

University Court

Minutes of the meeting of the University Court held on 27th April 2017

(Minutes 16.103 – 16.131)

Present: Mrs Hazel Brooke (Chair)
Dr Douglas Chalmers, Mr John Chapman, Dr Morag Ferguson, Professor Pamela Gillies, Ms Laura Gordon, Mr Tom Halpin, Mr Gordon Jack, Mr Ian Kerr, Ms Neena Mahal, Dr Neil Partlett, Professor Ann Priest, Ms Lauren Ramage, Mr Paul Reynolds, Mr Alistair Webster, Professor Stephanie Young (Vice-Chair)

Apologies: Mr Kevin Campbell, Mr Austin Lafferty, Miss Davena Rankin, Ms Caroline Stuart

In attendance: Professor Cam Donaldson, Pro Vice Chancellor Research
Ms Jan Hulme, University Secretary & Vice Principal Governance
Drs Jeanine Gregersen-Hermans, Pro Vice-Chancellor International
Ms Seonag MacKinnon, Director of Communications and Public Affairs
Professor James Miller, Deputy Vice Chancellor (Strategy)
Mr Gerry Milne, Chief Financial Officer & Vice-Principal Infrastructure
Ms Cara Smyth, Vice-President GCU New York
Professor Valerie Webster, Deputy Vice Chancellor (Academic)
Professor Bob Clougherty, Founding Dean GCU New York (for item 7 only)
Ms Fiona Stewart-Knight, Director of the School for Work Based Education (for item 10 only)
Mr Adrian Lui, Equality and Diversity Adviser (for item 15 only)

Mr Riley Power, Head of Governance (Secretary)

Chair's Opening Remarks

The Chair welcomed members to the meeting and noted the apologies as above. The Chair invited members to welcome Cara Smyth from GCUNY.

The Chair noted that trade unions had organised a lobby of Court outside the Court meeting and referred to the assertion of the chair of the trade unions' combined unions committee, Dr Nick McKerrell, that she had refused to meet to discuss GCU NY. The Chair explained that she had been contacted by Dr McKerrell the preceding afternoon seeking a meeting immediately before Court in relation to GCU NY. The Chair had replied to Dr McKerrell advising that, as there was already a full schedule for the day of the Court, there would not be an opportunity then to meet. She was not, however, declining to meet with him. She had spoken to a lobbying member of staff on her way to the Court meeting and would be in touch further with Dr McKerrell.

Minutes of the meeting of the University Court held on 23rd February 2017

16.103 Agreed Document UC16/60, the unconfirmed draft minutes of the Court meeting held on 23rd February 2017. It was considered that the minutes of the Court meeting held on 23rd February 2017 were an accurate record subject to minor changes. One member had sought two changes to the minutes to ensure his views were captured. Members expressed the view that, where there was debate and a range of opinions were expressed, it was appropriate to capture the tenor of the discussion rather than record an individual governor's contribution, In this

instance, the Court after discussion concluded that the amendments sought in relation to minute 16.77(iv) and 16.90 were not necessary or appropriate and agreed that the minute, as drafted, was adequate.

Matters Arising Briefing Note

- 16.104 Noted
- i. Document UC16/61, being a report on the matters arising from the Court meeting on 23rd February 2017 and the actions taken since that meeting to address these matters.
 - ii. Court requested that regular reporting of media coverage for the University be reported to Court as part of the Court packs received in advance of a meeting. The Deputy Vice-Chancellor (Strategy) agreed to review the best method of providing such an update to Court members and the regularity with which it would best be provided.

Chair's Report

- 16.105 Noted
- i. Document UC16/62, a report from the Chair of Court on the activities she had undertaken and meetings she had attended on behalf of Court.
 - ii. The Chair noted in particular that the Committee of University Chairs had launched a consultation exercise on a revised version of the Scottish Code of Good Higher Education Governance. The University Secretary agreed to provide details of the consultation to Court members and to invite contributions to be considered while the University's response to the consultation was being prepared.

