

UNIVERSITY COURT OF ST ANDREWS

AT ST ANDREWS on the 24th day OF OCTOBER 2014 AT A MEETING OF THE
COURT OF THE UNIVERSITY OF ST ANDREWS,
HELD IN THE BYRE THEATRE

Present: Sir Ewan Brown, *Senior Governor & Chancellor's Assessor (in the chair)*; Professor Louise Richardson, *Principal*; Professor Garry Taylor, *Deputy Principal & Master of the United College*; Mr Patrick Mathewson, *President, Students' Association*; Mr Ondrej Hajda, *Director of Representation, Students' Association*; Mr Nigel Christie and Mr Kenneth Cochran, *General Council Assessors*; Professor Frances Andrews, Dr Bettina Bildhauer, Professor James Naismith and Dr Chris Hooley, *Senate Assessors*; Mr David Stutchfield, *Non-Academic Staff Assessor*; Councillor Bryan Poole, *Provost of Fife's Assessor*; Mr Ken Dalton, Mr Mervyn Jones, Mr Nigel Morecroft, Dr Mary Popple, Dame Anne Pringle and Professor Sir David Wallace, *Non-Executive Members*.

In attendance: Professor Ron Piper, *(Acting) Vice-Principal (Governance & Planning)*; Professor Malcolm MacLeod, *Vice-Principal (Enterprise & Engagement)*; Professor Lorna Milne, *Vice-Principal (Proctor)*; Mr Derek Watson, *Quaestor & Factor*; Mr Andy Goor, *Finance Director*; Dr Gillian MacIntosh, *Executive Officer to the University Court*.

Apologies: Mr Alistair Moffat, *Rector*; Sir John Elvidge and Professor Stuart Monro, *Non-Executive Members*.

I. PRE-MEETING SESSION

The meeting was preceded with a discussion on governance, focusing on recent comment from Scottish Government ministers on the subjects of, firstly, mandatorily increasing the gender diversity of University governing bodies and, secondly, greater expectations of institutions' compliance with the full supporting guidance given in the Scottish Code of Good Higher Education Governance (in addition to the eighteen core principles that institutions are presently expected to follow on a 'comply or explain' basis).

Members were greatly supportive of the need to further diversify Court's membership, but noted that gender imbalance (specifically singled out in the recent ministerial letter of guidance to the SFC) was only one of a number of equality-related characteristics that remained to be addressed to make University Courts more representative of the institutions which they serve. It was recognised that the eight co-opted Non-Executive members (appointed predominantly on a skills / experience basis) made up just over a third of Court's overall membership, with the rest of the members either elected from various constituencies (such as Senate or General Council) or in the personal gift of an office-holder (such as Chancellor, Rector and Provost of Fife). Members were wholly unsupportive of establishing quotas to engineer membership along gender lines or of implementing formal protocols (such as the Chancellor or Rector being instructed to appoint an assessor of the

opposite sex), but agreed that further encouragement should be given to electing and nominating bodies to take account of issues of diversity in the selection of their representatives. The members of Court elected from the various constituencies agreed to consider the matter further, with a view to identifying means by which more women may stand and be elected for these roles.

Members noted that the recent ministerial guidance to the SFC - taken in tandem with follow-up correspondence from the SFC to the Committee of Scottish Chairs suggesting a more prescribed role for the HE governance code than first announced - would apparently indicate that universities will be expected to implement significantly more stringent governance arrangements, some linked explicitly to governmental priorities, which members agreed would be a considerable threat to the traditional autonomy of individual institutions. The ministerial letter, for instance, suggested that instructions on gender representation may stretch beyond governing bodies to encompass the make-up of senior management teams and student intake for certain subjects. There was considerable concern from members that recent announcements from the Cabinet Secretary and Funding Council (which threaten penalties for non-compliance of government guidance, suggest future legislation on the issue to compel universities, and hint at a return to some of the recommendations made in the earlier von Prondzynski review of the sector, specifically on the appointment / election of Principals and Chairs) represent a very unwelcome drift towards prescription and potential interference to each institution's responsible autonomy. It was greatly regretted by Court members that such recent communication fails to recognise the considerable diversity of the Scottish HE sector, this one of its great strengths and advantages, and a reason for success on the global stage.

II. REGULAR BUSINESS

1. WELCOME

The Senior Governor (presiding in the absence of the Rector) welcomed new members Professor Garry Taylor, Mr Patrick Mathewson, Mr Ondrej Hajda, Mr Kenneth Cochran, Dr Bettina Bildhauer and Professor Sir David Wallace to their first meeting of Court. Professor Ron Piper was welcomed back to attendance at Court as the Acting Vice-Principal (Governance & Planning).

2. MEETING MINUTES

Minute of the Court Meeting held on 20 June 2014

The minute (on file) was agreed as a correct record.

3. COURT MEMBERSHIP, 2014-15

In consequence of the various membership changes to Court over the summer vacation period, members noted the Court membership list (on file, Court 14/01) for the forthcoming academic year. It was reported that Mr Patrick Mathewson would relinquish his current caretaker role of Rector's Assessor

once the new Rector is appointed in early November 2014 and a new assessor has been appointed.

4. HEALTH & SAFETY UPDATE

Members noted the summary paper (on file, Court 14/02), this the first of a short written update to each Court meeting on health and safety matters. Mr Mervyn Jones, Court-lead on the Health & Safety Assurance Group, was thanked for instituting this initiative.

5. REPORT FROM THE PRINCIPAL

The Principal expanded on her written report (on file, Court 14/03). Court noted with sadness the recent tragic death of a second-year Mathematics student. Raisin Monday had this year been relocated to Lower College lawn, in view of the continuing capital redevelopment works in St Salvator's Quad, which continue to progress well. It was noted that the University is working with NHS Fife to ensure that any reported Ebola case will be dealt with effectively and appropriately, particularly amongst the student population, should the disease spread to the UK.

It was reported that interviews for the positions of Vice-Principals Internationalisation and Governance & Planning would take place the following week. Professor Malcolm MacLeod would be standing down from his present position as Vice-Principal (Enterprise & Engagement) in January 2015, with Professor Verity Brown, currently Provost of St Leonard's College, assuming this role from that date. A new Rector would also be appointed by the student body on 7 November, when the two-week election period concludes.

Members congratulated those academic staff in receipt of the recent research awards identified in the Principal's report, commending especially Professor Stephen Halliwell's election as a Fellow of the British Academy, for which he will be conferred with the title of Wardlaw Professor.

6. AUDIT & RISK COMMITTEE

i) Minute of Meeting held on 4 September 2014

Members noted the report of the meeting (on file, Court 14/04).

Highlighting the Committee's consideration of an annual report on Complaints Handling performance, it was recommended that senior management review whether the present report to Audit & Risk is suitable for external reporting to the Scottish Public Services Ombudsman.

Referring to the significantly escalated risk of residential estate capacity as discussed at the Committee's September meeting, the President of the Students' Association noted that though the University had managed to accommodate all entrant students in residential accommodation (considerable pressure being caused by the loss of 210 Fife Park bed spaces and a simultaneous overshoot in Undergraduate numbers), this had been achieved

with some difficulty and there was no resource to undertake the same level of support on a regular basis in future years.

ii) Statement of Internal Subject Review

Court approved the annual report of internal subject review (on file, Court 14/05) for routine submission to the Scottish Funding Council. It was recommended that future iterations of the report fully explain the acronyms used therein, to make it accessible to a non-specialised audience.

iii) Minute of Meeting held on 2 October 2014

Members noted the report of the meeting (on file, Court 14/06).

iv) Financial Statements, 2013-14

The Finance Director introduced the 2013-14 year-end accounts for the University (on file, Court 14/07). The outturn of £5.6m (2.9% of total income) was above both the Financial Plan and in-year forecast, and a modest increase on last year's surplus (of 2.6%). The surplus, however, included a number of non-recurring gains and overall the financial environment remained challenging, particular as regards meeting Court's aim for a minimum 5% annual operational surplus.

In reviewing the corporate governance narrative section of the accounts, the Principal reported that the reference to the charring of PARC business by the Senior Governor, with consent of the Rector, denoted the historical agreement in place in the University for a number of years, a protocol which has been underlined by the recent Scottish Code of Good HE Governance. This began under Simon Pepper, who is the Rector to whom reference is made in the narrative. In response to members' queries, the Finance Director confirmed that the University is likely to undertake a one-off revaluation of its estate asset base (this as a response to and in compliance with FRS102 accounting standards that will apply from financial year 2015-16); the depreciation policy will also be encompassed by this review. It was confirmed that the financial performance of subsidiary companies was largely monitored through their individual boards, though an annual report is reviewed by the Audit & Risk Committee (the next update due in November 2014). It was however agreed that PARC should consider the purpose and continuing losses of the University Shop at its forthcoming December 2014 meeting.

