

**MINUTES OF UNIVERSITY COURT**  
**4 May 2017**

**Present:** Richard Hunter (Convener), Ronnie Cleland, Malcolm Roughead, Dr Jack Perry, Kerry Alexander, Dr Archie Bethel, Susan Kelly, Alison Culpan, Dr Jeremy Beeton, Principal Professor Sir Jim McDonald, Vice-Principal Professor Scott MacGregor, Dr Jonathan Delafield-Butt, Dr Andrew McLaren, Professor Erling Riis, Dr Dimitris Andriosopoulos, Louise McKean, Raj Jeyaraj, Gerry McDonnell, Dr Alistair Goldsmith

**Attending:** David Coyle, Professor David Littlejohn, Professor David Hillier, Professor Dimitris Drikakis, Professor Sara Carter, Professor Tim Bedford, Rona Smith, Sandra Heidinger, Ray McHugh, Stella Matko, Darren Thompson, Professor Graham Wren (for item 5), John Lauwerys

**Apologies:** Marion Venman, Gillian Hastings, Dr Veena O'Halloran, Dr Jane Morgan, Councillor Stephen Curran

**Welcome and apologies**

The Convener noted apologies received and welcomed members of Court and attendees. He specifically welcomed John Lauwerys who had been appointed to provide external support and facilitation to Court's Review of Effectiveness and who would be observing a number of meetings of Court and its committees. Court received a short progress update on the on-going Review.

There were no declarations of interest.

**1. Minutes**

Court **approved** the minutes of the meeting held on 2 March 2017.

**2. Matters arising**

There were no matters arising.

**3. Principal's Report**

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

University Dinner 2017: Court noted that the annual University Dinner held in April had been a significant success, with a record level of attendance by representatives from key academic and industry partners.

External developments: The Principal reflected briefly on a number of significant external developments since the last meeting of Court in March. The University was well positioned to take advantage of opportunities as they arose and to ensure continued success in the face of any external disruption.

Enterprise and Skills Review: Court noted that, following close engagement by the sector, previously indicated changes to the governance arrangements of the Scottish Funding Council had not materialised. The University and the sector, through Universities Scotland, continued to engage constructively in on-going discussions with the Scottish Government.

UK Industrial Strategy Green Paper: The Principal informed Court that the University had submitted a response to the UK Government's recent consultation. The University would maximise opportunities to

influence and advise UK Ministers and senior officials and to be a strong collaborator on activity aligned with national strategies.

Research Excellence Framework consultation: The University had submitted a response in March to the consultation on the second Research Excellence Framework. The outcomes from this consultation were expected to be highly influential.

Strategic Dialogue Meeting: Members of Court and University senior officers would meet with representatives of the Scottish Funding Council on 5 May to discuss key pre-agreed topics, with the intention to enhance and strengthen relationships and to increase the SFC's understanding of the University's progress in delivering its Outcome Agreement commitments. The Principal thanked the members of Court who had agreed to participate.

Widening Access: The University had recently hosted a visit by Professor Sir Peter Scott, the Scottish Commissioner for Fair Access. This had been a very successful engagement and the Commissioner had subsequently expressed his appreciation for the opportunity. In addition, the Principal had delivered a plenary session at NUS's Refugee Student Summit, in March, with the theme of Education for All. The University had also launched the Age-friendly Academy, reflecting a commitment to the concept of positive aging combined with a significant programme of research.

Court members reflected on ambitious national targets on widening access and the potential impacts on opportunities for other Home/EU applicants. It was noted that public awareness of this issue may be increasing and also that any future constitutional change may have an impact on these areas.

THELMAs: Court noted that the University had been shortlisted for three awards in the 2017 Times Higher Education Leadership & Management Awards (THELMAs). These were: Workplace of the Year; Outstanding Strategic Planning Team; and Outstanding Industry Engagement Initiative. The winners would be announced on 22 June.

Chancellor's Fellowships: Court noted that a very high number of applications had been received for the latest round of the Strathclyde Chancellor's Fellowship Scheme, resulting in 21 offers being made to high-calibre individuals. This investment underlined the University's commitment to attracting and retaining global talent.

Engage with Strathclyde: The Principal informed Court that over 50 events were taking place on campus from 2-5 May as part of the Engage with Strathclyde week intended to highlight the impact of the University's research.

#### **4. Budget setting 2017/18: context and process**

The Chief Financial Officer and Acting Chief Operating Officer (CFO/ACOO) outlined the 2017/18 budget-setting process and explained the major factors expected to impact the final Budget position. The following key points in relation to the on-going development of the 2017/18 Budget were highlighted:

- the intention to deliver a budget position in line with the current Four Year Forecast, which projected significant increases in both income and expenditure over the period and the delivery of a surplus position by 2019/20 that was in line with the current sector average;
- the recognised impacts on the presentation of this information as a result of recently revised accounting standards (FRS102) and the subsequent importance of alternative measures of financial sustainability;
- continuing challenges in regard to public funding, with Scottish Funding Council grant levels not expected to grow over the period, and the resulting need to continue to focus on other income sources;
- projected increases in expenditure, in particular from planned strategic investments in the development of the University estate, reflecting the University's position as an investing institution, and a year-on-year trend of rising staff costs;
- the University's current borrowings, as a percentage of income, and its liquidity position, compared to the sector; and

- an increasing trend within the sector to support strategic investment through external borrowing, the current attractiveness of interest rates, and the potential for Court to consider future proposals for additional borrowing.

