physiology and Pharmacology and the GlaxoSmithKline Undergraduate Prize in Pharmacology be withdrawn with immediate effect.

COMPOSITION OF SENATE: CHANGES TO STATUTES AND ORDINANCES (SM11348, 11070)

As a result of the review of effectiveness of committees and the implementation of the pay modernisation process, Senate had decided to reduce its membership and to abolish the current electoral colleges. It had also agreed that the number of elected members of Senate should continue to be greater than the number of ex officio members and that a minimum of five members should be elected from each of the five Faculties to Senate. This had meant that the wording of Statute XIV and Ordinance 15 had to be revised to reflect these proposed changes. Senate had considered the proposed changes at its meeting on 22 October 2008 and had forwarded these proposals to Court for consideration and approval.

Court

RESOLVED by Special Resolution to amend Statute XIV of the University Statutes, subject to
- notification to Senate
- public display within the University for a period of 28 days
- confirmation by Court at its next meeting
- such amendments that the Lords of the Privy Council may require as follows:

Statute XIV The Senate
Statute XIV.1 (i) Delete: Pro Vice-Principal
Statute XIV.1 (iii) After The Librarian
               Insert: the Director of Academic Practice and Learning
               Enhancement and the Director of Lifelong Learning
Statute XIV.1 (v) Delete: Professors, Non-Professorial
Statute XIV.2 line 5 Delete: relevant Electoral College
Insert: Senate Electoral Roll.

Court further

RESOLVED by Special Resolution to amend the wording of Ordinance 15 as set out in the Annex to the minutes.

Court also

RESOLVED to delete the Note at Statute XIV.1.

CM 4221 BASELINE STATEMENT ON QUALITY ASSURANCE ARRANGEMENTS

Court received a tabled paper setting out the current arrangements for quality assurance within the University. The Funding Council now require each institution to provide a summary statement which explains how the governing body has discharged its strategic responsibilities for quality assurance by the end of December. This had been discussed at a recent meeting of the Academic Policy Committee but, due to the timing of meetings, had yet to be discussed at Senate. Court

RESOLVED that, subject to the agreement of Senate, the baseline statement on Quality Assurance arrangements within the University be approved.

CM 4222 INTERIM ARRANGEMENTS FOR INFORMATION RESOURCES DIRECTORATE:
APPOINTMENT OF UNIVERSITY LIBRARIAN

Court was aware that Professor D Law, University Librarian and Head of Information Resources Directorate, had retired from the University at the end of October. The University Management Committee had discussed the interim arrangements that had been made for progressing business in the Information Resources Directorate (IRD) and had also considered the appointment of the University Librarian, which was a statutory appointment. It had been proposed that a temporary appointment be made to this post in order to allow more time to consider the best senior management structure for the IRD in the future. Due to the timing of meetings this proposal had not yet been considered by Senate, but would be at its next meeting in December. Under the terms of Statute IX and on the recommendation of the University Management Committee, Court

RESOLVED that, subject to the approval of Senate and to Ordinance 16 procedures, Mr Keith Davis be appointed University Librarian as soon as possible and for the period to 1st July 2009.

CM 4223 TREASURY MANAGEMENT POLICY (CM 4198)

At the last meeting Court had approved amendments to the Treasury Management Policy. In light of the discussion at the last meeting and the continuing uncertain economic environment further consideration had been given to the detail of this policy and further amendments were now proposed in order to protect the University’s financial interests. On the recommendation of the University Management Committee, Court

RESOLVED that the current wording of Section 3 of the Treasury Management Policy be reworded as follows:

“Surplus Cash balances may be invested as follows:
- Deposits with approved banks
- Deposits with approved Building Societies.”
The maximum sum to be deposited with any one institution is £10M with the exception of the following named banks where the limit is £30M: Barclays, HSBC, RBS, HBOS, Lloyds TSB.’

This policy would be reviewed again early in the new year in light of the current highly unusual market conditions.

Court further

**RESOLVED** that, given the fluidity of the current economic situation, the Convener of Court, the Treasurer, the Vice-Convener of Court and the Convener of the Audit Committee be delegated authority to make decisions regarding the investment of cash balances of the University between meetings of Court should this be necessary and subject to report back to Court.