Principal's and Executive Board Report

- 16.106 Noted
- i. Document UC16/63, the Principal's and Executive Board Report to Court.
 - ii. The Principal noted the following matters in particular:
 - (a) The Ministerial Letter of Guidance to the SFC was more detailed in its content and more directive in its tone than hitherto. Court was advised that Universities Scotland had established a number of working groups to review how best to address Scottish Government priorities while respecting institutional autonomy. The Principal noted that she had joined one of the working groups which would consider the learner journey and if and how best institutions might work collaboratively on a regional basis.
 - (b) Court queried whether Universities Scotland shared the view expressed in the letter of guidance that the SFC expected to secure no reduction in core funding for teaching, research or widening access activity. The Principal noted that mixed messages had been received from the Scottish Government on the question of adequacy of HE funding. It was noted that the Cabinet Secretary for Education and Skills had previously expressed the view that the HE sector had been underfunded but that institutions were expected to address the shortfall through investment in international activities such as transnational education.
 - (c) The Principal provided further information about the trip by a GCU delegation to China led by the PVC International. This included the

development of potential new collaborations and the renewal of international partnership agreements including the renewal of an agreement with the University of Jinan. It was agreed that these partnerships should be actively managed and any new relationships approached on a fully sustainable basis and supported by robust projections on student numbers and financial contribution to the University.

University Secretary's Report

- 16.107 Considered i. Document UC16/64, the University Secretary's Report.
- ii. Court noted an update on the progress of the Court Effectiveness review and were reminded that responses to the questionnaire were required to be completed by Monday 1st May 2017. Court also noted that the Senate Effectiveness Review methodology had been approved by Senate and was being progressed by the Senate Effectiveness Review Steering group which was chaired by Professor Ann Priest.
- iii. The University Secretary updated the Court on the progress on amendments to the University's statutory instrument required to conform to the provisions of the Higher Education Governance (Scotland) Act 2016. The Court noted in particular the need for regulations to be made by the Court for the nomination of the trade union nominated staff governors. There was also the need to address the request by the unions to have observers at Court as an interim measure. These issues would be considered by the CMC in the first instance before recommendations were made to Court. The University Secretary advised that the trade unions would be consulted on these proposals, as required, before a recommendation was made to Court.

GCUNY Report

- 16.108 Considered i. Document UC16/65a being an update on the financial position for GCUNY which outlined key financial assumptions and was further based on the assumption of the award of the academic licence by the Board of Regents. These included assumptions around student numbers, staffing, non-staff costs, other income, grant funding and working across GCU campuses. The favourable NPV of the project at the end of the lease was noted. The paper had previously been considered by the Finance and General Purposes Committee at its meeting on 10th April 2017.
- ii. Court agreed that, as a decision on the licence was expected imminently with a hearing of any objections to the licence application and a meeting of the Board of Regents scheduled in May and June 2017 respectively, it was reasonable to base the present discussion on the premise of the successful award of the licence.
- iii. The Vice President of GCU NY spoke to the paper and set out the key evidence, assumptions and propositions that supported the forecast income and costs outlined in the paper and noted in particular the following matters:
- (a) NYSED was at an advanced stage of considering the licence application and had sought final confirmation of several matters including, as previously agreed by Court, the retitling of GCUNY as GCNYC in conformity with NY higher education conventions before the University's application was

