

MINUTES OF UNIVERSITY COURT
24 November 2016

Present: Richard Hunter (Convener), Ronnie Cleland, Dr Jane Morgan, Malcolm Roughead, Gillian Hastings, Dr Jack Perry, Marion Venman, Alison Culpan, Kerry Alexander, Susan Kelly, Principal Professor Sir Jim McDonald, Dr Veena O'Halloran, Dr Jonathan Delafield-Butt, Professor Erling Riis, Dr Dimitris Andriosopoulos, Louise McKean, Raj Jeyaraj, Gerry McDonnell, Dr Alistair Goldsmith, Dr Jeremy Beeton

Attending: Hugh Hall, David Coyle, Professor David Littlejohn, Professor David Hillier, Professor Dimitris Drikakis, Professor Douglas Brodie, Professor Sara Carter, Professor Andrew Goudie, Rona Smith, Sandra Heidinge, Ray McHugh, Stella Matko, Dr Stuart Brough, Darren Thompson, Kirsty MacLeod, John Hogg

Apologies: Dr Archie Bethel, Vice-Principal Professor Scott MacGregor, Dr Andrew McLaren, Councillor Stephen Curran

Welcome and apologies

The Convener noted apologies received and welcomed members of Court and attendees. Court members warmly welcomed Marion Venman who was attending her first meeting of Court following a recent accident.

The Convener noted a number of recent senior staffing appointments within the University.

There were no declarations of interest.

1. Minutes

The minutes of the meeting held on 6 October 2016 were approved.

2. Matters arising

There were no matters arising.

3. Principal's Report

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

UK Government's Autumn Budget Statement: The recent budget announcement by the UK Government had included a significant commitment to additional investment in innovation and research as well as additional investment in technology transfer activities. The University would engage with Innovate UK to understand the intended approach to the allocation of this funding.

Science & Innovation Audits: Also announced within the UK Government's Budget Statement was the launch of a second wave of science and innovation audits, including the Glasgow Economic Leadership proposal with which the University was closely involved.

Scottish Government Budget: It was anticipated that the Scottish Government would set out its own spending plans in the coming weeks, with Scotland's block grant allocation being adjusted due to the new fiscal framework.

EU Exit issues: the Principal informed Court of recent and ongoing activity to monitor and respond to developments following the EU Referendum result in June. As part of this activity, the University had held an open briefing session with staff and students. Attendees had provided positive feedback on the session.

Maritime Safety Research Centre: the University had recently launched the world's first Maritime Safety Research Centre, in collaboration with partners from industry.

Institute for Inspiring Children's Futures: Court noted the launch of this new Institute, a joint venture between the University, the Centre for Excellence for Looked After Children in Scotland (CELCIS), and the Centre for Youth & Criminal Justice (CYCJ).

Research grants: The Principal highlighted a number of substantial research grant awards recently confirmed. The University was developing its pipeline activity considerably in order to meet strategic targets on research income.

4. Presentation: Student Learning & Teaching Facility Proposal

The Director of Student Experience and Enhancement Services (SEES) and the Director of Estates Services provided Court with an overview of proposals for the creation of a new student learning and teaching facility on campus. A full detailed business case would be presented for Court's approval in March 2017. For now, it was felt appropriate to provide an early opportunity to review and comment on the vision and initial proposals. During discussion, the following key points were highlighted:

- the potential for the proposed development to bring about a step-change in the delivery of the University's strategic aims, particularly in the areas of student recruitment, engagement and satisfaction;
- the importance of planned supplementary landscaping activity to transform the surrounding area and the key contribution of this to the realisation of the overall vision;
- the clarity of the vision presented, which had been developed on the basis of robust evidence and detailed background analysis of users' requirements;
- the importance of delivering flexible and adaptable learning space to support students' current and potential future needs;
- the possibility of seeking additional input from potential future students (i.e. current school pupils) to understand how their expectations of learning spaces may already be evolving as a result of changes within the school environment;
- the possibility of employing technological solutions to ensuring the longevity of the building, alongside robust estates maintenance schedules;
- the anticipation of wider benefits, including increased and enhanced student engagement levels, increased retention rates (particularly amongst students from non-traditional backgrounds);
- the criticality of the design team's role in ensuring complementarity with the surrounding environment;
- the proposal's cohesiveness with current approaches in the Andersonian Library and the ongoing close collaboration between Estates and Information Services to provide appropriate learning spaces for students;