The CFO/ACOO explained that a realignment of the budgeting and planning cycle had delivered a more advanced and informed draft budget position, compared to the same time in previous years. This process had been supported by detailed discussions amongst the Executive Team to reduce the gap between income and expenditure. The Principal had also engaged directly with Faculty and Professional Services management teams to highlight continuing financial pressures and encourage collaborative and concerted efforts in order to deliver the required budget position.

Court thanked the CFO/ACOO for the update provided and commented on:

- the relatively narrow margin provided by the projected surplus position and the potential for this to be impacted by unexpected reductions in core income or by unforeseen external events;
- the resulting need to focus on ensuring high academic and financial performance across all areas of the University and consider contingency options;
- the reduction in proportion of SFC funding for knowledge exchange, as a result of refocusing allocations on formulaic Teaching and Research funding, balanced against Strathclyde's relative strengths in, and the significant strategic benefits of, knowledge exchange activity with the potential to attract more strategically allocated funding for specific projects; and
- the potential to explore the benefits of education bonds, subject to their commercial attractiveness relative to other financing mechanisms.

Court noted the intention to present a full draft Budget and Four Year Forecast for approval in June.

## 5. Major Strategic Projects update

The Principal, the Associate Principal (Research & Innovation), and the Special Adviser to the Principal introduced a series of update briefings on some of the University's major on-going and emerging strategic activities, including:

**The Glasgow Innovation District:** a collaborative project of the University, Glasgow City Council, Scottish Enterprise, and the Glasgow Chamber of Commerce. The objective was to create an attractive location of choice for entrepreneurs, SMEs, anchor companies and innovation agencies within a demarcated Glasgow Innovation District area. Court noted a range of current activity, including on-going discussions with relevant innovation agencies and with the Glasgow Royal Infirmary, which was expected to be included within the Innovation District area.

**The Digital Health & Care Institute (DHI):** the University had recently taken on responsibility for hosting this key Scottish Innovation Centre, which was leading the co-design, development and delivery of scalable digital solutions benefiting the health, economic and educational wellbeing of the people of Scotland. A new Chair had recently been appointed, a revised business case was in development, and University academics were strongly engaged with the DHI. Court welcomed the University's strategic leadership role, noting that the emerging and planned activity would contribute to the DHI being a potential unique selling point for Scotland.

**The National Manufacturing Institute Scotland (NMIS):** a project of significant scale, driven by industry demand, which was anticipated to have a considerable economic and industry impact through the co-location of research, skills development, services, and high value manufacturing activity. There was positive and on-going engagement with key partners from government, industry and the enterprise agencies. It was anticipated that successful completion would lead to a three-fold increase in the current activity of the University's Advanced Forming Research Centre (AFRC). Court welcomed this significant project and the positive progress achieved so far. Members noted important selling point of being able to provide increased certainty and enhanced self-sufficiency in the manufacturing supply chain, particularly during a time of increasing external turbulence. Court also noted that key risks would need to be managed appropriately and addressed at Court in future.

**Maritime Research:** Court received an update on the University's increasing research activity and industry engagement in the UK marine sector. Plans to relocate the Royal Navy's Submarine Service to Scotland by

2020 created significant opportunities that the University was well positioned to take advantage of. Court members recognised the range and scale of potential opportunities in this area. It was confirmed that the University's planned activity and engagement was based on its core academic research capabilities and strengths.

**The Medicines Manufacturing Innovation Centre (MMIC):** Court heard about the University's on-going work with government and industry partners to develop a world-class hub to transform the way medicines and fine chemicals are made. Under the proposals, the new centre would provide the physical infrastructure and capability for companies and researchers to develop and test the disruptive technologies of tomorrow, accelerating their adoption and, ultimately, bringing extremely high-quality, sustainable and cost-effective drugs to market more quickly. It was noted that the University would be a strategic partner in this arrangement. Court welcomed the unique nature of the proposed approach, noting its potential to have a significant impact upon the current model of pharmaceutical supply.

**Policy at Strathclyde:** Court noted the development of 'Policy at Strathclyde', a new framework to forge greater collaboration between the University's world-leading public policy-based centres and staff, providing a forum to explore collaborative opportunities in research and engagement with shared partners, and to showcase the University's academic expertise in the policy field. This framework incorporated a cluster of eight University centres, with the International Public Policy Institute (IPPI) operating as a central 'hub', helping to curate and communicate public policy research from across the centres. The framework would support these centres in communicating their integral position within a Leading International Technological University and was also reflective of the University's position as a Socially Progressive Institution.