**CM 4224**  
**EXCELLENCE ENHANCEMENT GROUP: AWARDS FOR EXCELLENCE**

Court welcomed the proposal to establish a ‘Strathclyde Awards for Excellence’ scheme in Learning and Teaching, Knowledge Exchange and Research. This scheme would celebrate the success and contributions of innovative and productive staff in these areas, and a specially commissioned prize would be awarded in an annual event. It was the intention that there would be criteria established for the award, there would be a nominations process, and a Panel would be established to select the winners. Further information would be issued in due course.

**CM 4225**  
**OUTCOMES OF THE RESEARCH ASSESSMENT EXERCISE**

Court was aware that the outcomes of the Research Assessment Exercise (RAE) would be published on 17 December 2008 and noted that it was the intention to inform the members of Court of the results as quickly as possible. A communication strategy for this was being developed by the University Management Committee.

**CM 4226**  
**AUDIT COMMITTEE**

Court received the report from the meeting of the Audit Committee held on 4 November 2008. In particular the following matters were discussed:

1. **Value For Money (AM 871)**
   Court noted that a draft strategy for value for money had been developed which had been welcomed by the Audit Committee.

2. **Review of the Performance of the External Auditors (AM 876)**
   In light of their performance in 2008 and on the recommendation of the Audit Committee, Court
   
   **RESOLVED** that Ernst & Young LLP continue as External Auditors to the University for the audit of the Financial Statements for 2008/09.

3. **Internal Audit Service**
   The Convener of the Audit Committee drew Court’s attention to the range of work the Internal Audit Service continued to conduct across the University including auditing departments, Faculties, systems and controls. The Internal Audit Service also benchmarked itself against others in the sector and the outcomes of this demonstrated that the Service was performing well. Court welcomed this information.
.4 **Annual Reports and Audit Opinion**

Court received the Annual Reports from the Audit Committee and from the Internal Audit Service for 2007/08. Court was pleased to note the opinion of the Audit Committee: 'The Committee is satisfied with the adequacy and effectiveness of the University’s internal financial and management systems of control and on the arrangements for securing economy, efficiency and effectiveness. This view is based on the information and comment provided to the Committee from the Internal Audit Service through their audit reports, annual report and regular activity reports; from the University Management Committee, principally through its annual risk report; from the External Auditors, through their report on the financial statements and the Management Letter; and from various other enquiries and information sought by the Committee from a range of areas within the University.

The Committee is satisfied that the University has complied with the CUC Guide for Members of Higher Education Governing Bodies in the UK, and that the Governing Body's responsibilities as defined in the Statement of responsibilities of the University Court in the Financial Statements, have been satisfactorily discharged.'

In discussion it was noted that compliance with Data Protection requirements and software licensing were checked by the Internal Audit Service as part of their standard departmental audit. This was not commented on separately in the Annual Report as Internal Audit checked compliance with a range of requirements. However, some further consideration would be given to the future reporting of such matters.

On behalf of Court the Convener thanked the Audit Committee for all its hard work through the year.

---

**CM 4227 ESTATES STRATEGY COMMITTEE**

Court received the report from the meeting of the Estates Strategy Committee held on 31 October 2008. In particular Court discussed the following:

.1 **Sports and Health Facility (CM4160; ESCM267)**

Court was pleased to note progress with the development of the new Sports and Health Facility. It endorsed the decision of the Committee to delegate authority to the Convener of the Estates Strategy Committee and Estates Management to agree with the Design Team the method of procurement of the building, the appointment of the preferred contractor following completion of the Stage 1 tender process, and the release of £50k to cover any fees that might be incurred by the preferred contractors involvement in specific activities associated with this project prior to the next meeting of Committee in January. On the recommendation of the Estates Strategy Committee, Court

RESOLVED that final approval of the project be granted in order to allow spend against the budget of £33.1M previously approved so that the project could be delivered by Estates Management under the supervision of the Estates Strategy Committee.

.2 **James Weir Building (CM4161; ESCM274)**

Court noted that the Design Team would be asked to consider options regarding the future development of the James Weir building. The Faculty would continue to be involved in these discussions in order to ensure that the development would meet the future needs of the Faculty. Normally at this stage final approval would be sought. However, due to the high level of backlog maintenance works required, it was proposed that this be deferred until completion of Stage D (Scheme Design) as this would provide a higher level of cost certainty, a reduction in the number of options and a more detailed understanding of the procurement and sequencing of the delivery of the works, all reducing the overall risk to the University. On the recommendation of the Estates Strategy Committee, Court
RESOLVED that

i. final approval be deferred until completion of Stage D (Scheme Design);

ii. the Design Team’s appointment be extended to complete Scheme Design

iii. funding of £330k be approved from the Estates Development Framework to meet the fees for the Design Team.

