

MINUTES OF UNIVERSITY COURT
7 March 2019

- Present:** Dame Sue Bruce (Convener), Ronnie Cleland, Gillian Hastings, Dr Jeremy Beeton, Dr Jane Morgan, Gillian Pallis, Paula Galloway, Brenda Wyllie, Marion Venman, Principal Professor Sir Jim McDonald, Vice-Principal Professor Scott MacGregor, Amanda Corrigan, Dr Kathy Hamilton, Dr Neil McGarvey, Heather Stenhouse, Councillor Ruairi Kelly
- Attending:** Dr Veena O'Halloran, Hugh Darby, Adrian Gillespie, Professor David Hillier, Professor Iain Stewart, Professor Atilla Incecik, Professor Douglas Brodie, Professor Tim Bedford, Professor Sara Carter, Rona Smith, Sandra Heindinger, Alex Brock, Dr Daniel Wedgwood
- Apologies:** Dr Archie Bethel, Alison Culpan, Matt Crilly, Titi Farukuoye, Susan Kelly, Dr Katherine Mitchell, Malcolm Roughead, Kerry Alexander

Welcome and apologies

The Convener noted the apologies received and welcomed Court members and attendees to the meeting. The Convener extended a particular welcome to Councillor Kelly, who was attending his first meeting as the new Glasgow City Council appointee to Court, and to Alex Brock, who had been invited to observe the meeting on behalf of USSA, in the absence of the student members of Court.

1. Minutes of the meeting held on 29 November 2018

Court **approved** the minutes of the meeting held on 29 November 2018.

2. Matters arising

There were no matters arising.

3. Principal's Report

The Principal informed members of key activities and developments since the November 2018 meeting:

The UK's withdrawal from the EU

The university had established a No Deal Business Continuity Group, in response to the perception that a 'no deal' exit from the EU had grown in likelihood. This would work alongside the broader Strathclyde EU Exit Working and Advisory Group. Court had been updated by email on 13 February on some of the current areas of focus.

CESAER

The Principal noted that he had chaired CESAER Presidency and Board meetings in Brussels and had been able during this time to meet key EU decision-makers. As a result, Strathclyde was recognised as a key actor in helping to shape possible outcomes relating to research and innovation in the context of the European Commission's planning as well as the UK's withdrawal from the EU.

Royal Academy of Engineering

The Principal expressed his intention to use his presidency to increase connections between UK and EU learned societies in the context of the UK's withdrawal from the EU. The presidency would provide opportunities to enhance Strathclyde's profile on the UK and international stage.

Scottish Funding Council indicative funding allocation

SFC released the 2019-20 indicative funding allocations for universities on 28 February 2019. In line with expectations since the Scottish Budget announcement, funding for the sector as a whole had decreased by approximately 2% in real terms. Through the allocations, all Scottish higher education institutions had experienced some real-terms reduction in SFC grant funding, relative to the previous year. In Strathclyde's case, the reduction was around £1.1 million on 2018-19 levels of grant funding, although this was in part attributable to a planned transfer of some student places to another institution. Capital grant funding was also down on the previous year with 'Financial Transactions' loan finance becoming an increasingly significant source of capital funds. Strathclyde had had great success in securing these low interest loans in the previous round (see item 10).

Government and SFC engagement

The UK Minister for Higher Education & Science, Chris Skidmore MP, had visited the University on 1 March. He had taken part in discussions on the Medicines Manufacturing Innovation Centre and seen several other key Strathclyde initiatives and a university spin-out company.

The Scottish Cabinet Secretary for Finance, Derek Mackay MSP, had also visited Strathclyde recently and commended the University's approach to knowledge exchange.

First Minister Nicola Sturgeon and the Cabinet Secretary for Environment, Climate Change and Land Reform, Roseanna Cunningham, had also visited the campus recently, to attend events in the TIC. The Scottish Minister for Further Education, Higher Education and Science, Richard Lochhead MSP, was due to visit on 13 March.

The UK Secretary of State for Business, Energy and Industrial Strategy, Greg Clark MP, was due to visit Strathclyde in May and plans were being developed to create wider engagement around this visit with industrial partners and with the Cabinet Secretary for Finance.

The Principal had met the new Chief Executive of the SFC, Karen Watt, on 18 January, shortly after she had taken up the post. A further meeting was planned.

GCID launch

On 1 February, the University had hosted the launch event for the Glasgow City Innovation District. The event had been well attended, with over 250 guests, and with the participation of the Cabinet Secretary for Finance and the Leader of Glasgow City Council, Councillor Susan Aitken. The University of Glasgow, Innovate UK and industrial partners were also represented. The Convener of Court and Paula Galloway had also attended this very successful event, which acted as a showcase of the University's achievements and ambitions, and of the value of collaborative enterprise.