Court **noted** that the proposals were wholly consistent with the University's strategic vision and that their realisation would represent a major statement of the University's priority commitment to the delivery of excellence in learning and teaching. Court looked forward to the opportunity to consider a full detailed business case for approval in March 2017.

5. Financial Statements 2015/16

The Chief Financial Officer (CFO) and Deputy Finance Director presented the draft Financial Statements 2015/16. The CFO provided a commentary on the statements, highlighting the significant structural and presentational changes arising from new accounting regulations, the implementation of the University's new Financial Management System, and changes in accounting estimates. He described the other main factors underpinning an overall positive year-end result and the achievement of a better than anticipated surplus position. These factors included:

- a reduction in Scottish Funding Council (SFC) grant income, mainly due to reductions in available capital funding and the lower than anticipated benefits of a strong Research Excellence Framework (REF) performance (due to changes in the SFC's research funding allocation methodology);
- a significant increase in overseas tuition fee income, despite the discontinuation of the *Science without Borders* programme;
- an overall reduction in research grants and contracts, largely due to reduced capital grant income;
- substantial increases in staff-related costs with reductions in other areas of operating expenditure; and
- other significant items, including the Universities Superannuation Scheme (USS) provision charge, a final payment of Research and Development Expenditure Credits (RDEC), and a gain on the disposal of fixed assets.

The CFO informed Court that increased volatility in the annual accounts was likely be a feature in future years due to the recent changes to accounting regulations.

It was noted that the University's level of investment in lands and buildings was expected to increase significantly in subsequent years as capital projects recently approved by Court begin to come on stream.

The Treasurer welcomed the Financial Statements and strongly commended the efforts of all those involved in producing them, particularly during a period of such significant change. He stressed that the funding environment would continue to provide significant challenges and noted the subsequent importance of the University's enhanced focus on reviewing financial planning and budgeting approaches.

The Convener of the Audit Committee noted a positive report from the External Auditors and signalled the Audit Committee's formal recommendation to Court that the draft Financial Statements be approved and signed.

Court **approved** the draft Financial Statements 2015/16. The Convener offered his thanks to the Finance Team for their collective efforts in the face of significant regulatory changes.

6. Q1 Business Report 2016/17 and Strategic Partners Update

The Chief Financial Officer and the Director of Strategy and Policy introduced the Q1 Business Report for 2016/17. Members noted the following key points:

- The presentational impacts of new accounting standards on the quarterly outturn, particularly due to the revised treatment of capital grants;
- An overall forecast surplus, before one off items, which was **[RESERVED]** below the budgeted figure;
- Subsequent action by the Executive Team, in response to previous suggestions by Court and through the use of a 'stage-gating' approach, to withhold planned in-year expenditure equivalent to the value of the budget variance;
- A significant increase in tuition fee income, relative to the same quarter in the previous year;
- Indicators on staff sickness and turnover rates which remained below the sector average;
- The increased visibility of SIMD0-20 entrants and the improved retention of these students, reflecting the Scottish Government's focus in this area;

There was anticipated further in-year growth in the University's international student population and postgraduate research population and members noted that a significant amount of work was being undertaken in this area to deliver targeted student intake numbers.

Members **noted** the biannual progress report on the development of the University's International Strategic Partnerships.

7. Strategic Plan 2015-2020: year-end progress report 2015/16

The Director of Strategy and Policy introduced the year two progress report on the 16 KPIs contained within the University's Strategic Plan. Members noted positive year-on-year improvement in relation to KPI 7:

Field Weighted Citation Impact (FWCI), which was ahead of the 2015/16 target milestone, even when the disproportional impacts of highly cited, multi-authored papers were discounted.