- considered by the Board of Regents;
 - (b) Promotional material had been prepared in readiness for a decision approving the licence so that planned activity could be commenced without delay. The recruitment activity was being led by the Vice-President of GCUNY and the VP & PVC International jointly;
 - (c) Further work had been identified to address the numerous administrative and practical tasks required to support the accredited educational activity once the licence had been granted and details of these actions had been circulated to Court;
 - (d) In relation to CEO donations, it was noted that \$90k of the budgeted \$175k for 2016/17 had already been committed by a number of CEOs and that it was fully expected that the remaining budgeted donations would be committed before FY year-end;
 - (e) The Fair Fashion Centre had secured commitments of \$1.25M in grant funding including from the UN, the Rockefeller Foundation and the C&A Foundation.
 - (f) There had been closer collaboration between GCUNY and GCU in Glasgow in terms of aligning the work of GCUNY with the GCU Research Strategy
 - (g) Rental income generated from the campus had totalled to date \$100k from a budgeted \$175k for 2016/17;
 - (h) In terms of recent esteem building activity, the Museum of Modern Art in NY had committed to an exhibition focussed on fashion redesign which would include the GCUNY Fair Fashion themes.
- iv. The Court rigorously interrogated and sought assurances on the robustness of the analysis supporting the forecast income and costs. Court considered the following in particular in relation to the key assumptions that had informed the analysis:
- (a) Court was advised that until the licence was awarded and programmes were thereby accredited, GCUNY was not able to publicise or recruit students to its programmes. It was noted, however, that promotional material had been developed in preparation for a positive licence decision.
 - (b) It was noted that following enrolment of the first cohort of students and subsequent receipt of Middle States accreditation, it was intended to integrate GCUNY activities into the wider GCU internationalisation work, for example through cross-selling international courses across all three campuses, and to leverage this as a unique selling proposition.
 - (c) Court were advised by the Dean of GCUNY that the Middle States accreditation process had been taken as far as possible without the licence and that the expected timeframe for completing this process was six to nine months once it was commenced following receipt of the licence. This would mean Middle States accreditation, all being well with the licence application, could be expected around February 2018.
 - (d) In relation to market demand, it was noted from the fresh market research carried out in 2017 that a significant number of applicants were currently turned away from other NY institutions for various reasons including State limits on their enrolments. It was fully expected that there was sufficient unmet demand to support the assumptions about student recruitment to GCUNY and the marketability of the proposed courses. The limitations on the recruitment of international students in year 1 were noted.
 - (e) In relation to student fees, it was proposed to discount headline student fees as appropriate consistent with widespread practice in US and the Vice-President and the VP International had no concerns that the GCNYC brand might be devalued as a result of this. It was nevertheless suggested

that, while there might be a case for this approach in the first year of delivery of accredited education, there should be careful monitoring and consideration of whether other approaches might yield the same benefits but mitigate any risks to the brand.

- (f) The Vice-President advised the Court that, while the student number projection and the associated income for the first cohort were modest given so many moving parts and the fact that the timings put GCNYC on a tight turn, efforts would be made to surpass the projection given that it was based on engagement with an industry network of 3700 contacts. In response to a question it was noted that the maximum FTE that the premises could sustain was 270.
- (g) Nevertheless, it was noted that as a start-up there was likely to be fluidity in the numbers with some being achieved, some exceeding expectations and some failing to meet projections while new possibilities would also emerge.
- (h) Court noted that further work would be needed to refine the projections including in relation to student recruitment. The Chair of Court and the Chair of the GCU-NYC, Inc. Board agreed to speak further with the Principal and the CFO in relation to this.
- (i) Court noted that the Dean of GCYNY and the PVC International had been active in driving forward the capability of GCUNY as a recruitment hub which had resulted in an increase in the number of enquiries and post-graduate applications. Court noted that further work was ongoing on increasing the conversion rate from these enquiries.
- (j) Court noted that the remuneration of GCUNY senior staff would be considered within GCU's wider remuneration philosophy approved by the Court and would be subject to an appropriate level of scrutiny by the Remuneration Committee.
- (k) Court noted that all costs associated with GCUNY had been factored into the projections and that this included all costs relating to the lease of the premises. As a charity, there were no tax liabilities. Where the time of staff located on other GCU campuses was used, this was done on the basis that GCUNY was simply one part of the wider GCU organisation.
- (l) A Court member expressed the view that a perception had been created that Court had not adequately listened to staff concerns in relation to GCUNY and asked Court to reflect on this feedback.
- (m) A Court member raised a concern, in writing, through the Chair that the Chair declined to meet with staff in relation to GCUNY. The Chair noted that she had explained at the beginning of the meeting that this was not an accurate reflection of the situation.