Subject to a minor amendment to the list of Court Committee membership, Court formally approved the financial statements and accompanying letters of representation for academic year 2013-14. Members commended the Finance Team for their considerable efforts in completing the year-end process with the usual timeliness and accuracy.

v) Audit & Risk Committee Annual Report, 2013-14

Members noted the Committee's annual report of its activities (on file, Court 14/08).

vi) Enhancement-led Institutional Review 2015: Draft Reflective Analysis

Court noted the draft summary report (on file, Court 14/09), and members were encouraged to contact the Vice-Principal (Proctor) directly with any comments or amendments before the paper is finalised for the ELIR team visit in early 2015.

7. BUSINESS FROM GOVERNANCE & NOMINATIONS COMMITTEE: REPORT OF COURT EFFECTIVENESS REVIEW 2014

Members discussed the outcome of last year's Court Effectiveness Review questionnaire responses (summary report on file, Court 14/10). The Senior Governor noted that specific concerns - the management of Fife Park HMO requirements (particularly how late this potential risk was fully brought to Court's attention), and the lack of progress with the institutional strategic plan - had influenced the scoring by some members. Since the questionnaire responses had been gathered (in March 2014), there had been some progress on both issues.

Related to the practical arrangements for Court meetings, there was support for a re-ordering of Court agendas, to ensure that matters of strategic importance (that largely fall under PARC business) are considered first. Additionally, it was suggested that Court should meet at other locations (such as the Gateway Boardroom or the Byre), in preference to the Senate Room, which some members felt was not a good venue.

It was recognised that Court members who do not sit on the Audit & Risk Committee or PARC may not have the same opportunity to be fully apprised of the background of issues discussed at those committees which are then brought to Court. It was therefore agreed that, in future, the minutes for both Audit & Risk and PARC, when approved in draft form immediately after each meeting, be circulated to all of Court, in addition to the Committee members. From those minutes Court members can review timeously each committee's discussions prior to the distribution of Court papers (in some case a number of months after a committee's meeting) and request any of the committee's supporting papers if necessary.

8. ACADEMIC COUNCIL

Members noted the report of the meeting held on 24 September 2014 (on file, Court 14/11).

9. COURT OFFICE BUSINESS

Court received the report from the Executive Officer (on file, Court 14/12) detailing recent staff trends reported by Human Resources and other Court-related matters. In doing so, Court promulgated Draft Resolution 2014 No.2 (Foundation of Chairs).

III. PLANNING AND RESOURCES COMMITTEE (PARC) BUSINESS

1. Minute of Meeting held on 19 September 2014

Members noted the minute of the meeting (on file, Court 14/13).

On matters arising from the minute, the Quaestor confirmed that the University has at hand plans for one or two 'shovel-ready' capital projects, should the SFC release funding for such initiatives (this initially expected in autumn 2014 but which may now be delayed). The Quaestor additionally reported that the University has been unable to secure any of the presently vacant housing stock at Leuchars, as the Ministry of Defence has declined to release any, even on an interim basis, prior to the deployment of the army to the base in 2015.

Discussing the improved central admissions system that is being rolled out in the present academic year, the Principal confirmed that Admissions will be working with Schools to ensure appropriate academic oversight of student offers, but with improved central co-ordination to ensure that target numbers are not exceeded. It was recognised that some Schools value more autonomy on this subject than others, where in some it has become an administrative burden placed largely on early-career academics. Improved communication between the centre and Schools was greatly urged, particularly on the issue of centrally-decided target numbers for each discipline.

The Finance Director confirmed that cost management initiatives and income generating opportunities continue to be pursued, with plans being developed to increase summer business (the recent acquisition of the Byre a helpful aid to supporting new conference and summer school markets). It was agreed that Section 7 of the September 2014 PARC minute be amended to clearly separate the reference to the voluntary severance scheme from the unconnected issue of staff performance management.

2. USS Changes

Members noted an update (on file, Court 14/14) on potential changes to the USS pension scheme, these aimed at tackling the scheme's funding deficit (currently estimated at between £7 to 13 billion). UCU had recently held a ballot of its members in response to the proposed changes to the scheme's benefit structure and a national assessment boycott is due to begin in early November. The potential for considerable industrial action over the issue was significant. The institutional response to the present UUK consultation was discussed, in which the University's own concerns about the effectiveness of the present plans to address the large deficit were fully communicated.

3. Annual Development Update

Members discussed the annual report of development activities and performance (on file, Court 14/15). The Principal reported that the University had invested heavily in the unit to coincide with the 600th Anniversary fundraising campaign and whilst performance was improved, there remained a number of challenges that will be a focus for the new Vice-Principal

(Internationalisation), under whose remit the Unit will fall. In the UK as a whole, the cost of fundraising was increasing and a lack of a professional culture of fundraising (especially when compared with the United States) continued to be a major challenge in securing transformative gifts. Discussing some recent Development events such as those directed at members of the Chancellor's Circle, members noted the importance of direct follow-up and personal contact with prospective donors. A forthcoming Students' Association event in spring 2015, where connections with alumni are being forged through the context of an individual's past membership of student clubs, was thought to have much merit and could be successfully rolled out through individual academic Schools. Central Development support was necessary, but it was also recognised that the entrepreneurial drive and enthusiasm of present students at the University was a resource that could be better utilised in fundraising initiatives.

4. Institutional Indicators & Research Income Comparison

Court reviewed the report of institutional performance against target (on file, Court 14/16), noting that the information on key performance indicators was also summarised in the financial statements previously considered. It was recommended that a future discussion issue for Court might be the University's performance in industrial partnerships as a source of research funding.

5. Ministerial Letter of Guidance

Members noted the recent summary of Scottish Government and SFC guidance (on file, Court 14/17), which was largely discussed under Section 1 above.

6. Guardbridge Energy Centre

The Quaestor summarised recent progress with the capital project (summary on file, Court 14/18), reporting that planning permission for the Energy Centre was granted by Fife Council within the last week. Court homologated the decision for a PARC sub-group (including a representative from outwith the current project board) to be granted delegated authority to enter into the appropriate contractual arrangements that are expected to be signed before the next Court meeting. The Finance Director confirmed the financial arrangements for the project are agreed in principle, supported via the PARC sub-group, and that they will meet the University's existing loan covenants with Barclays.

7. Sports Centre

The Vice-Principal (Enterprise & Engagement) reported that the proposed Sports Centre capital redevelopment (summary and progress update on file, Court 14/19) had now completed the design / planning stage and five tenders from shortlisted companies were presently being considered. The project would be undertaken in three separate stages, the first estimated to take c.12 months and cost a maximum of £5.55m (£14m for the three stages in total). Approval was thus sought for the construction of Phase 1 to commence at the start of January 2014 vacation period, on condition the outcome of the present tendering process does not exceed the forecast budget of £5.55m for this

stage. Court agreed to the proposal, subject to the oversight of a small PARC sub-group to formally review the Phase 1 tender against the forecast budget.

IV. DATE OF NEXT MEETING

Friday 23 January 2015 at 10.00am.

UNIVERSITY COURT OF ST ANDREWS

AT ST ANDREWS on the 23rd day of JANUARY 2015 AT A MEETING OF THE COURT OF THE UNIVERSITY OF ST ANDREWS

Present: Ms Catherine Stihler, *Rector (President)*; Sir Ewan Brown, *Senior Governor & Chancellor's Assessor*; Professor Louise Richardson, *Principal*; Professor Garry Taylor, *Deputy Principal & Master of the United College*; Mr Patrick Mathewson, *President, Students' Association*; Mr Ondrej Hajda, *Director of Representation, Students' Association*; Ms Anna Newman, *Rector's Assessor*; Mr Kenneth Cochran, *General Council Assessor*; Professor Frances Andrews, Professor James Naismith and Dr Chris Hooley, *Senate Assessors*; Mr David Stutchfield, *Non-Academic Staff Assessor*; Councillor Bryan Poole, *Provost of Fife's Assessor*; Mr Ken Dalton, Sir John Elvidge, Mr Mervyn Jones, Professor Stuart Monro, Mr Nigel Morecroft, Dr Mary Popple, Dame Anne Pringle and Professor Sir David Wallace, *Non-Executive Members*.

In attendance: Professor Verity Brown, *Vice-Principal (Enterprise & Engagement)*; Professor Lorna Milne, *Vice-Principal (Proctor)*; Professor Ron Piper, *(Acting) Vice-Principal (Governance & Planning)*; Mr Derek Watson, *Quaestor & Factor*; Professor Derek Woollins, *Vice-Principal (Research)*; Mr Andy Goor, *Finance Director*; Dr Gillian MacIntosh, *Executive Officer to the University Court*; Mr Niall Scott, *Director of Corporate Communications*; Ms Jane Magee, *Director of English Language Teaching (for Item IV only)*; Professor Jason König, *Head of the School of Classics (for Item IV only)*.

Apologies: Mr Nigel Christie, *General Council Assessor*; Dr Bettina Bildhauer, *Senate Assessor*.

I. OPENING BUSINESS

1. WELCOME

The Rector welcomed Professor Stuart Monro and Ms Anna Newman to their first meeting as Court members. Professor Verity Brown and Professor Derek Woollins were also welcomed as new attendees from the Principal's Office.

