**DocUC15/34**

 **(Confirmed)**

**University Court**

**Minutes of the meeting of the University Court held on 26th November 2015**

**(Minutes 15.25– 15.64)**

**Present:** Mrs Hazel Brooke (Chair)

 Dr Douglas Chalmers, Mr John Chapman, Professor Pamela Gillies, Ms Laura Gordon, Mr Ian Gracie, Mr Tom Halpin, Mr Gordon Jack, Mr Ian Kerr, Ms Neena Mahal, Dr Neil Partlett, Professor Ann Priest, Miss Davena Rankin, Mr Paul Reynolds, Mr Michael Stephenson, Ms Caroline Stuart (by conference call), Mr Alistair Webster, Dr Bob Winter, Professor Stephanie Young (Vice-Chair)

**Apologies:**  Mr Austin Lafferty, Mr David Wallace

**In attendance:** Ms Jan Hulme, University Secretary & Vice Principal (Governance)

Ms Bernadette Kelly, Chief Information Officer

Mr Alex Killick, Director of People

Professor Mike Mannion, Vice Principal & Pro Vice Chancellor Research

Professor James Miller, Deputy Vice Chancellor

Mr Gerry Milne, Chief Financial Officer & Vice-Principal Infrastructure

Ms Jodie Waite, Student Vice President School Health & Life Sciences

Professor Valerie Webster, Vice-Principal and Pro Vice-Chancellor Learning and Student Experience

 Ms Janice Bruce, Secretary

**Chair’s Opening Remarks**

The Chair intimated the following changes to the starred/unstarred agenda items:

* Item 11.7, the Court Membership Committee Report, would be unstarred as it was for information. As the CMC meeting had not taken place at the time at which the Court agenda and papers had been circulated, the item had been starred in case the Committee had any recommendations to Court regarding Court membership.
* Item 11.10, the Staff Policy Committee Report from 11th November 2015, would be starred as Court was being asked to approve an amendment to the Committee objectives which had not been reflected in the objectives which had been submitted to Court for approval at its June 2015 meeting.

**Minutes of the meeting of the University Court held on 24th September 2015**

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| 15.25 | Agreed |  | Document UC15/13, the unconfirmed draft minutes of the Court meeting held on 24th September 2015 were an accurate record.  |

