

UNIVERSITY COURT OF ST ANDREWS

AT ST ANDREWS on the 18th day of OCTOBER 2013 AT A MEETING OF THE COURT OF THE UNIVERSITY OF ST ANDREWS

Present: Mr Alistair Moffat, *Rector (President)*; Mr Ewan Brown, *Senior Governor*; Professor Louise Richardson, *Principal*; Professor Christopher Hawkesworth, *Deputy Principal and Vice-Principal (Research)*; Dr David Erdal, *Chancellor's Assessor*; Ms Chloe Hill, *President, Students' Association*; Mr Teddy Woodhouse, *Director of Representation, Students' Association*; Mr Patrick Mathewson, *Rector's Assessor*; Mr Nigel Christie, *General Council Assessor*; Dr Natalie Adamson, Professor Frances Andrews and Dr Chris Hooley, *Senate Assessors*; Mr David Stutchfield, *Non-Academic Staff Assessor*; Councillor Bryan Poole, *Provost of Fife's Assessor*; Dr Norval Bryson, Mr Mervyn Jones, Rev Dr Marjory MacLean, Mr Nigel Morecroft, Dr Mary Pople and Dame Anne Pringle, *Non-Executive Members*.

In attendance: Professor Nic Beech, *Vice-Principal (Governance)*; Mr Des McSweeney, *Vice-Principal (External Relations)*; Professor Lorna Milne, *Vice-Principal (Proctor)*; Professor Neville Richardson, *Master of the United College*; Mr Derek Watson, *Quaestor & Factor*; Mr Andy Goor, *Finance Director*; Dr Gillian MacIntosh, *Executive Officer to the University Court*; Mr Steve Watt, *Chief Information Officer (for Item II b 2 only)*; Professor Andrew Murphy, *Head of the School of English (for Item II b 3 only)*.

Apologies: Sir John Elvidge, *Non-Executive Member*; Professor James Naismith, *Senate Assessor*.

I. REGULAR BUSINESS

1. WELCOME

The Rector welcomed Dr Chris Hooley, Mr David Stutchfield, Mr Teddy Woodhouse and Mr Patrick Mathewson to their first meeting as members of Court. Professor Nic Beech and Mr Des McSweeney were also welcomed as new attendees from the Principal's Office.

2. MEETING MINUTES

i) Minute of the Court Meeting held on 19 June 2013

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

3. COURT MEMBERSHIP, 2013-2014

In consequence of the various membership changes to Court over the summer vacation period, members noted the Court membership list (on file, Court 13/01) for the forthcoming academic year.

3. REPORT FROM THE PRINCIPAL

The Principal expanded on her written report (on file, Court 13/02).

The University's appeal to the Scottish Government Reporter, against the previous refusal of planning permission for six wind turbines sited at Kenly Farm, had been upheld in the University's favour, allowing for the important development to progress. Regarding the Botanic Gardens, the University has granted a one-year extension of the present lease to Fife Council, pending the Council's consideration (at their own expense) of the sustainability of the business case put forward by the Friends of the Botanic Gardens.

The Principal also reported on recent league table success in the QS World University rankings and the National Student Survey. St Andrews has been named Scottish University of the Year in *The Times* and *Sunday Times* Good University Guide 2014, achieving a rank of 1st in Scotland and 4th in the UK overall. The institution's slippage in *The Times Higher Education* world rankings (down to 117th from last year's 108th) was also discussed with reference to the particular methodologies used in that ranking.

Noting that the University will be required to implement the new *Scottish Code of Good Higher Education Governance* by July 2014 (likely as a condition of SFC grant), the Principal confirmed that the Governance & Nominations Committee would be taking forward the requisite modifications to Court committee membership throughout the forthcoming session, particularly that regarding the requirement to have a majority of external members on PARC.

Court joined with the Senior Governor in recognising the great success of the 600th Anniversary Academic Celebrations (held from 13-14 September), thanking all staff involved for the great professionalism shown in the organisation of what proved to be a programme of events of the highest quality.