Professor James Naismith was thanked by the Rector for offering Court members a tour of the Biomedical Research Sciences Complex immediately before the Court meeting.

2. MEETING MINUTES

i) Minute of the Court Meeting held on 24 October 2014

The minute (on file) was agreed as a correct record.

ii) Court Away Day Report, 24 October 2014

Members approved the report of business discussed at the October 2014 Court Away Day (on file, Court 14/20).

3. REPORT FROM THE PRINCIPAL

Members joined with the Principal in congratulating Ms Catherine Stihler on her recent appointment as Rector, welcoming her - and her new assessor Ms Anna Newman - to their first Court meeting. Members were invited by the Principal to attend Ms Stihler's formal installation as Rector, which would take place in the Younger Hall on the morning of Friday 20 February 2015.

The Principal gave a verbal report of recent University news and events (written appendices from report on file, Court 14/21). Related to development matters, December's 600th Anniversary New York gala dinner (attended by alumni the Duke and Duchess of Cambridge) had raised in total £2.2m after deduction of costs, with significant publicity for the University in media around the world. The London Alumni Carol Service had once again been a well-attended event, though it was proposed that future carol services would be scaled back slightly now the 600th Anniversary period is over. To mark the University's foundation, the Principal reported that the Scottish Roman Catholic Church has kindly presented the University with a new mace to add to its important collection of such artefacts.

The Principal reported that student application numbers for the forthcoming academic year remained variable, with Home and International applications largely robust, whilst rUK and EU numbers were slightly down on past years. A continuing trend was a reduction in PGT applications, particularly from the international market (China especially), which remained a concern across the UK HE sector. There may be a variety of reasons for this fall-off in numbers, some related to tightened UK immigration rules for entrant students and restrictions on post-study visas. These figures were being closely monitored by senior management, who were also continuing to review December's REF 2014 outcome in the context of the formulation of the new strategic plan. The Principal noted that the Scottish HE sector was facing a series of significant challenges, with reduced governmental funding, possible governance changes imposed via legislation and the possibility of industrial action by staff over proposed USS pension reforms. These issues, and others, would be the main focus of the senior management team, who will be joined in the next few months by Mr Alastair Merrill as Vice-Principal (Governance & Planning) and Dr Anne Mullen as Vice-Principal (International).

II. PARC BUSINESS

The Senior Governor led the discussion for these PARC agenda items.

1. MINUTE OF THE MEETING HELD ON 19 DECEMBER 2014

Members discussed the report of the meeting (on file, Court 14/22).

In reference to ongoing negotiations between the employers and trade unions on proposed benefit changes to the USS pension scheme, the (Acting) Vice-Principal (Governance & Planning) reported that the actual particulars are still to be agreed, as are the assumptions for the triennial valuation that will determine the estimated scheme deficit. A further meeting of the Joint Negotiating Committee will take place this month, and a UCU ballot was currently taking place in relation to the position to be taken by UCU representatives in those negotiations. The trade unions have indicated that their presently-suspended action short of a strike (namely, a boycott of the setting and marking of assessments) will resume should the outcome of the current ballot reject the proposals under negotiation.

On the issue of sectoral funding, the Finance Director confirmed that the Scottish Government's £21.5m reduction to the HE budget from 1 August 2015 would likely translate to a recurring £2m annual loss for St Andrews. It was recognised that the budgetary decrease would likely hit research-intensive institutions much harder than those with greater governmental income from teaching, since teaching grants were to be protected in the revised budget. Members urged senior management to engage with Scottish politicians on the matter, to publicise the detrimental effect of such cutbacks to the Scottish economy overall.

Discussing capital estate issues, it was noted that PARC would consider an update on the future of the University Shop at its March 2015 meeting. Noting that a potential capital project was presently being developed to address the accommodation issues of Special Collections, it was suggested that Academic Council should be apprised of the proposals at an early stage, to allow full academic input therein. There remained concern amongst certain members of Court of the physical and reputational risks to the University's historic print and manuscript collections if an off-site location at the Guardbridge site was proposed as the long-term solution to the housing of Special Collections (for both its reading room and collection storage). The Vice-Principal (Research) confirmed that the present proposals remained at the initial stage of development and that full consultation would be undertaken on the plans in due course.

The Senior Governor confirmed that the small PARC sub-group agreed at the last Committee meeting would convene later that day to discuss the financial policy options that may be followed under new IFRS accounting rules.

2. DRAFT RESPONSE TO SCOTTISH GOVERNMENT'S HIGHER EDUCATION GOVERNANCE CONSULTATION

Court discussed the proposed University response (draft on file, Court 14/32) to the Scottish Government's consultation exercise on proposed legislative changes to Higher Education governance (the consultation deadline ending on 30 January 2015). Members agreed that the response from Court, on behalf of the institution, should be robust in demonstrating the potentially serious damage to Scottish universities that will ensue from increased governmental involvement in the affairs of what are autonomous charitable institutions,

servicing a wide range of external stakeholders. Conditions are already attached to the receipt of governmental funding, which is not problematic. It was much regretted that the Scottish Government has failed to allow the new HE governance code, which has been unanimously adopted throughout the sector and by the SFC, to become established before seeking to introduce legislative measures to supersede its detailed guidance. This is especially concerning not least because the Scottish Government has failed to specify what is defective in current governance practice or to properly define the concerns that the proposed legislation seeks to address.

It was noted that the Scottish Government has placed universities at the centre of the nation's economic strategy, yet the draft proposals have the potential to damage individual institutions' performance and standing on the global stage. Whilst other countries are largely lessening the central regulatory framework around universities, to enable them to react swiftly and purposefully to the demands of a highly competitive international market, the inevitable inflexibility of legislation will restrict Scottish universities in their educative mission and inhibit their success. In recent times the Scottish Government has encouraged de-regulation, yet present proposals are wholly contrary to that aim. Members strongly agreed that the HE sector needed to improve its engagement with government ministers, local MSPs and the public at large, to fully communicate the widespread concerns about the impact of the legislative plans and their very inability to enhance the performance of a diverse range of HE institutions. It was proposed that a sub-group of Court, with representatives from the other academics if possible and other staff / students from across the institution, should with some urgency seek to engage with politicians on the issue, as an additional measure to the submission of the University's own consultation response.

Approving the broad content and spirit of the present draft consultation response, members were requested to send to the (Acting) Vice-Principal (Governance & Planning) any additional textual comments for inclusion in the present draft. A final version will thereafter be circulated to Court members for their information.

3. RESEARCH EXCELLENCE FRAMEWORK (REF) 2014

Members discussed a summary of the REF 2014 results, broken down by various measurements, and a list of the proposed action points following thereon (paper on file, Court 14/23). On the research intensity measurement (potentially the fairest measurement in that it takes account of the broad differences in size across institutions), St Andrews is ranked 14th in the UK. It was acknowledged that improvement is required if the University is to meet its strategic goals, and thus the immediate next step is for Schools to reflect upon, identify and address the areas within their subject-specific submissions that need to be enhanced, commensurate with an aim to improve research performance across the institution. It was agreed that such a critical appraisal must be undertaken now, at the start of the new assessment cycle, and that communicating to staff the overarching expectation of 4* performance in research can be effectively done at the present time, even if the exact criteria

for the next REF exercise (including the weighting of subjective factors such as environment, impact, etc.) may not be known for some time. It was recommended that the views of staff members who have served on REF panels be sought, to better understand how data provided in support of such individual measurements might be usefully enhanced. Additionally, lessons should be learnt from Schools who have fully engaged with the submission process and achieved impressive results, to ensure that best practice is disseminated throughout the institution and to lessen the burden on individual academic staff through enhanced central support in certain areas, such as the drafting of documentation required for submission.

4. STRATEGIC PLAN UPDATE

The Deputy Principal & Master introduced the summary previously presented to PARC (on file, Court 14/24) that outlines the major goals of the draft strategic plan, the proposed academic initiatives to be taken forward, and the overall scale and shape of the University thereafter. Noting that the UK HE sector overall faced some significant funding challenges (with a reduction in research funding, inflation-driven pay costs / pension commitments, and increased competition for rUK student income), the University would aim to address these major challenges through a moderate, controlled growth in student numbers (largely those from overseas domiciles), potentially increasing the present staff / student ratio to align with the Russell Group average, whilst protecting the small-group teaching that is an important part of the St Andrews student experience. A carefully-controlled increase in the student population over the next decade would help to provide the income required to develop new academic initiatives, such as the interdisciplinary initiatives and taught postgraduate courses outlined within the present summary.