Enhancement-Led Institutional Review (ELIR)

There had been an initial planning visit by the ELIR panel on 31 January, which had involved meetings with the Principal and senior management, Students' Association representatives and a group of academic staff. The ELIR Panel had noted good engagement and a constructive and positive approach throughout. The Panel was due to return for the full Review Visit on 11 March. Over the course of a week, there would be further meetings with senior management as well as a variety of staff and students from across the University. Draft reports were expected 8 weeks after the end of the Review Visit, when they would be shared with the University for comment.

UKVI staff review

A UKVI review of tier 2 and tier 5 visa arrangements for staff had taken place shortly before the present meeting. No outcomes were yet available, but informal indications were positive.

Graduation fees

Following discussions with the Students' Association and the Student Experience Committee, and in support of its vision as a socially progressive institution, the University had abolished graduation fees. This had a modest financial impact on the University, but made a meaningful difference to many students. A number of other Universities had since followed Strathclyde's lead in this. The constructive nature of the partnership working between the University and students, through the Student Experience Committee, was noted. This had enabled the new arrangements to be in place for the next round of graduations.

UK Policy issues

The University was responding to consultations on the review and development of the Teaching Excellence Framework and proposals for a Knowledge Exchange Framework. The Augar Review of post-18 education in England had been delayed; once released, this was expected to have some impact in Scotland, but details were not yet known.

USS pensions

The Acting CFO gave a summary of recent developments. The University was due to respond within the next few days to UUK proposals for 'contingent contributions', which had been sought by the USS trustees as part of the 2018 valuation process. Agreement of a 2018 valuation would be expected to reduce substantial increases to employers' and employees' contributions that would otherwise follow from the completed 2017 valuation. In addition, the Joint Expert Panel had been reconvened, with the aim of developing sustainable longer-term arrangements, to be effected through a 2019 valuation.

Awards

Among 62 recently announced new Fellows of the Royal Society of Edinburgh, seven were connected to Strathclyde:

Dame Sue Bruce, Convener of Court
Stuart Reid, Professor of Biomedical Engineering
Gail McConnell, Professor of Biophotonics
Deepak Uttamchandani, Professor of Microsystems Engineering
Richard Rose FBA, Professor and Director, Centre for the Study of Public Policy
Lena Wilson CBE, Visiting Professor, SBS
Graeme Reid, Visiting Professor, School of Government and Public Policy

The Principal offered his congratulations to the Convener of Court on this award and noted that this meeting's speaker, Professor Stuart Reid, was among the new Fellows.

The University had presented eight staff members with long service awards recognising over 40 years' service.

World Rankings

In the QS subject rankings published on 27 February, Strathclyde had been ranked in the top 100 in two subject areas: band 51-100 in Pharmacy & Pharmacology and Business & Management Studies. The University's highest ranking at the broad 'Faculty' level was for Engineering & Technology: 193 in the world, up 5 places. Of 48 subject areas in this ranking, Strathclyde was scored in 38 subjects and featured in the world's top 200 in 11 subjects.

Principal's engagement sessions

The Principal was engaged in a programme of engagement sessions across the University's academic and professional services units, which would conclude in April, by which time he would have engaged with around 2,500 members of the University. The Principal commented that the sessions had been very valuable, with constructive engagement from all parts of the institution.

Global Talent Attraction Programme (GTAP)

The University was planning to appoint around 40 new Chancellor's Fellows, bringing in outstanding academic talent from across the world. Twelve senior staff had also been shortlisted through GTAP. Another round of appointments through these schemes would be pursued in the summer.

UN Sustainable Development Goals (SDGs) Accord

The University had signed the SDGs Accord, reflecting its commitment to sustainability and socially progressive policies.

Health, Safety and Wellbeing: The University Secretary and Compliance Officer (USCO) provided a summary of recent Health and Safety matters, focusing on:

- measures taken to secure perimeter fencing at building sites on campus;
- lighting around building sites;
- on-going development of systems for tracking, monitoring and reporting on health and safety matters;
- events planned on campus for Mental Health Day;
- unveiling by the Minister for Mental Health, Clare Haughey, of the first Breathing Space bench on a Scottish university campus. [Breathing Space](#) is a free, confidential phone service for anyone experiencing depression or anxiety, funded by the Scottish Government and NHS 24.

Reflecting on health and safety, members noted recent media attention on knife crime in different parts of the UK. It was noted that Glasgow had in recent years implemented a 'public health' approach to the problem, with positive outcomes, and was considered by many to offer a model for other UK cities to follow. The USCO reassured members that there had been no increase in knife crime on campus and that effective preventative measures were in place, including CCTV systems.

Following the Principal's report, the Convener congratulated the Principal on his recent nomination to the Presidency of the Royal Academy of Engineering, noting that this reflected both his personal achievements and the status and profile of the University.