**Early Draft Outcome Agreement**

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| 15.26 | Considered |  | Document UC15/14, the early draft Outcome Agreement 2016-2017 for submission to the Scottish Funding Council. |
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| 15.27 | Reported | i. | The Principal reminded Court that the University had agreed a three year Outcome Agreement with the Scottish Funding Council (SFC) for the period 2015-2016 to 2017-2018. The paper provided an annual update and had been prepared in accordance with guidance issued by the Scottish Funding Council (SFC). The early draft Outcome Agreement was due to be submitted to the SFC by 8th December 2015, and the University would receive feedback on this draft in a meeting with SFC in January 2016. The final Outcome Agreement was due for final submission to the SFC by 27 February 2016. The targets set out in the draft outcome agreement were those which had been agreed by the SFC. In addition, the Executive Board had agreed stretching year-on-year key performance indicators, and the Court received progress reports on these twice a year – in June, and in October as part of the review of the year presented at the Court Away Day. The Principal proposed providing the Court with a table of measures mapped to KPIs to facilitate monitoring of progress.  |
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|  |  | ii. | Consultation with the Joint Consultative Committee would take place before the final Outcome Agreement 2016-2017 was submitted to the SFC in February 2016. |
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| 15.28 | Discussion |  | Court discussed the draft outcome agreement and sought and received clarification of points of detail. Main points raised included: |
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|  |  | i. | With reference to the quantitative data on internationally competitive research, it was noted that there were modest year-on-year increases in the aspirational income figures to 2018. The Principal advised that the figures did not impact greatly on the University’s surplus but achievement here was important in building esteem and reputation. In response to a query about benchmarking with similar institutions and whether consideration had been given to setting targets for the number of professors with a predominantly research focus and their research grant successes, the Principal stated that outcomes of the REF 2014 rated the University as the top modern university in Scotland for research power. The focus was on increasing the quantum of research in areas of strength and building critical mass to facilitate collaborations, while ensuring that new areas of promise were encouraged too.  |
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|  |  | ii. | One member referred to the announcement in the autumn budget statement that the apprenticeship levy on larger employers would be introduced in April 2017 at a rate of 0.5% of an employer’s paybill, to deliver three million apprenticeship starts by 2020 and stated that there could be new opportunities for the University to work with employers to deliver degree apprenticeships. The Deputy Vice Chancellor advised that the Director for the School of Work Based Education would explore any opportunities for working with employers in sectors where the University had particular strengths and consider how this might best fit within the work-based learning structure already in place. The Chief Financial Officer advised that if the levy were applied to universities, it could cost the University around £300,000 per annum. However, at present it was not clear how the levy might affect charities. Court would be kept apprised of any developments.  |
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|  |  | iii. | In response to a query about articulating the distinctive student experience offered by the University, the PVC Student Experience advised that this was being developed in consultation with the Students’ Association. A statement setting out the distinctive nature of the student experience and value added through initiatives such as the Common Good curriculum would be brought to Court at a later date. |
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| 15.29 | Agreed | i. | The Principal would provide the Court with a table of measures mapped to KPIs to facilitate monitoring of progress. |
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|  |  | ii. | To circulate the final early draft of the Outcome Agreement 2016-2017 to Court members electronically for final sign off prior to the document being submitted to the Scottish Funding Council on 8th December 2015.*[Secretary’s note: the final draft was circulated to Court members on 2nd December 2015.]* |

**Chair’s Report**

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| 15.30 | Received |  | Document UC15/15, a report from the Chair of Court on the activities she had undertaken and meetings she had attended on behalf of Court.  |
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| 15.31 | Noted | i. | In response to a query about the progress of the draft Higher Education Governance (Scotland) Bill 2015, the Chair stated that discussions with the Cabinet Secretary had taken place that day and on the preceding day. No feedback had been received to date.  |
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|  |  | ii. | The Chair sought views on holding the Court Away Day for 2016 in the same venue as 2015 given that, while the facilities had been appropriate, some members and other attendees had experienced difficulties with transport. The consensus was that the same venue should be used. The University Secretary advised that transport arrangements for 2016 would be reviewed and this might be in the context of a different timing of the event over the two day period.  |

**Principal’s and Executive Board Report**

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| 15.32 | Received |  | Document UC15/16, the Principal’s and Executive Board Report to Court highlighting recent news and developments that involved or impacted upon the University.  |
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| 15.33 | Noted | i. | Court received an interim update on student numbers for Trimester A and noted that home numbers and articulation targets had been met. There was a reduction in postgraduate and international student recruitment although numbers had yet to be confirmed and no Trans National Education (TNE) numbers were yet included. With reference to international student recruitment Court was advised that, in common with other universities, the University had experienced a downturn with a contributory factor believed to be the changes to Tier 4 sponsor guidance which the UK Visas and Immigration Department (UKVI) had announced towards the end of 2014. Nevertheless, the University’s overall position with regard to international and transnational education remained buoyant. Working in conjunction with GCU London, measures were being taken to address the shortfall in student numbers in advance of Trimester B. The Principal stated that the role of GCU New York in UK recruitment would also be helpful through increasing student numbers from North America. Court would receive a report on final student numbers at its March 2016 meeting and consider any budgetary implications. |
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|  |  | ii. | The Principal advised Court of some changes to Executive and senior management staff. The Dean of GCU London and the Director of Marketing and Communications at GCU would be leaving the University. The Principal wished to acknowledge the contribution both had made to the work of the University. Interim appointments would be made in the meantime. The newly appointed PVC International would take up her post in January 2016. |
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|  |  | iii. | The Petition for Charter of Incorporation for GCU-NYC, Inc. which formed part of the application for the educational licence application, had been filed with the NY State Education Department. The Principal advised that she was writing to the Deputy Commissioner of the NY State Education Department with regard to the commitment he had made earlier in the year to give his full support to having the case for GCUNY’s licence application addressed expeditiously. |