Discussing the present document, it was recommended that the paper to the April 2015 Court meeting should encompass the broader issues of staff development (driving improvement for staff outwith the new initiatives detailed in the plan) and the impact of growth on the University's professional / support services. Additionally, the plan should seek to identify areas in which the student experience would be enhanced, not simply protected, as that would be a major driver to achieving high-quality student growth in an increasingly competitive global marketplace. The final version of the plan (where a postgraduate population of at least 25% of overall cohort is set as a target) should also address the potential issue of a persistent decline in PGT numbers, particularly overseas applicants, which may impact on the strategic aims for both student growth and new PGT provision linked to research-led teaching within the new interdisciplinary institutes. As formulation of the plan continues, senior management, along with the academic Schools, should also review if there are any current initiatives that should be abandoned. The Deputy Principal confirmed that this would be a subject of the forthcoming School strategic planning meetings to be held in February and March 2015, when Schools would be asked to look at their teaching / research provision and staff composition following on from the recent REF result.

The Deputy Principal confirmed that there would be consultation across the institution on the strategic plan after April 2015. The student members of Court urged that students be central to this consultation, given their concerns about pressures on study space and residential accommodation at the level of existing student numbers. The President of the Students' Association remained concerned that related proposals on housing provision (considered under a separate agenda item) remained too moderate to address the expected growth in numbers, with a potential impact on the student experience overall.

5. HOUSING

Members discussed a briefing paper (on file, Court 14/25) of options for developing potential student and staff housing provision in three areas of the estate: Fife Park (a long-term option only as this site is part of land zoned for the presently-stalled Western Expansion), Albany Park and University-owned land (circa five acres) at the Grange. Court approval was sought in principle for the Quaestor & Factor to prepare individual project plans for each, following the external partner / Special Purposes Vehicle model that has been used for the present Fife Park capital redevelopment project.

Discussing the merits of the proposals, members recognised that further residential capacity was required to support the initiatives outlined in the new strategic plan (moderate student growth being also a stand-alone strategic aim) and to address existing accommodation pressures. It was confirmed that, under the proposals, the University would retain control over rental pricing of the student residences, which would be subject to the same annual RPI inflationary increase as existing bed-space, and, for the housing at the Grange, would have sign-off on final build design. The Quaestor confirmed that since the last PARC meeting in December 2014 the proposed contractual arrangements have been robustly reviewed by external legal experts. Noting that the Senior Governor and Sir John Elvidge have agreed to meet directly with the Quaestor to discuss mitigation of any potential project risks, subject to that process concluding satisfactorily, Court approval was granted for the Quaestor to proceed with the creation of detailed project plans and to initial negotiations with external partners.

6. SUMMARY FINANCIAL REPORT TO 30 NOVEMBER 2014

Members noted the report of in-year financial performance, which was broadly in line with budget (on file, Court 14/26).

7. DRAFT SFC OUTCOME AGREEMENT 2015/16

The (Acting) Vice-Principal (Governance & Planning) provided a summary of the key commitments within the draft 2015/16 Outcome Agreement (on file, Court 14/27), including the process of consultation thus far with the SFC. An initial version of the agreement had been submitted to the Funding Council on 8 December 2014; at a follow-up meeting with the SFC on 13 January 2015, arranged by the University, comments were given on its content. Feedback largely focused on the issue of access. Discussing the information provided in

the document (stated in percentage terms to be at least 13.5% of Scottish domiciled students rather than an absolute number due to year-on-year fluctuating entrant figures), it was recognised that the measure of widening access defined by the SFC (which relates only to entrants from SIMD20% and SIMD40% postcodes) failed to give a proper representation of the University's determined efforts in this important area of its activity. By focusing only on students from within SIMD areas, students recruited from other dedicated outreach activities such as pathway / foundation courses, summer schools / Sutton Trust initiatives and other contextualised admissions processes, were not being counted. Additionally, the measure on widening access related only to entrant numbers, not leavers, and thus it did not provide data on the retention of such students until their successful completion of a degree (a more meaningful outcome). Court agreed that, in addition to the provision of data on the existing SIMD target, further information should be included within the document (and publicised more widely) to demonstrate the University's successful performance in widening participation. It was also recommended that the University should seek to engage directly with the Chair of the SFC on the means by which overall widening access performance can be better captured within the context of the institutional outcome agreement.

III. REGULAR BUSINESS

1. HEALTH & SAFETY UPDATE

Court noted the report (on file, Court 14/28) of recent Health & Safety performance against standard indicators.

2. AUDIT & RISK COMMITTEE

i) Minute of the Meeting held on 26 November 2014

Members noted the report of the meeting (on file, Court 14/29).

ii) University Ethics Assurance Group Annual Report 2013/14

Court noted the annual summary (on file, Court 14/30) of the Assurance Group's activities, including its oversight of the University Teaching & Research Ethics Committee and the Animal Welfare & Ethics Committee.

3. GOVERNANCE & NOMINATIONS COMMITTEE

Members noted the report of the meeting held on 6 November 2014 (on file, Court 14/31).

4. REMUNERATION & HUMAN RESOURCES COMMITTEE

i) Minute of the Meeting held on 6 November 2014

Members noted the report of the meeting (on file, Court 14/33).

ii) Draft Remuneration Policy

Members discussed the proposed remuneration policy (on file, Court 14/34), which outlined the defined criteria the Remuneration & Human Resources Committee must take into account in determining the salary awards under its review. Court approval of the Committee's operational processes and policies are a principle of the new *Scottish Code of Good HE Governance*. It was agreed that the present clause vi (related to performance / bonus payments) was inappropriate as an actual salary assessment criteria, and thus the Committee was asked to consider at its next meeting the removal or amendment of this clause.

Noting that the relevant principle of the Code (Principle No.15) also required the Committee's reports to the governing body to be of sufficient detail to enable Court to satisfy itself that Committee decisions are compliant with its approved criteria, it was agreed to refer back to the Committee the issue of the recommended circulation of the confidential Committee minute (detailing salary awards) to the lay members of Court only. Presently Court receives the minute of the standard meeting only.

5. ACADEMIC COUNCIL

Members noted the report of the meeting held on 10 December 2014 (on file, Court 14/35).

6. COURT OFFICE BUSINESS

Court received the report from the Executive Officer (on file, Court 14/36) detailing recent staff-related trends reported by Human Resources and other Court-related matters. In doing so, Court gave final approval to Draft Resolution 2014 No.2 (Foundation of Chairs).

IV REVIEWS & PRESENTATIONS

Ms Jane Magee, Director of English Language Teaching, and Professor Jason König, Head of the School of Classics, were in attendance for these agenda items.

1. ENGLISH LANGUAGE TEACHING (ELT)

Ms Jane Magee gave a presentation (summary on file, Court 14/37) outlining the varied programmes offered by ELT to international students whose first language is not English. These ranged from pre-sessional courses (largely directed towards incoming postgraduate students) that aim to improve academic writing and expression skills, and foundation courses for undergraduates, which combine the study of the English language with modules appropriate to the student's chosen academic discipline. Ongoing provision is also offered to current students, whose language skills have to keep pace with the increasing complexity of their studies. The support offered by ELT allows a route into higher education for students who would otherwise

not be able to achieve the required standard for entry. ELT's control over the admissions process for such students, combined with the dedicated in-house service that is provided (with close links internally to academic schools and externally to foreign funding bodies and international education providers), ensures that quality standards are maintained, numbers of applicants are robust, and the income stream from this cohort is strong. Challenges for ELT include staying competitive and attractive to students in an increasingly crowded marketplace, with significant competition on a global scale from public / private collaborators for the recruitment of international students. Addressing the challenges of the strict UK visa regime, including the increasing restrictions on post-study work opportunities, is significant, as this represents a major risk to the UK's very attractiveness as a place to study.

2. SCHOOL OF CLASSICS

Professor Jason König delivered a presentation (summary on file, Court 14/38) highlighting the teaching and research strengths of the School and the proposed areas for future development. An impressive REF result (Classics is ranked 2nd equal in the UK by GPA and 1st for combined 3* and 4* outputs) underlines the strength of the research community within the School. Schemes for hosting visiting scholars and a regular staff exchange programme with Columbia have boosted the School's international profile; internal collaborations with other Schools, and success in research funding for dedicated research projects, have all contributed to a flourishing research community. Student applications remain robust, with employers recognising the value of a Classics-based degree for a number of varied careers. Future opportunities for the School lay in improving PGR recruitment (a present challenge given the relatively young age of newly appointed colleagues and the limited funding available to PhD students); fully addressing the challenges of demonstrating the impact of research that is undertaken within the School; and dealing with changing secondary-school curricula where the teaching of Latin and other classical languages is diminishing.

The Rector thanked each of the presenters for attending Court to provide members with informative summaries of their respective schools.

V. ANY OTHER COMPETENT BUSINESS

In response to a query from the President of the Students' Association, it was confirmed that a proposed change to the Athletic Union constitution (governing the term of sabbatical officers) would fall under the remit of the Governance & Nominations Committee, who have delegated authority to approve such amendments on behalf of Court. The proposed constitutional change would therefore be considered at the Committee's February 2015 meeting.

VI. THANKS

Members joined with the Rector in warmly thanking Professor Ron Piper who was attending his last meeting of Court as (Acting) Vice-Principal (Governance & Planning).

VII. DATE OF NEXT MEETING

Friday 17 April 2015 at 10.00am.