Court **noted** the report and welcomed the positive trajectory of performance in relation to most of the Strategic Plan KPIs.

8. Draft Outcome Agreement 2017-2020

The Director of Strategy and Policy presented an initial draft of the University's new three-year Outcome Agreement for comment, highlighting that this would be refined further ahead of the submission of a 'well-developed draft' to the SFC in December. Court would be invited to approve a final version in March 2017 ahead of the final submission deadline. The Principal confirmed that the level of detail indicated by the early draft was likely to be welcomed by SFC as demonstrative of the significant return on public investment.

Members **noted** the draft and reflected on the requirement for a three-year commitment on outcomes in comparison to the expectation of a forthcoming Scottish Government budget which would cover only one year.

9. University of Strathclyde Students' Association (USSA) Objectives 2016/17

The Student President informed Court of USSA's main areas of focus for the year ahead. He reflected upon the organisational challenges faced by USSA during the previous year and the subsequently improved governance and financial position. He thanked Court members for their help and support in addressing these issues. He welcomed the University's increased focus as a socially progressive institution, which was also reflected in the increasing diversity of the student body.

Court noted that the University's senior management was highly sensitive to USSA's key priorities and would continue to work closely with the USSA Executive to support them in delivering their aims.

Items for formal approval

10. Convener's Actions

There were no actions to report.

11. Convener Succession: approval of appointment

The Vice-Convener, who had led the recruitment exercise on behalf of Court, reflected upon the steps followed to identify an appropriate successor to the current Convener, who was due to demit office on 31 July 2017. Following the conclusion of a rigorous and robust selection process, the Court Membership Group **recommended** to Court that:

- Dame Sue Bruce be appointed as:
 - Lay member (Elect) and Convener (Elect) of the University Court from 25 November 2016: and
 - Lay member and Convener of the University Court from 1 August 2017. The term of office to be for an initial period of two years (renewable for a further three years, subject to re-appointment)

Court unanimously **approved** the appointment, as recommended by the Court Membership Group.

Despite the Convener having deliberately abstained from Court's formal processes in this succession project, he wished to record his wholehearted support for Dame Sue's appointment.

12. Appointment to Statutory Advisory Committee on Safety & Occupational Health

On the recommendation of Court Membership Group, Court **approved** the appointment of Dr Jeremy Beeton as Court's representative on the Statutory Advisory Committee on Safety & Occupational Health (SACSOH) for a period consistent with his membership of Court.

Items for information

13. Prevent Strategy – Annual Report and update

Court **noted** the annual update on the implementation of the Prevent requirements under the Counter Terrorism Security Act (2015) and on action taken by the University to ensure continued compliance.

14. Court meeting dates 2017/18

Court **noted** the dates of meetings scheduled for the following year.

15. University Values Survey 2016

Court **noted** a summary of the outcomes from the 2016 University Values Survey. Overall, staff continued to express a meaningful affinity with the University's Values. The response rate since the initial survey in 2013 had increased by five per cent.

Committee Reports

The following committee reports were received and **noted** by Court:

16. Senate

17. Executive Team

18. Court Business Group

19. Court Membership Group (with relevant recommendations on Court appointments approved under items 11 and 12 above)

20. Audit Committee (including the Audit Committee's Annual Report to Court)

Court **approved** the recommendations made by the Audit Committee that:

- the draft Financial Statements for 2015/16 be approved;
- the relevant officers be authorised to sign the printed statements in due course;
- the appointment of the Ernst & Young LLP as the University's External Auditors be extended until 31 March 2019; and
- Ernst & Young LLP be retained as the University's External Auditors for the audit of the 2016/17 Financial Statements.

21. Staff Committee

22. Estates Committee

23. Strategic Marketing Group

24. Any other business

Court congratulated the University's Business Improvement Team on winning the 2016 Times Higher Education Leadership & Management Award for *Outstanding Administrative Services Team*.

Date of next meeting

- Thursday 2 March 2017

DT, November 2016