.3 Jordanhill Building (CM4161; ESCM 276)

Court noted progress with the development of the Jordanhill building. Discussions had been held with staff in the Faculty regarding the internal design of the building and progress was being made. It was known that the Deans of Education, LASS and Business were meeting to discuss the future shape of social science provision within the University and recently the Principal-Designate had joined these meetings. A proposal to consider delaying final approval until it was clear if these discussions would have any impact on the design of the building was suggested. However, the Dean of Education was concerned that this would send out the wrong signal to staff in the Faculty and could potentially delay this programme. The timescale for the move to a single campus had been agreed and she, and her staff, were working to this programme. The Dean reported that the only matter remaining that needed final agreement was the detailed floor plan for the building.

Court was clear that the move to the single campus was a critical strategic step for the future development of the University and must proceed. Whilst the Deans were discussing the future shape of social science provision within the University this need not delay the development of the new building. Giving final approval for this project now would still allow discussions to take place to ensure that the direction and structure for the building was the best for the University.

Court endorsed the decision of the Estates Strategy Committee to delegate authority to the Convener of the Estates Strategy Committee and Estates Management to agree with the Design Team the method of procurement of the building, the appointment of the preferred contractor following completion of the Stage 1 tender process, and the release of £50k to cover any fees that might be incurred by the preferred contractors involvement in specific activities associated with this project prior to the next meeting of Committee in January. On the recommendation of the Estates Strategy Committee, Court

RESOLVED that final approval of the project be granted in order to allow spend against the budget of £71M previously approved so that the project could be delivered by Estates Management under the supervision of the Estates Strategy Committee subject to any material changes, such as might arise from Social Sciences re-structuring, being brought back to Court.

.4 Royal College, Phase 3 (CM4161; ESCM277)

Court was aware that consideration was being given to the longer term future for this building. However, in the interim there was a need to continue with certain works to ensure that the building could continue to be used. Part of these works was already advanced and was essential. It was the intention that a series of meetings with the Principal-Designate, the Deans and the users of the building would take place to discuss the future for this building. Normally at this stage final approval would be sought. However, due to the amount of backlog maintenance and the number of options for future development it was proposed that approval be deferred until Stage D (Scheme Design) was complete. This would ensure a higher level of cost certainty and a more detailed understanding of the procurement and sequencing of the delivery of the project. It was also anticipated that some further design work would need to be undertaken before the next meeting of the Committee in order to maintain progress with the programme.

On the recommendation of the Estates Strategy Committee, Court
RESOLVED that

i. final approval be deferred until completion of Stage D (Scheme Design);

ii. subject to Estates Management consulting with, and obtaining prior approval from, the Convener of the Estates Strategy Committee the Design Team’s appointment be extended, if necessary, to complete Stage D and the sum of £100k be approved to meet their fees if required.

CM 4228 CONVENER’S ACTIONS

It was noted that, following his resignation from the Audit Committee, the Convener had asked Dr P Hughes to join the membership of the Business Ventures Group with immediate effect. Court endorsed this action.

CM 4229 FUTURE MEETINGS

Court was informed that the Funding Council had recently announced that it would not be issuing the funding letter to institutions until 31 March 2009. Given that Court had previously decided that it would hold an extended meeting on this date to discuss the outcomes of the RAE and the funding being provided by the Funding Council it was agreed that the March 2009 meeting would not be an extended meeting but would end with lunch.

However, in light of the discussion that had taken place earlier at the residential meeting, it was proposed that an extended meeting be held in May 2009. This would allow the new Principal the opportunity to discuss a range of matters with the members of Court regarding the future direction of the University. Confirmation of the arrangements for the meeting to be held on 8 May 2009 would follow.

CM 4230 NEXT MEETING

Tuesday 27 January 2009 at 2.00 p.m. This will be preceded by a meeting with the Dean and other members of the Faculty of Education at 10.30 a.m. followed by lunch at 12.30 p.m.

GMcA
25.11.08