UNIVERSITY COURT OF ST ANDREWS

AT ST ANDREWS on the 17th day of APRIL 2015 AT A MEETING OF THE COURT OF THE UNIVERSITY OF ST ANDREWS

Present: Ms Catherine Stihler, *Rector (President)*; Sir Ewan Brown, *Senior Governor & Chancellor's Assessor*; Professor Louise Richardson, *Principal*; Professor Garry Taylor, *Deputy Principal & Master of the United College*; Mr Patrick Mathewson, *President, Students' Association*; Mr Ondrej Hajda, *Director of Representation, Students' Association*; Ms Anna Newman, *Rector's Assessor*; Mr Nigel Christie and Mr Kenneth Cochran, *General Council Assessors*; Professor Frances Andrews, Dr Bettina Bildhauer, Professor James Naismith and Dr Chris Hooley, *Senate Assessors*; Mr David Stutchfield, *Non-Academic Staff Assessor*; Councillor Bryan Poole, *Provost of Fife's Assessor*; Mr Ken Dalton, Sir John Elvidge, Mr Mervyn Jones, Professor Stuart Monro, Mr Nigel Morecroft, Dr Mary Pople, Dame Anne Pringle and Professor Sir David Wallace, *Non-Executive Members*.

In attendance: Professor Verity Brown, *Vice-Principal (Enterprise & Engagement)*; Mr Alastair Merrill, *Vice-Principal (Governance & Planning)*; Professor Lorna Milne, *Vice-Principal (Proctor)*; Dr Anne Mullen, *Vice-Principal (International)*; Mr Derek Watson, *Quaestor & Factor*; Professor Derek Woollins, *Vice-Principal (Research)*; Mr Andy Goor, *Finance Director*; Dr Gillian MacIntosh, *Executive Officer to the University Court*; Mr Niall Scott, *Director of Corporate Communications*; Mr Benjamin Stuart, *Director of Residential & Business Services (for Item IV only)*.

Apologies: None.

I. OPENING BUSINESS

1. WELCOME

The Rector welcomed Mr Alastair Merrill and Dr Anne Mullen to their first meeting of Court, who were attending in the capacity of Vice-Principal (Governance & Planning) and Vice-Principal (International) respectively. The Rector also thanked those Court members who were present at the previous day's *Breaking through the Glass Ceiling* event, celebrating the achievements of women in academia.

2. MEETING MINUTES

i) Minute of the Court Meeting held on 23 January 2015

The minute (on file) was agreed as a correct record. It was confirmed that ongoing engagement with politicians on the legislative proposals outlined in the recent Scottish Government's consultation on HE governance reform was continuing mainly via the relevant student, staff and sectorial representative groups.

3. REPORT FROM THE PRINCIPAL

The Principal gave a verbal report of recent University news and events, to supplement her advance written paper (on file, Court 14/39).

It was reported that the Scottish Government has now released its analysis of responses to its recent consultation on HE governance, with 91% of respondents opposed to legislating to rename the job title of Principal as 'Chief Executive Officer', 78% objecting to the proposed selection process of chairs of governing bodies by internal and external 'stakeholders', and 67% against legislating to reserve seats on Court for trade union representatives. It was noted that responses from a number of impartial and neutral organisations (such as OSCR and industry bodies) were overwhelmingly against the proposed legislative reforms, though it was anticipated that the Scottish Government will push ahead with legislative proposals to amend existing HE governance arrangements in a draft bill that will be published in the summer of 2015. It was additionally reported that the Committee of Scottish Chairs had recently asserted a commitment to achieving a balance of at least 40% female appointments to non-executive roles by 2018. Members regretted that there has been no consultation prior to this announcement.

For the UK HE sector overall, the funding position remains extremely challenging, and the bureaucratic burden of compliance activities continues to be considerable. A delegation of UK vice-chancellors has recently visited Brussels to lobby against proposed cuts to the European Union Horizon 2020 research fund, which is thought to be at risk of divestment with the transfer of a portion of its funds to support general EU economic recovery. The University has recently renewed its Outcome Agreement with the SFC for AY2015-16, subject to two changes to the version previously approved by Court in January 2015 (related to carbon emissions targets and widening access numbers). Additionally, the University's Enhancement-led Institutional Review (ELIR) has concluded successfully, with the institution achieving an 'effective' rating in the summary outcome report. The Principal thanked the Vice-Principal (Proctor) and her team for administering the process, noting that the cost to the University of completing the exercise had been reduced to around one-third of that incurred in the last institutional review in 2011.

The Principal reported that the efforts of Admissions and individual Schools to improve the PGT conversion rate of applicants to entrants had shown some initial success, with expected numbers up on the last academic year, helping to balance out the drop in PGT applications overall. Guaranteed residential accommodation was being offered to the first 100 PGT students who pay a deposit to secure a place. In the recently published QS World University rankings, subject ratings for many Schools were high, with Philosophy ranked as 14th in the world, an achievement commended by Court. The undergraduate student community were also benefitting from the newly-established Laidlaw internships, created from a generous philanthropic donation to the University, allowing for top performing students to benefit from leadership training alongside a research internship.

Members joined with the Principal in welcoming the launch of the University's all-electric, community car club, through which a fleet of 10 cars can be hired by businesses, residents and visitors to St Andrews starting at £4.50 per hour. The initiative was one important step towards the University's aim to be the first carbon-neutral institution in the UK.

II. PARC BUSINESS

The Senior Governor led the discussion for the following PARC agenda items.

1. Minute of the Meeting held on 30 March 2015

Members discussed the report of the meeting (on file, Court 14/40).

It was recognised that Labour's pledge to reduce tuition fees for rUK students to £6k maximum per annum (should they become the governing party after the UK General Election) would have a significant effect in Scotland if the shortfall from the present £9k annual tuition fee is not otherwise compensated, with a likely impact on the financial support, scholarships and bursaries that can currently be provided (since the shortfall may be in the region of £6m per annum for St Andrews). It was also noted that any subsequent top-up payments in England may also apply to specific disciplines only, focused on subjects the government wish to prioritise, and that the Scottish Government had not indicated whether, and under what circumstances, it too might make up the difference in tuition fees.

The Quaestor gave a verbal update on planned capital investment projects, noting that a design team for the development land at the Grange is to be appointed, to examine also options for increasing site capacity (prioritised as staff and postgraduate housing). A final business case was presently being prepared for the Albany Park redevelopment, for PARC to consider at a future meeting.

2. Institutional Indicators Update

Members discussed the quarterly report (on file, Court 14/41) of the University's institutional performance measured against defined targets related to research, financial stability and staff.

Whilst performance has improved since the last academic year, the research income target per academic staff FTE remains categorised as red. Members agreed that the additional data supplied in the annex to the report, which measured research income by spend, benchmarked against HESA Russell Group comparators, was a more useful and detailed indicator in identifying particular subject areas where efforts at improving performance may be best expended. It was suggested that data for the past three years should be provided in future to assess the overall direction of travel. Court agreed that the actual target should be to align with the upper quartile of the Russell Group, although it was noted by some members that excellence in some disciplines (particularly in the Arts) is more complex than simply a benchmarked figure of

research income spend, since it relates also to lesser-value, individually-led research projects (in comparison to the Sciences) and also to REF-related measurements of impact and peer-reviewed quality of outputs. Nevertheless, it was noted that driving up income from research applications was an important, overarching institutional aim, not least given its significance in off-setting reductions in funding from other sources such as central government support and restrictions on tuition fee income.

Discussing the improved amber rating for targeted annual financial surplus as a percentage of total income, the Finance Director confirmed that the present rating reflected the positive in-year performance against what had been forecast in the planning round. In the present year, a number of non-recurring capital receipts impact beneficially and there were considerable challenges in growing recurrent income opportunities. Looking ahead into future years, the funding climate overall would likely merit a red indicator, and it was against this background that the next iteration of the financial plan was currently being prepared.

It was reported that the institutional staff survey was presently underway with a deadline for responses at the start of May. The last staff survey in 2012 revealed that 27% of respondents found it difficult to maintain an appropriate work / life balance, and members discussed whether the enhanced services available to students for mental health support were also required for staff. Mr Mervyn Jones, the Court-lead on the Health & Safety Assurance Group, reported that this was a subject currently under review by the group, who were evaluating trends in staff absence and referrals to occupational health. The difficulty in tracking absence in academic staff (who were not contracted for specific hours) was a matter also under review by the group.

3. Guardbridge Energy Centre

The Quaestor provided a verbal update to his written paper (on file, Court 14/42) of recent progress with design planning, VAT and contractual arrangements for the Guardbridge Energy Centre capital project, which aims to provide cost avoidance opportunities on future utilities expenditure. Members congratulated senior management on the considerable progress achieved thus far on realising this innovative project, noting that the final tranche of the £10m SFC funding has been received to support the build.

4. SFC Grant Letter

The Finance Director reported that the main grant letter has yet to be received from the SFC, though it had been expected to be released at end of March 2015. Court was seriously concerned that the delay in its release was now impacting on the annual financial planning process, which by necessity was working with the indicative assumptions released at the start of 2015 that may change.