**University Secretary’s Report**

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| 15.34 | Received |   | Document UC15/17, the University Secretary’s Report.  |
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| 15.35 | Noted | i. | Since writing her report, the University Secretary stated that the Government’s Comprehensive Spending Review had been published on 25th November 2015.  |
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|  |  | ii. | Following consultation with the Equality and Diversity Committee and the Executive Board, Deans were being asked to join the Equality and Diversity Committee.  This was with a view to strengthening and embedding the responsibility for equality and diversity within the management structure.  An additional Court governor to serve on the Equality and Diversity Committee would also be identified by the Court Membership Committee from among the staff governors. |
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|  |  | iii. | The University Secretary updated Court on the work which the Prevent Steering Group had undertaken to date in relation to the University’s statutory duty under the Counter-Terrorism & Security Act 2015.  |

**GCU Digital Strategy Pathfinder**

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| 15.36 | Considered |  | Document UC15/18, a pathway note regarding the development of the University’s Digital Strategy. |
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| 15.37 | Received |  | The Chief Information Officer delivered a presentation on the development of the draft Digital Strategy which covered work undertaken to date, an initial outline of the key goals, principles and enablers and priorities for implementation. Full consultation on the draft strategy with all stakeholders would be launched imminently with a view to bringing a final draft to Court with an implementation plan in March 2016. |
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| 15.38 | Noted | i. | An audit of the existing technological landscape had been undertaken which would facilitate the development of a roadmap for digital enablement and set priorities for action. Digital champions were being identified from amongst staff across the University to help grow and embed digital capability into core ways of working. Work with the Students’ Association was also being undertaken.  |
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|  |  | ii. | The CIO explained how the digital strategy was aligned with the University 2020 Strategy and highlighted the importance of having a cohesive and fully integrated digital infrastructure which would strengthen and enhance the efficient delivery of online programmes and support staff to deliver new ways of learning and teaching.  |
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| 15.39 | Discussion |  | Points emerging from Court’ s discussion included: |
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|  |  | i. | It was agreed that Ms Stuart and the Chief Information Officer would meet to discuss the development of the digital strategy. |
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|  |  | ii. | It was noted that there were three key enablers underpinning the development and implementation of the Digital Strategy: staff skills, enhancement of student skills and the development of the infrastructure. Whilst each constituted a distinct work stream, it was acknowledged that a common underlying factor was the need to be flexible to respond quickly to a changing environment.  |
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|  |  | iii. | It was agreed that the successful implementation of the digital strategy would involve major cultural as well as technological change. It would be essential that staff and students had the necessary skills to participate effectively in flexible learning opportunities and working practices: today’s twelve year olds would engage differently as students with the University in both their learning and their wider experience of student life. This would mean ensuring that staff had the expertise and confidence to embrace the range of digital technologies available. Already expectations around apps and upgrades were driving change at an unprecedented rate. The CIO advised that JISC had developed a digital capability assessment tool to drive forward self-enablement around the development of digital capability which the University could use as a basis for training. The programme of training and development would need to be conducted sensitively and inclusively with expectations of capability allied to specific tasks. It was advised that the University should identify and learn from appropriate exemplars. |
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|  |  | iv. | The CIO advised that the Scottish Government was in the process of developing a Digital Learning and Teaching Strategy for Scotland which would set out the Scottish Government's approach to digital learning and teaching and the conditions needed to realise the full potential of digital technology in schools.  |
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|  |  | v. | It was considered that online learning had the potential to create a revenue stream and to enable delivery of programmes over wider geographical areas.  |
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|  |  | vi. | It was agreed that addressing cyber-security should be a priority.  |
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|  |  | vii. | Court asked that information about the proposed budget for developing and implementing the digital strategy be included in the draft submitted to the March 2016 meeting.  |