4. AUDIT & RISK COMMITTEE

i) Minute of Meeting held on 3 October 2013

Members noted the report of the meeting (on file, Court 13/03).

ii) Financial Statements, 2012-13

The Finance Director introduced the year-end accounts for the University for 2012-13 (on file, Court 13/04). Commending the Finance team for their considerable efforts in producing the annual accounts to time and to a high standard, the Finance Director reported on the better-than-forecast outturn.

Members discussed the University's current policy with regard to the conversion and banking of foreign currency balances, noting that a positive gain of approximately £0.9million was reported in this year's accounts in

consequence of an unintended build-up of unconverted funds. Following discussion, it was agreed that a review of the present policy (taking account of the adequacy of existing control mechanisms and reviewing the present process for non-sterling expenditure forecasting) should be taken forward by the Investment & Treasury Assurance Group in the forthcoming year.

It was noted that forthcoming changes to SORP accounting regulations will require that provision for the long-term funding liability of the USS pension scheme is disclosed on the balance sheet from 2015-16 onwards.

Court formally approved the financial statements and accompanying letters of representation for academic year 2012-13.

iii) Audit & Risk Committee Annual Report, 2012-13

Members noted the Committee's annual report of its activities (on file, Court 13/05).

iv) Statement of Internal Subject Review

Court approved the annual report of internal subject review (on file, Court 13/06) for routine submission to the Scottish Funding Council.

5. BUSINESS FROM GOVERNANCE & NOMINATIONS COMMITTEE

On the recommendation of the Governance & Nominations Committee, Court approved the immediate appointment of Mr Kennedy Dalton as a non-executive member of Court, for an initial four-year term to 31 July 2017 (summary paper and curriculum vitae on file, Court 13/07).

It was noted that two non-executive vacancies would occur at the end of the present year (July 2014), thus affording further opportunity for appointments to Court that encourage a wide field of candidates from a broad range of backgrounds and relevant experiences.

6. ACADEMIC COUNCIL

Members noted the report of the meeting held on 25 September 2013 (on file, Court 13/08).

7. COURT OFFICE BUSINESS

Court received the report from the Executive Officer (on file, Court 13/09) detailing recent staff changes reported by Human Resources and other Court-related matters. In doing so, Court promulgated Draft Resolution 2013 No.1 (Degree of Master of Biochemistry) and No.2 (Foundation of Chairs).

Members noted that the Principal (along with the two General Council Assessors) would attend the meeting of the General Council Business Committee on 19 October, to advise members of Court's decision to withdraw financial and other support from the Business Committee.

II. a PLANNING AND RESOURCES COMMITTEE (PARC) BUSINESS

1. Minute of Meeting held on 20 September 2013

Members noted the minute of the meeting (on file, Court 13/10).

The Quaestor & Factor provided an update on the Guardbridge energy centre project, including the proposed funding sources and the predicted timescale for planning, build and operation. PARC would consider a draft business case at its December 2013 meeting, prior to review by Court in January 2014, and that a final business case for approval is expected to be submitted to Court in June 2014. Members encouraged the use of expert advisors for both contractual negotiation and project management processes, given that the capital project marks a considerable departure from the University's core business.

2. Annual Report of Institutional Key Performance Indicators

Members noted the yearly review (on file, Court 13/11) of the University's performance towards meeting the various institutional measurements mapped to the current iteration of the strategic plan. It was reported that PARC, which had evaluated the year's progress, would be reviewing the present indicators for continued relevance to present operations, with new measurements (tied to defined categories) being created for next year's reporting where necessary.

3. Summary Financial Report to 31 July 2013

Court discussed the University's year-end financial performance (summary paper on file, Court 13/12), noting that the year-end surplus exceeded the previous forecast of £3.2 million by £1.6 million, principally as a result of one-off net gains from an earlier-than-expected asset sale and a non-recurring return from a late adjustment relating to the local pension scheme. The University's cash position and endowment performance had substantially improved from last year. Members welcomed the positive year-end result.