5. Summary Financial Report for the period to 28 February 2015

The Finance Director reported that the result (relevant paper on file, Court 14/43) was ahead of forecast, supported by a favourable cash position resulting principally from a receipt related to the Fife Park redevelopment. Improved controls on staff expenditure were necessary to mitigate forthcoming salary-related costs on National Insurance and USS pension contributions.

6. Annual Report of the Investment & Treasury Assurance Group

Members noted the annual report of the Investment & Treasury Assurance Group (on file, Court 14/44), detailing its recent activities and providing a summary of the current investment position. It was confirmed that the group were following recent internal developments at Alliance Trust that may impact on future arrangements for the management of this fund.

7. Draft Strategic Plan 2015 to 2025

The Deputy Principal & Master summarised the recent changes to the draft institutional strategic plan (on file, Court 14/45), highlighting the recent round of consultation with staff and students after wide circulation of the plan, and the comments received as part of that process. Some concern had been expressed about the impact of the proposed growth in student numbers, and the new draft of the plan attempts to articulate clearly how this growth will be supported and addressed. The Guardbridge site will be an important driver in the context of the plan, allowing for the reshaping of the present St Andrews town centre estate for the use of Schools who seek to expand their student numbers and teaching provision. Other initiatives within the plan will seek to maintain the quality threshold of the student intake by expanding into new recruitment markets, whilst introducing cost efficiencies to increase capacity, support interdisciplinarity teaching and research, and create possibilities for high-quality appointments prior to the next REF.

Members discussed the format of the present draft, noting that an introductory 'headline' section on the main goals would be a useful addition, along with a brief narrative summarising the steps and timeframe outlined in the draft delivery plan. For Court to measure success against the plan's key initiatives, it was agreed that supporting KPIs and targeted outcomes will be required to benchmark future progress.

Discussing the level of ambition in the plan, there was recognition that the present draft was a product of extensive consultation with staff and students, resulting in a practical and deliverable set of initiatives supported by modest investment, which aimed to steer the University towards its long-term vision. Court agreed that the strategy was now sufficiently developed to provide a clear direction for University activities, and that it could be considered approved. The delivery plan created momentum for future success and identified certain challenges to be addressed, but did not represent an end-game in itself and would remain a living document.

Court discussed the specific residential accommodation requirements that may be required to support the plan's initiatives for growth, noting that an increase in bedspaces was presently underway through the delivery of various capital projects (including external opportunities by private providers). It was however recognised that investment in the residential system had necessarily to be balanced against other student priorities, such as teaching space, the Library, the Students' Association and sports facilities, all of which had received considerable investment in recent years.

8. Guardbridge Site Development

Members discussed a briefing paper (on file, Court 14/46) that outlined potential initiatives that could be located on the large brownfield Guardbridge site, on land not required for the approved Biomass build. The Quaestor outlined the three priorities as a Green Energy centre, High Performance Computing and Advanced Materials. PARC has ratified the cost of demolishing the redundant buildings, allowing for development space to be available from 2016. These initiatives would allow for more engagement / investment with industry and governmental bodies such as Scottish Enterprise, and members encouraged management to further develop links with the Chairman and / or Chief Executive of Scottish Enterprise, to get engagement with the University's plans from the top of the organisation.

The site also has considerable scope for housing the institution's professional support services that are not required to be located in St Andrews, releasing estate capacity in the town centre for academic use. Included in such development would be a facility for the Library, accommodating less-well-used books from the Main Library (thus freeing up Level 1 for more reader spaces) and storage opportunities for Special Collections, additional to the present Library store on the North Haugh. The Arts & Divinity Senate Assessors urged that careful consideration be given to the configuration of any such Library facility at Guardbridge, to ensure that the building is accessible to researchers, perhaps with browse-able open-access stacks and a dedicated reading space for researchers. The Vice-Principal (Research) noted that scoping for the Library project remained underway, in which the requirements of the build would be clarified and defined. Business cases for all the projects proposed at Guardbridge, including the Library facility, would follow for PARC and Court discussion.

III. REGULAR BUSINESS

1. Health & Safety Update

Court noted the report (on file, Court 14/47) of recent Health & Safety performance against standard indicators.

2. Audit & Risk Committee

Members noted the report of the meeting held on 19 February 2015 (on file, Court 14/48). The Quaestor reported that the escalated risk on the risk register

relating to the condition of the heating system in Purdie, Maths and Physics buildings had since been investigated and was less serious than first thought. It was confirmed that the review of Environmental, Health & Safety Services by Durham University would be reported to the Committee's next meeting, having been delayed somewhat by the changed circumstances of the external reviewer.

3. Governance & Nominations Committee

i) Minute of the Meeting held on 26 February 2015

Members noted the report of the meeting (on file, Court 14/49).

Discussing the Committee's recent consideration of the potential streaming on the University website of the statutory biannual General Council meetings, caution was urged that market research had not been done to establish the degree of interest that alumni might have in remotely observing General Council meetings. There would need to be clear and demonstrable benefit to the University from any proposal, and no risk that the raising of local St Andrews issues would cause any reputational damage to the University. It was pointed out that the University hosts world-class lectures on a regular basis, which may be of equal or greater interest to the alumni community and potentially more reflective of the global reach of the institution and its international reputation than the nature of General Council meetings has been in the past. It was noted that projection of the academic work of the University to alumni and other constituencies would be considered as part of the review of the institutional website presently being undertaken by Corporate Communications.

The staff members of Court asked that the eligibility criteria for participation in the elections of Senate Assessors to Court be reviewed by the Vice-Principal (Governance & Planning), to ascertain if there is any flexibility in the current wording of the relevant Ordinance to expand eligibility to include part-time staff and other post-holders outwith the categories of professors, readers and lecturers.

The Vice-Principal (Governance & Planning) confirmed that the SFC have recently agreed that the chairing of the Governance & Nominations Committee by an independent, external individual (as has been the case at St Andrews for a number of years), whilst not following the letter of the Scottish Code of Good HE Governance (which envisages the Senior Governor assuming that role), is nonetheless consistent with the Code.

ii) Nomination of Secretary of Court and Registrar & Clerk of General Council

Court approved the nomination of Mr Alastair Merrill, Vice-Principal (Governance & Planning), as Secretary of the University Court (related paper on file, Court 14/50), to fulfil the statutory requirement for any deed, instrument or document executed on behalf of the University Court to be signed by the

Secretary of Court. Mr Merrill was also nominated by Court as Registrar & Clerk of General Council, which nomination will be communicated to the statutory meeting of the General Council in June 2015.

4. Remuneration & Human Resources Committee

Members noted the report of the meeting held on 26 February 2015 (on file, Court 14/51). Mr Ken Dalton, chair of S&LAS trustees, noted that the Pensions Regulator had recently written to the University raising concerns about the future fundability of the scheme (which is presently undergoing a recovery plan to 2029), and it was suggested that a Court sub-group may be convened to look at the issues raised by the Regulator pending a formal response.

5. ACADEMIC COUNCIL

Members noted the report of the meeting held on 11 March 2015 (on file, Court 14/52).

6. COURT OFFICE BUSINESS

Court received the report from the Executive Officer (on file, Court 14/53.) detailing recent staff-related trends reported by Human Resources and other Court-related matters.

IV REVIEWS & PRESENTATIONS

1. Residential & Business Services

Mr Benjamin Stuart, Director of Residential & Business Services, joined the meeting to give a presentation on the work of his Unit, focusing primarily on developments during his first nine months in the post (summary and presentation slides on file, Court 14/54). Challenges addressed thus far included careful scheduling of the refurbishment of historic residential estate (such as Andrew Melville and University Hall), to meet the standard of ever-changing HMO requirements and to address limited flexibility of temporarily removing bedspace capacity. RBS was also seeking to increase summer trade via conferences and tourism, and to improve communication with staff and students involved in the residential estate. Looking forward to forthcoming challenges, the University is planning a number of refurbishment projects and the development of new-build accommodation, this in the context of residential estate coming on-stream with the completion of local student accommodation built by private providers. Refreshing the residential estate allows for the opportunity to redevelop accommodation provision taking account of students' requirements and summer trade opportunities, supported by operational changes (to catering, etc.) to meet current student needs. Future new build accommodation at Albany Park (which will have to be carefully developed in light of likely planning restrictions at the East Sands) will also potentially allow for a number of guaranteed postgraduate residential spaces and new facilities, such as an in-house children's' nursery, which will be beneficial in general to the University community overall.

The Rector thanked Mr Stuart for an informative presentation to Court. The President of the Students' Association commended the considerable work done thus far by Mr Stuart and his team in engaging with the student community to understand and address their particular needs from the residential system.

2. School of Biology

Court noted that, due to a family bereavement, the Head of School Professor Malcolm White had regrettably been unable to attend the present meeting to give his planned presentation, which will thus be rescheduled to a future date.