Court welcomed the opportunity to be informed of and to discuss some of the University's major emerging projects. The Convener particularly welcomed the strong and insightful contributions and questions from Court members. He also thanked the University's Marketing & Development Services Directorate for its efforts in preparing and printing information materials in advance of the meeting.

## **6. USSA Financial Statements 2015/16**

The USSA President and the USSA Chief Executive introduced the Students' Association Financial Statements 2015/16, noting that these are provided to Court annually for information, following approval by the USSA Trustee Board. Court noted that, although income in 2015/16 had reduced overall, a financial surplus had been achieved for 2015/16, mainly as the result of savings generated following an organisational review undertaken in the previous year. Court noted that previous issues identified on cost controls had been addressed and that USSA was currently on budget for 2016/17, whilst finalising its staffing complement and continuing to focus on identifying additional efficiencies.

Court noted the USSA Financial Statements for 2015/16 and welcomed the intention to bring forward the USSA 2017/18 Budget for approval in June.

### **Items for formal approval**

#### **7. Convener's Actions**

There were no actions to report since the last meeting.

#### **8. Corporate Risk Register**

Court **noted** and **approved** the top risks and associated mitigating actions. In discussion, it was highlighted that a number of risks with responsibility currently attributed to the Chief Operating Officer required to be reviewed in light of the proposed change in senior officer roles.

Members noted the presence of a continuing risk relating to the need to maximise opportunities from the University's partnership with the National Physical Laboratory (NPL). It was agreed that a progress report on the development of NPL would be presented at the next meeting of Court in June.

#### **9. Revisions to Charter and Statutes**

At its last meeting on 2 March 2017, Court had approved draft amendments to the University's Charter and Statutes. These amendments had been considered and endorsed by Senate on 29 March 2017 and were now provided to Court for final consideration and approval. It was noted that, following this approval and subject to the successful conclusion of informal discussions with the Scottish Government, the amendments would be forwarded to the Privy Council for consideration and approval.

Court unanimously **approved** the Special Resolution provided in Paper D, to the effect that:

- the University's Charter be amended as follows:

In paragraph 7.3 – For “Chief Operating Officer, who shall be the Secretary of Court”  
*substitute* “University Secretary”

By a majority of those present and voting (with one recorded abstention), Court **approved** the Special Resolution provided in Paper D, to the effect that:

- the University's Statutes be amended as follows:

In Statute 2 –

- *Delete* paragraph 2.5.7
- *Re-number* paragraphs 2.5.8-2.5.9 as paragraphs 2.5.7-2.5.8
- In paragraph 2.5.8 as *re-numbered for “twelve” substitute “thirteen”*

In Statute 3 –

- In *paragraph 3.1.1* for “Deputy” *substitute* “Associate”
- In paragraph 3.1.2 before “Deans” *insert* “Executive”

In Statute 6 –

- For “Chief Operating Officer” *substitute* “University Secretary” wherever it occurs

Court further **approved**:

- The delegation of appropriate authority to Court Business Group to consider and approve any non-material amendments to the wording of the Charter or Statutes that may be required following submission to the Privy Council.

## **10. Appointment of University Secretary and Compliance Officer**

Following a robust selection process and appropriate consultation with Senate, Court was invited to approve the recommendation that Dr Veena O'Halloran be appointed to the position of University Secretary and Compliance Officer (with the initial title of Chief Operating Officer and University Secretary, pending changes to the University's Charter and Statutes).

Court **approved** the appointment, welcoming the opportunity to strengthen the importance of this role and noting the close involvement of lay members of Court in the selection, interview, and appointment process.

Court offered its formal congratulations to Dr O'Halloran on her appointment.

## **Committee Reports**

Court received and **noted** the following committee reports:

### **11. Senate**

Court **noted** Senate's endorsement of the proposed amendments to the University's Charter and Statutes.

### **12. Executive Team**

Court **noted** the range of issues discussed at recent meetings of the Executive Team and particularly welcomed an increased focus in regular discussions in regard to arising Health & Safety issues.

### **13. Court Business Group**

Court **noted** and welcomed CBG's advance consideration and scrutiny of the Court agenda and its substantive items.

### **14. Court Membership Group**

Court **noted** that CMG, following a public and compliant recruitment exercise, had shortlisted a number of potential candidates for lay membership of Court. Appointment recommendations would be brought for approval to the next meeting of Court on 20 June 2017.

### **15. Audit Committee**

Court **noted** the items discussed by Audit Committee at its recent meeting on 23 March 2017.

### **16. Staff Committee**

Court **noted** the items discussed by Staff Committee at its recent meeting on 15 March 2017.

### **Date of next meeting**

- Tuesday 20 June 2017

DT, May 2017