4. Presentation: Professor Stuart Reid, Biomedical Engineering

Professor Stuart Reid delivered a presentation on his research into precision measurement, thin films and medical applications of 'nanokicking' technologies.

Court members expressed their gratitude for an inspiring presentation. Court noted that Professor Reid was an outstanding example of the leading academics brought to Strathclyde through the Global Talent Attraction Programme and that Strathclyde's spirit of ambition and ethos of cross-disciplinary partnership was a major attraction to such ground-breaking researchers.

The Convener congratulated Professor Reid on his recently becoming a Fellow of the Royal Society of Edinburgh (RSE) and commended his scientific outreach work through the RSE Young Academy.

5. Outcome Agreement 2017-2020: Final 2019/20 Annex

The Director of Strategy and Policy presented a near-final draft of the University's Outcome Agreement (OA) Annex for 2019/20, noting that this was an annex to the existing three-year OA, containing information required annually by the SFC. A new three-year OA would be developed in the next academic year. The 2019/20 annex would be submitted to the SFC at the end of April.

Members noted the real-terms decline in SFC grant funding over recent years and discussed how the challenge of any further cuts in public funding would be met, in a wider context of economic uncertainty. It was noted that the University's strategy took this into account, with investments targeted at growth of other income sources, with consequent reduction of reliance on SFC income and of exposure to associated risks.

Members noted that 'demand for university services', in the OA Appendix C, concentrated on demand from business. Discussion followed on the extent to which the University could also, outwith the OA annex, develop and promote examples of work with and contributions to the public sector. Relevant examples were noted, including the development of masters courses in public policy, which would form a key part of the Policy@Strathclyde offering, and significant contributions to improving health care that brought benefit to both the NHS and private sector healthcare providers.

Court **approved** the near-final OA Annex 2019/20 for formal submission to SFC, subject to any non-material amendments required following SFC feedback, and granted **delegated authority** to CBG to consider and approve any material amendments that may be required.

6. Presentation: Estates Development Update

The Director of Estates Services provided an update on estates developments, incorporating an overview of strategic goals, major on-going projects, projects in development and master plans for other parts of the campus, in addition to an outline of the Combined Heat & Power (CHP) facility, which was now operational.

The Deputy Convener (Estates) commended the Estates Services team for its efficient handling of a portfolio of highly complex projects. Members noted that estates planning had become more strategic, agile and comprehensive in recent years.

Discussion centred on the CHP facility. Members noted that the CHP network was designed with the potential to extend beyond the University, although any potential extension would depend on initial demonstration of spare capacity and delivery of benefits, as well as decisions over additional investment, which would have to be made in conjunction with external stakeholders. It was also noted that power and heat supply to the University was resilient in the event of a CHP engine breakdown, as there were both internal back-up systems and continued connection to the grid.

Court noted that the gas-powered CHP was delivering significant efficiency savings and carbon reduction and so was contributing to a more sustainable campus, despite being dependent on a fossil fuel. As in the wider economy, the use of gas power should be seen as a transitional step towards decarbonised future provision. Members noted that there were other sustainable energy measures around the University, including solar arrays on the TIC and Inovo buildings.

It was noted that footfall in the library had increased significantly since the opening of the Strathclyde Sport building, even beyond that foreseen in the business case for the Sport building.

Court **noted** ongoing estates developments.

7. Q2 Business Report 2018/19

The Acting Chief Financial Officer and the Director of Strategy & Policy presented the Q2 Business Report 2018/19. The initial draft of the Q2 financial forecast had indicated increased adverse variance from the Budget in the forecast surplus, **[Reserved]**. The majority of the movement between Q1 and Q2 arose from forecast expenditure in excess of budget. Work was underway to generate additional income and to secure significant savings without suppressing key investments. This was expected to bring the outturn in line with Budget by Q4.

It was noted that the Balance Sheet was strong, with continued significant year-on-year increases in income. In particular, the strong performance in attracting research income was highlighted.

Major capital projects remained on course for delivery according to schedule, despite some compression of project timescales.

Within the student intake/population metrics, research postgraduate (PGR) indicators remained red flagged. Work with the Faculties to address this was continuing, co-ordinated through the Performance Development Group. It was noted that the shortfall was relative to strategic growth targets and that the University's PGR population compared well with that of sector benchmark institutions.

The Learning & Teaching Building project had been given an amber flag in the report. Court noted that this did not signal any material change in the project, which was on course, but rather was intended to reflect the complexity of the project, the critical nature of the project timing and the fact that the University would, accordingly, monitor the project closely.