V. ANY OTHER COMPETENT BUSINESS

The Rector reported that Professor Frances Andrews has lately been reappointed unopposed to a final term as Senate Assessor for the Arts & Divinity professorial constituency. Professor Andrews will begin her second four-year term on Court on 1 August 2015.

VI. DATE OF NEXT MEETING

Friday 19 June 2015 at 1pm.

UNIVERSITY COURT OF ST ANDREWS

AT ST ANDREWS on the 19th day of JUNE 2015 AT A MEETING OF THE COURT OF THE UNIVERSITY OF ST ANDREWS

Present: Ms Catherine Stihler, *Rector (President)*; Sir Ewan Brown, *Senior Governor & Chancellor's Assessor*; Professor Louise Richardson, *Principal*; Professor Garry Taylor, *Deputy Principal & Master of the United College*; Mr Patrick Mathewson, *President, Students' Association*; Mr Ondrej Hajda, *Director of Representation, Students' Association*; Mr Nigel Christie and Mr Kenneth Cochran, *General Council Assessors*; Professor Frances Andrews, Dr Bettina Bildhauer, Professor James Naismith and Dr Chris Hooley, *Senate Assessors*; Mr David Stutchfield, *Non-Academic Staff Assessor*; Mr Ken Dalton, Sir John Elvidge, Mr Mervyn Jones, Professor Stuart Monro, Mr Nigel Morecroft, Dame Anne Pringle and Professor Sir David Wallace, *Non-Executive Members*.

In attendance: Professor Verity Brown, *Vice-Principal (Enterprise & Engagement)*; Mr Alastair Merrill, *Vice-Principal (Governance & Planning)*; Dr Anne Mullen, *Vice-Principal (International)*; Mr Derek Watson, *Quaestor & Factor*; Professor Derek Woollins, *Vice-Principal (Research)*; Dr Gillian MacIntosh, *Executive Officer to the University Court*; Mr Niall Scott, *Director of Corporate Communications*; Mr Joseph Tantillo, *Director of Representation-Elect, Students' Association*; Mr Steve Watt, *Chief Information Officer (for Item II (7) only)*; Dr Ewan Chirnside, *Director of the Knowledge Transfer Centre (for Item IV only)*; Professor David Crossman, *Dean & Head of the School of Medicine (for Item IV only)*.

Apologies: Ms Anna Newman, *Rector's Assessor*; Councillor Bryan Poole, *Provost of Fife's Assessor*; Dr Mary Popple, *Non-Executive Member*.

I. OPENING BUSINESS

1. WELCOME & CONGRATULATIONS

The Rector welcomed to the meeting Mr Joseph Tantillo, Director of Representation-Elect, who was attending Court as an observer as part of the routine sabbatical handover induction.

Court members joined with the Rector in warmly congratulating the Principal on the news of her appointment as the first ever female Vice-Chancellor of the University of Oxford, effective 1 January 2016.

2. MEETING MINUTES

i) Minute of the Court Meeting held on 17 April 2015

The minute of the last Court meeting (on file) was agreed as a correct record.

3. REPORT FROM THE PRINCIPAL

The Principal gave a verbal update to members on her advance written Court report (on file, Court 14/56). Recent league table performance had been encouraging, with *The Guardian* ranking St Andrews third overall in the UK (the only Scottish institution in the top 10). Four individual subjects were ranked top in the UK and 15 were positioned in the top five. In global rankings, the University was placed 45th (by Leiden), 88th (in the QS rankings) and 111th (in the Times Higher World rankings), reflecting the great variability in the methodology used across these competing league tables.

It was reported that a number of recent events at the Byre Theatre had generated some significant publicity, including coverage in the *Times Higher* for the innovative undergraduate module taught by Dr Julia Prest (School of Modern Languages) in translating a French opera for subsequent performance at the Byre. As final preparations for the June 2015 graduation celebrations are made, at which a number of distinguished individuals will receive honorary degrees, the Principal reported that the total amount raised thus far for the University's 600th Anniversary philanthropic campaign has recently exceeded the £60m mark, with a number of new high-level gifts received towards the cost of developing a new Music Centre.

II. PARC BUSINESS

1. Minute of the Meeting held on 29 May 2015

Members noted the minute of the meeting (on file, Court 14/57). The Quaestor & Factor confirmed that the UK Government's recent announcement to end onshore wind farm subsidies was not expected to apply to those sites which have planning consent, land possession and a connection to the national grid already agreed, all three currently in place for the University's planned project at Kenly.

Court discussed the content and implications of the draft Higher Education Governance (Scotland) Bill, introduced into the Scottish Parliament on 16 June (related briefing information circulated to members prior to the meeting). The draft enabling legislation proposed an election process for the future appointment of Chairs of Court (details of which would be set separately by Scottish Ministers); defined categories of membership for governing bodies, including the addition of two trade union representatives; and a significant change to academic governing bodies to limit overall numbers but increase the percentage of elected membership. For St Andrews, it is presently unclear if the latter would apply to Senate or to Academic Council (the body Senate has formally delegated its powers for operational academic governance matters). Proposals relating to removing the existing role of Privy Council in governance matters, defining legally the meaning of the job title 'Principal', and transferring to Senate the power of being the 'final arbiter' in academic matters have all been dropped since the Bill's consultation period had concluded. It was expected that the Scottish Parliament's Education & Culture Committee would issue a call for evidence on the Bill in late summer, as they consider any

proposed amendments to the present draft text. Royal assent was expected in 2016, with the legislation due to come into force by 2020.

Members were gravely concerned about the scope of the published proposals, particularly the prescriptive measures on membership of University governing bodies. These significantly challenge the meaningful autonomy of Higher Education institutions, increase governmental control and undermine the lay majority on Court that is a recognised fundamental principle of good governance. The proposals were felt to run counter to previous Government statements in the consultation paper about preserving the autonomy and diversity of Higher Education institutions. There was significant unease about the apparent abolition of the ancient and historic position of Rector in the four older universities by virtue of the wording of the present draft Bill, though the Cabinet Secretary for Education has indicated in a private meeting that this was not the intention (a fact which was promised to be confirmed in writing to Ms Stihler and the other Rectors presently in post). The post of Chancellor's Assessor also appeared to be planned for abolition. Members discussed the potential incompatibility of the changes with charity trustee responsibilities, which require all individuals to act in the interests of the charity and not in the sole interest of the group that they represent. The complexity of enacting the Bill's amendments, whilst respecting the tenets of existing governance instruments given in statute and ordinance that are to be retained, would be significant and there may be a requirement for legal advice as to the means by which the Bill's measures could be enacted without further substantive changes to the present governing documents of the University.

It was agreed that the University should work together with the main interest groups (Principals, Chairs, student representatives and the University Secretaries' group) to fully engage with the Education Committee's consideration of the draft Bill as it enters the committee stage. Additionally, Court's concerns should be brought to the attention of local MSPs and those who are alumni as soon as practically possible.

2. Recruitment of the Principal

Court discussed the proposed procedures and draft timetable for the recruitment of the new Principal (related paper on file, Court 14/58), including the suggested membership of the Selection Committee, the process for engaging an executive recruitment firm, and the consultation to be undertaken with staff on the job description and preferred experience of potential candidates. It was proposed that the Selection Committee begins its task immediately, with the ambition that a new Principal be identified for Court approval by the end of the calendar year.

[Part of this section has been redacted under Section 30(c) (Prejudice to effective conduct of public affairs) of the Freedom of Information (Scotland) 2002 Act.]

The Senior Governor agreed to speak to Selection Committee members on his experience of serving as Chair of the last Selection Committee established in

2007 and regarding any learning points from the previous recruitment process. Thereafter, the Senior Governor confirmed he would play no further role in the process until an appointment recommendation is brought forward to all of Court for discussion.

3. Institutional Indicators Update

Noting the most recent report on the high-level indicators (on file, Court 14/59), members discussed the new measurement comparing research income spend by subject against Russell Group comparators. It was suggested that future iterations of the indicator should specify variance from the median in cash terms; additionally, it was recommended that the separate indicator on REF performance be revised in next year's round of reporting, in order that this did not remain static until the next research assessment outcome.

4. Summary Financial Report to 30 April 2015

The Finance Director presented the summary of the nine months' financial performance to 30 April 2015 (on file, Court 14/60), noting that the forecast outturn for the current financial year (excluding two large capital receipts) was £4.3m against the £1.8m planned surplus given in the Financial Plan. It was likely the position may change before year-end closure, with a better than expected return from receipts related to St Andrews hosting The Open Golf Championship and a potential FRS17 accounting adjustment relating to the reporting of pension liabilities. Court discussed the inclusion of a total figure for Heritage Assets onto the balance sheet for the first time, in advance of the implementation of FRS102 in the next financial year (where also the disclosure of a share of the anticipated large liability for USS pension deficit will negatively impact on the balance sheet). It was confirmed that the cash receipt received for the Fife Park redevelopment was presently internally ring-fenced for capital works, including site clearance at Guardbridge. The Finance Director was commended for the success of the various cash management initiatives, all aimed at improving liquidity prior to the first tranche of repayments to the University's long-term borrowing commitment in 2019.