- 16.109 Agreed
- i. Court agreed that the paper provided a level of confidence in the numbers. The Court would continue to monitor closely. On this basis, Court endorsed the approach and strategy for the delivery of accredited education in New York set out in the report. Given the multiplicity of actions to be fulfilled in the run up to the licence decision and thereafter in circumstances of a positive result, it was requested that a Gantt chart be prepared as an aid to the members' understanding showing the milestones, key interdependencies and timings.
 - ii. Court agreed that if the premise in relation to the licence application process did not hold, the Court would consider a wider range of options at its meeting in June 2017.

GCU-NYC, Inc. Loan Agreement

- 16.110 Considered Document UC16/65b which set out the current loan position between GCU-NYC, Inc. and GCU and the expected date of full utilisation. Court noted that the Board of GCU-NYC, Inc. had considered the request to extend the loan and had agreed to submit the extension request to Court. This extension would be needed regardless of the outcome of the licence application. One absent Court member had expressed, through the Chair, reluctance to approve the extension in light of the successive delays in the licence process, albeit outside the University's control, and while the member did not believe there was a clear exit strategy in place. The Court Chair noted that the preceding discussion on GCUNY, could be deemed to have superseded this, and the extension was in any case required regardless of the outcome of the licence application. The reservation would, however, be noted in the minutes.
- 16.111 Agreed Court approved the request to extend the loan agreement between GCU-NYC, Inc. and GCU as proposed.

GCU London Update

- 16.112 Noted
- i. Document UC16/66, a monitoring report from the DVC Academic which updated Court on progress on actions required to deliver the refreshed strategy for GCU London. Members noted that a more detailed paper would be submitted to the June meetings of the Finance and General Purposes Committee and Court.
 - ii. The DVC Academic noted the following matters in particular:
 - (a) The actions noted in the paper sought to grow student numbers at GCU London from 2017/18 onwards using face to face and more flexible delivery models, including online delivery, while controlling the cost base.
 - (b) The savings measures that had already been taken and were detailed in the paper had resulted in a substantial reduction to the cost base for GCU London.
 - (c) It was expected that the cost control measures taken in conjunction with the strategy refresh would move GCU London to a breakeven budget position by 2017/18.
 - iii. Court noted the update and probed whether, in light of recent experience, there was a robust basis for the growth targets for student numbers and income which would have to be achievable to be included as a budget assumption. The DVC Academic and the Principal advised that the targets were based on further market research in relation to the refreshed portfolio. This reflected the latest trend data available to the University relating to the areas where the University could reassert its competitive position and where growth would be achieved. It was clarified that the USA, although not referenced in the paper, was an important target market and had been taken as a given. GCUL would benefit from the VP International's marketing strategy to promote GCU's campuses as an integrated whole. Court concluded that the refreshed strategy would require very close management and sought a further update at its June meeting which would include further detail on the financial impact of the options for managing the rental costs for the premises in London.

Digital Strategy Update

- 16.113 Noted
- i. Document UC16/67, being an update from the DVC Strategy on the implementation of the Digital Strategy approved by Court in June 2016. Court noted that the update had previously been presented to the Finance and General Purposes Committee at its meeting on 10th April 2017. The DVC Strategy noted in particular that the tender period for the SIMS project had closed and that seven applications from 32 expression of interest had been received and were in the process of being evaluated. The DVC Strategy advised Court members that scoping exercises and business case development had commenced for the HR and Finance systems in anticipation of the completion of stage 1 of the major corporate systems redevelopment. Court members were also advised that the Digital Strategy Steering Group had maintained oversight of a range of strategic and infrastructure projects that supported the Digital Strategy through embedding a digital approach at the University. It was noted that while there was a central budget for the key corporate systems that would be implemented under the Digital Strategy, the Digital Strategy Steering Group maintained oversight over all projects relevant to the Digital Strategy
 - ii. A member expressed a concern that the membership of the Digital Strategy Steering Group did not include operational staff. The DVC Strategy advised that the Steering Group had noted this issue and would reflect further. The issue was, however, arguably addressed through the close involvement of operational staff in the SIMS project team which included significant engagement of staff at all levels within the organisation.