Court **noted the Business Report.**

8. Strategic Plan 2015-2020 – mid-year progress report

The Director of Strategy & Policy presented the year 5 mid-year progress update on the 16 key performance indicators (KPIs) in the Strategic Plan. The majority of KPIs were 'on track' or ahead of relevant milestones. A small number of KPIs had been flagged to indicate that further work was required. Among these, KPI 10, industry research income, had been given an amber flag based on a strict interpretation of the target, the forecast figure at this stage being slightly lower than the relevant milestone.

The Acting CFO noted important context for KPI 15, cash generation, which was flagged red. It was known that the cash generation KPI had been impacted by lower than expected surplus figures and reduced levels of recorded depreciation. However, there were uncertainties associated with the metric itself. This KPI had been introduced to replace a KPI on surplus generation, which had had to be discontinued following the introduction of the FRS102 accounting standards. It was as yet unclear whether the process of translation from the old surplus-based targets had created realistic targets under the new metric, for which benchmarking data was not yet available. Nonetheless, some such indicator of financial sustainability was required. The KPI would therefore be maintained, but kept under review. It was noted that benchmarking data in this area should become available in time to inform the development of KPIs for the next strategic plan. Members observed that it would be important in the context of the University's development of bold investment plans to calculate and maintain appropriate cash holdings.

Court discussed the importance of strategic communications, such that the University's plans and achievements would be communicated to appropriate audiences in a strategic and timely way. The Chief Commercial Officer noted that the University had generally highly effective communications but that work was in hand to develop a more strategic dimension to this. The Convener noted that Court could benefit from a presentation on communications strategy at a forthcoming meeting.

[ACTION: CCO and Head of Governance & Public Policy to arrange a presentation on communications strategy for a future Court meeting.]

Court **noted** and **discussed** mid-year performance against the KPIs.

Items for formal approval

9. Convener's Actions

- Court **homologated** approval by Convener's Action of the establishment of the new Chief People Officer role and associated amendments to Ordinance 4.1.
- Court **homologated** approval by Convener's Action of the temporary delegation of authority normally assigned to the Director of RKES to the Deputy Director of RKES.

10. Scottish Funding Council provision of loan funding via the University Financial Transactions Programme

Court considered a proposal that the University approve loan funding from the Scottish Funding Council in relation to two capital projects within the University's Capital Investment Plan, for which funding had been competitively won under the SFC's University Financial Transactions Programme:

- Colville Building: contribution to learning and teaching space redevelopment – maximum loan amount **[Reserved]**.
- Window Replacement, Royal College Building – maximum loan amount **[Reserved]**.

Court was satisfied that entering into such Terms of Loan with the Scottish Funding Council would be of significant benefit to the University and resolved that:

- the University should accept the offer of loan funding from the Scottish Funding Council (in the terms set out in the Project Loan Summaries);
- the Acting Chief Financial Officer be authorised to finalise the contract and to sign and dispatch all documents, notices and other communications required or permitted to be given by the University in relation to the Project Loan Summaries; and
- the Acting Chief Financial Officer be authorised to sign the final contract documentation on behalf of the University.

11. AFRC Future Forge Press Project

Court **approved** the additional investment and revised project schedule for the Future Forge Press Project, noting that the additional funding would be provided by the HVM Catapult.

Items for information

12. Court meeting dates 2019/20

Court **noted** the meeting dates for the next academic year.

Committee Reports

Court received and **noted** the following committee reports, except where otherwise indicated:

13. Senate

Court **approved** the establishment of the Innovation and Industry Directorate.

Court **endorsed** the change to a departmental name in the Faculty of Engineering: from “Department of Design, Manufacture and Engineering Management” to “Department of Design, Manufacturing and Engineering Management”.

14. Executive Team

15. Court Business Group

16. Court Membership Group

The Convener alerted members to the imminent need to select a new Vice-Convener of Court, noting that the holder of this position must be a lay member and should have at least one year of experience and two years remaining as a Court member. The Convener invited any interested and eligible Court members to contact her to discuss the role.

17. Audit & Risk Committee

18. Enterprise & Investment Committee

19. Estates Committee

20. Remuneration Committee

21. AOB

The University Secretary & Compliance Officer highlighted the range of events scheduled in connection with International Women’s Day, several of which were led by student groups. Related events would take place throughout March.

Members enquired as to the progress of the three Strathclyde researchers who were participating in the Homeward Bound leadership scheme for women in science and had spoken at the November Court strategy session. It was noted that they had been active on social media. The Principal undertook to circulate an update to Court members.

[ACTION: Strategy & Policy to circulate relevant Homeward Bound social media posts and/or other update material to Court members.]

Date of next meeting

Thursday 2 May 2019, Court Senate Room. To be followed by a public meeting, to comply with the requirements of the revised Scottish Code of Good HE Governance, and a Court strategy session.

Dan Wedgwood, March 2019