5. Draft Financial Plan 2015/16 to 2017/18

The Finance Director presented the draft financial strategy and plan for the next three years (on file, Court 14/61), the overriding aim being the ambition to maintain a recurring annual operational surplus to fund institutional reinvestment, with a targeted minimum surplus of £5m in year three of the planning period. A surplus of 3% of turnover remained an interim target, moving to at least 5% as a long-term ambition. The plan set out the measures to be taken to address significant external cost pressures, including the continued reduction in governmental support, external pay pressures particularly relating to National Insurance contributions and USS pension contributions and limited growth in controlled student numbers. A new iteration of the institutional capital plan (reflecting the initiatives to be taken forward in the new strategic plan) would be developed over the summer by the Finance

Director and a small PARC sub-group, to inform future decisions about capital priorities and borrowing requirements.

6. Housing

The Quaestor & Factor provided a verbal summary to his briefing paper (on file, Court 14/62) outlining the potential expansion of the residential estate over the next five years. Members discussed the benefits of extending the current LLP arrangement to new residential schemes, reserving further borrowing under existing loan covenants to academic-related capital projects and initiatives. In the next academic year, c.700 new beds will become available through a mixture of internal expansion (largely the Fife Park redevelopment) and via new accommodation built in town by private providers. The new capacity provides some flexibility for the timetabling of both Andrew Melville and Albany Park redevelopments, the latter however may be subject to planning delay. The Quaestor confirmed that discussions were ongoing with the Students' Association about the provision of low-cost accommodation choices; the President of the Students' Association thanked University staff for their willingness to engage meaningfully on this issue.

7. Business Transformation Plan

Mr Steve Watt, Chief Information Officer, was in attendance for discussion of this agenda item.

Mr Watt introduced a paper (on file, Court 14/63) outlining opportunities for further transformative changes to business processes to improve quality and increase efficiency. Noting that improvements to the IT infrastructure had been the initial focus of effort, future attention would be given to building upon these foundations to eliminate routine manual processes, modernise supporting business systems, and guide behavioural change in support of the University's strategic aims. A number of transformation 'enablers' are planned: the ability for specialist software to be delivered anywhere on campus; the completion of Senate Efficiency Review projects to support the administration of teaching and improve the management of the student record; an overhaul of the University's web presence, tailored to defined external and internal audiences; the automation of routine business processes, removing paper copies where possible; and the availability of appropriate technology to support flexible working of staff from a variety of locations. The benefits of working through the transformation plan would be the creation of flexible yet standardised tools, able to improve both non-academic and academic processes centrally and in support of local requirements where possible.

Members discussed the behavioural changes needed across the University, particularly to counter increasingly sophisticated attempts by external parties to capture personal data and compromise University systems. The institutional IT infrastructure is subject to regular third-party penetration testing, with the network well protected against denial of service attacks, but the biggest risk remains individual users replying to 'phishing' emails that may compromise personal data and endanger the security of systems.

The Senior Governor thanked Mr Watt for giving to Court an overview of the business transformation programme.

III. REGULAR BUSINESS

1. Health & Safety Update

Court noted the report (on file, Court 14/64) of recent Health & Safety performance against standard indicators.

2. Audit & Risk Committee

i) Minute of the Meeting held on 14 May 2015

Mr Nigel Christie, on behalf of the Convener Dr Mary Popple, summarised the main business considered by the Committee as recorded in the minute of its last meeting (on file, Court 14/65).

ii) Institutional Health & Safety Audit, 2014-15

Members noted the outcome report of the recent audit of the University's health & safety function against the HASMAP standard (paper on file, Court 14/66). Two issues were flagged for Court's attention: the internal control of fieldwork, placement and travel, particularly the central tracking of staff and students to unstable international destinations, with resultant insurance implications; and the control and safety of external contractors when working on areas of the University estate.

iii) Health & Safety Assurance Group Annual Report, 2014

Court received the annual report summarising the recent activities and achievements of the Health & Safety Assurance group (on file, Court 14/65).

iv) Legal Compliance Annual Report, 2014-15

Court welcomed the first annual report (on file, Court 14/66) of the University's compliance activities, noting its usefulness as a valuable summary over a wide range of business areas.

3. Governance & Nominations Committee

Members noted the report of the meeting held on 20 May 2015 (on file, Court 14/69).

Discussing the proposed timetable for the recruitment process to be followed to identify two new Non-Executive members (to replace the retiring Sir John Elvidge in November 2015 and Mr Mervyn Jones in July 2016), it was agreed that applications for the position of Senior Governor (from both internal and external candidates) should be run in tandem, to identify a successor for Sir

Ewan Brown ideally prior to the appointment of a new Principal. The Vice-Principal (Governance & Planning) agreed to brief the Chair of the Governance & Nominations Committee on Court's discussions on this matter.

4. Remuneration & Human Resources Committee

i) Minute of the Meeting held on 20 May 2015

Members noted the report of the meeting (on file, Court 14/70).

ii) Committee of Scottish Chairs - Draft Guidance on the Operation of Remuneration Committees

Noting the draft guidance on the operation of remuneration committees recently issued by the Committee of Scottish Chairs (summary on file, Court 14/71), the Vice-Principal (Governance & Planning) reported that a working group of University Secretaries would shortly be considering the draft guidelines, including the relationship and reporting lines between remuneration committees and governing bodies, with a view to a new draft set of guidelines being submitted to the Chairs by the end of the calendar year.

iii) HEI Benchmarking Comparison: Conditions of Employment

Court noted for information the report (on file, Court 14/72) benchmarking the University's terms of employment against peer institutions in the HE sector.

5. ACADEMIC COUNCIL

Members noted the report of the meeting held on 10 June 2015 (on file, Court 14/73).

6. COURT OFFICE BUSINESS

Court received the report from the Executive Officer (on file, Court 14/74) detailing recent staff trends reported by Human Resources and other Court-related matters. In receiving the report, Court promulgated Draft Resolutions 2015 No.1 (Degree of Master of Biology) and No.2 (Degree of Master of Marine Biology).

IV REVIEWS & PRESENTATIONS

1. Knowledge Transfer Centre

Dr Ewan Chirnside, Unit Director, delivered a short presentation (summary and presentation slides on file, Court 14/75) on the Knowledge Transfer Centre, its main aims and the services it offers to University staff and students in technology exploitation and support of enterprise and entrepreneurship. Discussing recent performance in the area of knowledge transfer when compared with other peer institutions, it was reported that licensing and patent activity remained high, helping underpin further research funding applications,

licensing revenue and spinout opportunities, though financial returns from the latter remain an area to be improved. Recent activities had focused on impact acceleration, helping academics translate their research into measurable activities that will be an important part of future REF submissions. Challenges for the Unit lay in meeting diverse expectations of excellence in knowledge transfer activities, ranging from an increasing governmental expectation of universities working in a business partnership with SMEs, to the future value of patenting in an easy-access IP world. A recurring thread was the challenge of turning connections with external parties into financial return for funding future research. Members noted that student performance in recent entrepreneurship competitions had been greatly encouraging, supported by greater alumni involvement, and that the spread of enterprise skills into the taught curriculum was one significant way in which new innovators can be nurtured and encouraged by the University.

2. School of Medicine

Professor David Crossman, Dean and Head of the School of Medicine, spoke to members about forthcoming plans for the strategic development of the School (summary and presentation slides on file, Court 14/76). Noting that medical student numbers are tightly controlled, with limited income opportunities for expansion in the domestic student market (though some further growth in overseas student numbers may be possible), Professor Crossman outlined areas in which the School could improve the volume and quality of its research performance, to enhance its presently unsatisfactory REF ranking. Future opportunities for the establishment of a clinical degree via the School awarding a Primary Medical Qualification were discussed, which would allow for the recruitment of more clinical academics, encourage translational research (including with other science Schools situated adjacent on the North Haugh), and a teaching partnership with NHS Fife in conjunction with local hospitals. Discussions on the latter were progressing, which would come back to Court for approval in due course.

Court members joined with the Rector in thanking each of the presenters for providing members with informative summaries of their respective areas.

V. ANY OTHER COMPETENT BUSINESS

The President of the Students' Association gave an update to Court on the Association's efforts at improving the quality of private accommodation available to students, highlighting ongoing initiatives in advising students of their legal rights as tenants, the means by which complaints may be made, their discussions with Fife Council on HMO compliance standards, and on efforts at bringing more local properties into the portfolio of private lets managed by Residential & Business Services. It was reported that a further update will be given to Court in October 2015.

VI. THANKS

Members joined with the Rector in thanking the departing members Mr Ondrej Hajda, completing his term as Students' Association Director of Representation, and Dr Bettina Bildhauer, retiring as Senate Assessor due to research commitments, for their valuable contributions to Court during their terms as members.

VII. DATE OF NEXT MEETING

Friday 16 October 2015 at 10.00am, followed by the annual Court Away Day session.