Update Paper: Tanzania Project

- 16.114 Considered
- i. Document UC16/68 being an update report from the Director of the School of Work-Based Education on the opportunity to deliver nursing education in Tanzania through partial philanthropic investment. The paper summarised a series of market screening visits to Dar Es Salaam that had been to gather primary market information, build networks, understand the regulatory environment and make an informed partner selection.
 - ii. Court queried the reliance on philanthropy for maintaining the financial sustainability of the project and whether the proposed project would be a sustainable income generating opportunity for the University. The Director of the School of Work-Based Learning advised Court that the financial model for the proposed partnership would follow the model used for similar TNE arrangements. It was also noted that there was a Government imperative for firms involved in the oil and gas industries in Tanzania to invest money back into Tanzania and this project would be well-placed to position itself as a destination for any such funds.
 - iii. Court noted that a preferred Tanzanian partner had since been identified and that a further paper would be presented to F&GPC and Court in June setting out the business case for the Tanzanian Nursing Project.

(Secretary's Note: The proposed paper for Tanzania will not be submitted to the June F&GPC meeting however an oral update will be provided to F&GPC and a further update provided to Court at its June meeting through the Principal's report.)

- 16.115 Agreed
- Court agreed to commission development of a full business case for the project.

Interim Update on African Leadership College Partnership

- 16.116 Noted
- i. Document UC16/69, being a progress update from the DVC Academic on the partnership between the African Leadership College (ALC) and GCU. The DVC Academic advised that the first degree programmes had commenced. Court members were advised that the project had been reviewed by the University's internal auditors with a report provided to the Audit Committee for consideration.
 - ii. Court members queried whether the University supplied 'fly-in' faculty for ALC. The DVC advised that fly-in faculty had been provided. A recruitment plan, however, had been developed within ALC to ensure that the ALC could maintain the higher levels of academic staff required by the agreement with GCU, following the new cohort of students expected to start at ALC.
 - iii. The DVC Academic noted that the annual academic and contract review would be completed by the end of July 2017 and that the outputs of this review would be provided to the Finance and General Purposes Committee and the Court in September 2017.

Student Numbers 2016-17

- 16.117 Considered
- Document UC16/70 being an overview of the student numbers for 2016-17. The DVC Strategy introduced the paper and noted the following key points:
- (a) The University had a headcount of 15,560 students in academic year 2016-17, which translated into 13,329 FTE students;
 - (b) The University was within the home and EU recruitment thresholds set by the SFC for 2016-17, and had achieved the Outcome Agreement measures related to articulation;
 - (c) The University exceeded its targets for RUK students; and
 - (d) The international recruitment position remained challenging in 2016-17 which had resulted in a small reduction in international student numbers.
- 16.118 Noted
- The Court noted the update in relation to student numbers for 2016-17 and sought regular updates on the 17/18 recruitment picture.

HESA Performance Indicators 2017

- 16.119 Noted
- Court noted document UC16/71 being a report from the DVC Strategy which provided an overview and analysis of the HESA performance indicators which were intended to be read in conjunction with the statistical analysis of widening access submitted to the Court at its meeting in February 2017 (Document UC16/49). The Court noted that an analysis of the HESA performance indicators demonstrated that the University had continued to perform strongly in comparison to the overall sector in Scotland.

THE Young Universities Rankings 2017

- 16.120 Noted
- Document UC16/71a, being a report from the Principal advising Court that in the THE Young Universities rankings, GCU had been ranked within the top 150 of the best young universities in the world and was one of only four Scottish Universities to appear in the rankings. Court members noted this update.