**GCU New York Update**

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| 15.40 | Noted |  | Document UC15/19 a progress report on recent activity at GCUNY including areas of revenue and income generation, sponsorship and philanthropy. |

**African Leadership College Update**

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| 15.41 | Received |  | An oral update from Vice-Principal and Pro Vice-Chancellor Learning and Student Experience on progress with the African Leadership College. Discussions around the development of the teaching model, nature of the degree and the staffing strategy were underway. The formal launch of the College would take place in March 2016. The first cohort of students had arrived in September 2015, with the possibility of a further 111 students in place by January 2016 although the tertiary GCU element would not start until September 2016. Court noted with interest the progress being made. |

**Senate Annual Report**

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| 15.42 | Noted | i. | Document UC15/20 which outlined the work undertaken in 2014-2015 in relation to fulfilling its terms of reference. |
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|  |  | ii. | In response to a query about the timing for conducting a Senate effectiveness review, the University Secretary stated that as Senate reported to Court it would be sensible to look at that when embarking on scoping the review of Court’s effectiveness. The University Secretary advised that the Chair of Court and she would be looking at this early in 2016. |
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|  |  | iii. | With regard to representation on Senate from GCUL, Court was advised that the Deputy Vice Chancellor wished to reflect on the position to determine how best to proceed. |

**Senate Report: 9th October 2015**

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| 15.43 | Noted |   |  Document UC15/21, a report on substantive items which Senate had considered at its meeting on 9th October 2015. |

**University Annual Financial Statements and External Audit Letter of Representation**

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| 15.44 | Considered |  | Document UC15/22 the University’s annual financial statements for and the external audit letter of representation for the year ending 31 July 2015. |
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| 15.45 | Noted | i. | The Audit Committee and the Finance & General Purposes Committee had reviewed the draft annual financial statements at their meetings on 20th and 27th October 2015 respectively and recommended that they be submitted to the University Court for approval.  |
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|  |  | ii. | The Chief Financial Officer provided points of clarification on the detail of the accounts and highlighted specific elements which included the following: |
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|  |  |  | 1. The accounts for the University’s subsidiary companies were consolidated into the overall University accounts.
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|  |  |  | 1. There had been no changes to the accounting policies during the year.
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|  |  |  | 1. The external auditors had completed their audit of the draft annual accounts. No issues had been identified nor were there any changes to the figures presented in the accounts.
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|  |  |  | 1. The Chair of Court had reviewed the Corporate Governance Statement.
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|  |  |  | 1. The University had generated a surplus of £2.06M after restructuring costs of £1.15M.
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|  |  |  | 1. Costs overall were as forecasted.
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|  |  |  | 1. Cash balances were in a strong position. However, a reduction was expected throughout 2015/16 as a result of the ongoing capital works programme.
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|  |  |  | 1. There were no material changes in the financial statements for the subsidiary companies which remained consistent with previous years.
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|  |  |  | 1. The letter of representation was presented in a standard format used by KPMG and encompassed the areas where they required to seek assurance to enable them to issue their audit opinion on the financial statements of the University and its subsidiary companies. The external auditors had raised no material issues.
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|  |  | iii. | Court commended the Principal, the Chief Financial Officer & VP (Infrastructure) and his team for producing a satisfactory financial outcome for the 2014/2015.  |
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| 15.46 | Agreed | i. | To approve the University Annual Financial statements for the year ended 31 July 2015. |
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|  |  | ii. | To approve the letter of representation for signature by the Chief Financial Officer & VP Infrastructure.  |

**Bank Financial Covenants**

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| 15.47 | Considered |   | Document UC15/23 a Bank Covenant Compliance Certificate confirming that the University was compliant with the financial covenants set by Lloyds Banking Group as part of the £10m loan facility agreed in February 2012.  |
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| 15.48 | Agreed |   | That the Bank Covenant Compliance Certificate be signed by the Chief Financial Officer & VP Infrastructure for onward submission with the Annual Financial Statements, to Lloyds Banking Group. |

**Letter of Support for GCU NYC Inc.**

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| 15.49 | Considered |  | Document UC15/24, a letter required by the external auditors for GCU NYC Inc. confirming the University Court’s financial support to enable GCUNY to carry out its activities up to and at least until 27th November 2016.  |
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| 15.50 | Noted |  | The letter of support had been submitted to the GCU NYC Inc. Board of Directors and the Finance & General Purposes Committee.  |
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| 15.51 | Agreed |  | To approve the letter of support for GCU NYC Inc. |

**Finance & General Purposes Committee Report: 27th October 2015**

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| 15.52 | Noted |  | Document UC15/25, a report on the substantive issues of business discussed at the Finance & General Purposes Committee meeting on 27th October 2015. |

**Audit Committee Annual Report to 31st July 2015**

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| 15.53 | Considered |  | Document UC15/26, the Audit Committee Annual Report to 31st July 2015. |
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| 15.54 | Noted |  | The report, which would be submitted to the SFC, set out the work undertaken by the Committee to fulfil its terms of reference and comply with the SFC’s requirements. The report had been approved by the Audit Committee at its meeting on 20th October 2015.  |
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| 15.55 | Agreed |  | To approve the Audit Committee draft annual report to 31st July 2015. |

**Audit Committee Report: 20th October 2015**

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| 15.56 | Noted |  i. | Document UC15/27, a report on the substantive issues of business discussed at the Audit Committee meeting on 20th October 2015. |
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|  |  | ii. | The management response to the internal audit on cyber security was being finalised. The final report would be circulated to Audit Committee members before the next Audit Committee meeting. The Chief Information Officer would be invited to attend the next Audit Committee meeting to report on progress on the action points arising from the review.  |

**Court Membership Committee Report: 17th November 2015**

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| 15.57 | Noted |   | Document UC15/28, a report on the substantive issues of business discussed at the Court Membership Committee meeting on 17th November 2015. |

**Remuneration Committee Annual Report 2015**

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| 15.58 | Approved |  | Document UC15/29 the Remuneration Committee Annual Report 2015 and recommendations. |

**People Strategy 2020 Progress Report**

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| 15.59 | Noted | i. | Document UC15/30 which set out the activity which would be undertaken during the first year of the implementation of the People Strategy 2020. There was some discussion of targets set in the strategy. |
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|  |  | ii. | The Staff Policy Committee had considered the proposals and had endorsed the implementation plan for 2015/2016.  |

**Staff Policy Committee Report: 11th November 2015**

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| 15.60 | Noted |   | Document UC15/31, a report on the substantive issues of business discussed at the Staff Policy Committee meeting on 11th November 2015. |
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| 15.61 | Agreed |  | A minor amendment to one of the Committee’s objectives for 2015/2016. |

**Health and Safety Committee Report: 1st October 2015**

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| 15.62 | Noted |   | Document UC15/32, a report on the substantive issues of business discussed at the Health and Safety Committee meeting on 1st October 2015. |

**Principal’s Objectives 2015/2016**

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| 15.63 | Agreed |  | Document UC15/33, a summary of the Principal’s objectives for 2015/2016. Court approved Principal's objectives noting the value of the table of measures mapped to the KPIs as referenced above at minute reference 15.27(i). |

**Date of next meeting**

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| 15.64 | Noted |  | The next meeting of Court would be held on Thursday 3rd March 2016 at 2.00pm. |