Senate: Report from Senate Meeting of 24th February 2017

16.121 Noted Document UC16/72, being a summary of the business discussed by Senate at its meeting on 24th February 2017

Nominations Committee Report: 23rd March 2017

16.122 Considered i. Document UC16/73, being a report on substantive items which the Nominations Committee for appointing a new Chair of Court had considered at its meeting on 23rd March 2017.

ii. In addition to the report, the University Secretary advised members that she had received correspondence from a member of Court expressing concern over: i) the fact the remuneration being made available to a Chair would not be offered on the basis of a day rate against completion of a timesheet but instead as an annual amount; ii) the time available to Court members to consider the proposal on remunerating the Chair; and iii) the possible lack of an EIA in relation to the proposal. The University Secretary noted that the question of the remuneration of the Chair had been raised with the Court at its previous meeting and following debate on how this should be positioned the matter had been remitted to the Nominations Committee for further consideration. The University Secretary highlighted that in order to adhere to the Court's previously agreed schedule for the recruitment of the next Chair, it was always going to be necessary to invite Court members to consider the recommendations of the Nominations Committee by correspondence.

(Secretary's note: In relation to the issue of whether an EIA had been prepared, an EIA had been prepared and submitted to Court with the proposed plans for the whole recruitment process. In addition, the equality impacts of the positioning of the requirement to make remuneration available to the Chair were a focal point of discussion at the meeting of the Nominations Committee on 23rd March 2017.)

Staff Policy Committee Report: 29th March 2017

16.123 Noted Document UC16/74, a report on substantive items which the Staff Policy Committee had considered at its meeting on 29th March 2017.

Health and Safety Committee Report: 6th April 2017

16.124 Noted Document UC16/75, a report on substantive items which the Health and Safety Committee had considered at its meeting on 6th April 2017.

Finance and General Purposes Committee Report: 10th April 2017

16.125 Noted Document UC16/76, a report on substantive items which the Finance and General Purposes Committee had considered at its meeting on 10th April 2017.

Audit Committee Report: 18th April 2017

16.126 Noted Document UC16/77, a report on substantive items which the Audit Committee had

considered at its meeting on 18th February 2017.

Public Sector Equality Duty Report

- 16.127 Considered Document UC16/78, a report that described the University's progress in mainstreaming equality and delivering its equality outcomes as required by the Public Sector Equality Duty of the Equality Act 2010. The report demonstrated that positive progress had been made, with the University's Common Good mission clearly aligned with the requirements of the general duty. Court members noted from the report that the gender pay gap had continued to reduce at the University and that the University's work on equal pay, in collaboration with trade unions, had identified both strengths and the next areas for development. The Principal advised Court that in addition to the gap reducing overall, once the statistics for professorial staff had been adjusted for age and length of service, there was a negligible gender pay gap.
- 16.128 Agreed Court members approved the Public Sector Equality Duty Report subject to an adjustment to section 2.2 of the report to make appropriate reference to the University's activities in Africa.

Equality Outcomes 2017-2021

- 16.129 Considered Document UC16/79, a report that presented the proposed GCU Equality Outcomes for 2017-2021. Court was advised that the proposed equality outcomes were produced following a major exercise of consultation and involvement within and beyond the University. They built upon the original outcomes developed in 2013 and also established new priorities. Court was advised that the outcomes were supported by nine specific themes reflecting existing activities and new activities that would be implemented over the next four years. The outcomes were:
- (a) Equality Outcome 1: Our people have a strong knowledge of equality and diversity so that our behaviours promote dignity and respect for people with protected characteristics;
 - (b) Equality Outcome 2: Our University is accessible, safe and welcoming to all people from different protected characteristic groups; and
 - (c) Equality Outcome 3: People with protected characteristics have the same opportunities as others and achieve positive outcomes in relation to their work and study experiences.
- 16.130 Agreed Court approved the Equality Outcomes for 2017-2021 and noted that periodic updates would be provided over the next four years in relation to the achievement and potentially the evolution of these outcomes.

Date of next meeting

- 16.131 Noted
- i. The next meeting of Court would be held on Thursday 22th June 2017 at 2.00pm.
 - ii. The Chair noted that the meeting would be the final meeting for Lauren Ramage, Student President. The Chair expressed the appreciation of the Court for her contribution to the Court and to the wider University community in her role as President of the Students' Association. The Court offered its warm good wishes for the future.