4. Cost Management and Income Generation

Members discussed a summary paper (on file, Court 13/13) outlining in broad terms the necessary steps the University must take to achieve a sustainable operating surplus of at least £5million per annum (previously agreed by Court as the minimum necessary to allow for sustainable growth when the University is facing inflationary pressure on costs and increased capital investment / maintenance requirements).

Noting the proposed short- and medium-term areas where efficiency savings may usefully be made, Court agreed that the continued rationalisation of non-research-specialist IT services had considerable benefits via reduced utility / equipment costs and in the pooling of skills across comparable Schools. It was recognised that devolved IT support

may be unaligned with the University IT strategy. The Quaestor & Factor was encouraged to continue discussions with the relevant academic Schools regarding locally-sited equipment that may be better supported in purpose-built, efficient locations such as the data centre.

Court noted that an evaluation of staffing numbers would shortly be undertaken over both academic and support areas post-REF. Members also considered a list of potential capital asset sales, noting the capacity for non-recurring returns should such sales be agreed in future. It was confirmed that the University's present estates strategy aimed to protect the historic, central core, thus potential disposals would be directed at those buildings or land surplus to requirements.

It was agreed that identifying new areas for growing income was as important as determining scope for efficiencies. Discussing the increased use of University-operated accommodation for summer schools and conferences, it was noted that the requirements of such groups (provision of catering, etc.) may differ from those of students during term-time.

It was agreed that the next iteration of the financial plan reviewed by Court would aim to show a surplus of at least £5 million by 2014/15, or provide reasons for any slower progress.

5. REF Update

The Deputy Principal introduced a paper (on file, Court 13/14) summarising the University's final preparations for the institutional submission to the 2014 Research Excellence Framework. Thanking all academic staff for their considerable efforts in assisting with the complex process of collating supporting paperwork, case studies and research outputs, Court noted with some concern the overly-bureaucratic burden created by the process and its likely impact on the actual research productivity of the academic staff under evaluation in the current exercise.

b REVIEWS & PRESENTATIONS

1. Finance

Mr Andy Goor, Finance Director, gave a presentation outlining the overall composition of the Finance team and the key challenges facing his area of responsibility going forward (summary and slides on file, Court 13/15). Issues covered by the Finance Director included the considerable change to accounting regulations from 2015 (via the introduction of FRS102 UK GAAP accounting standards) and the potential effect of this on the presentation of the University's yearly financial statements; the efforts to further strengthen the Finance team by supporting staff in achieving professional qualifications; and the challenges of ensuring that the Finance team as a whole can support

the University in a climate of continuing economic and political uncertainty.

2. IT Services

Mr Steve Watt, Chief Information Officer, presented the challenges facing the University's IT support function and how these are being strategically addressed (summary and slides on file, Court 13/16). Noting that considerable work has been undertaken in the last three years to improve service delivery for staff and students, whilst managing increased demands and dependency on IT infrastructure and technical support, Mr Watt highlighted the need for an integrated and harmonised approach to IT provision across the University. It was confirmed that outsourcing of services (such as staff and student email systems), in tandem with sharing resources with other external partners, offered both cost savings and potential revenue streams. Members strongly commended Mr Watt's significant achievements thus far in improving the University's IT provision, and Court encouraged the CIO to continue with the process of strengthening and professionalising the central IT function.

3. School of English

Professor Andrew Murphy, Head of School, reported on the strengths of the School and the challenges it faces in the immediate future (outline on file, Court 13/17). Noting that a number of new appointments had successfully strengthened the School's expertise in areas such as playwriting and global and Scots Gaelic literature, Professor Murphy explained that the arrival of new staff has allowed the School to also address the growing diversification of the student intake and their demand for more varied, specialised courses. Collaborative links with other external universities and internal inter-disciplinary associations with other academic schools are increasingly important. New facilities such as the Martyrs Kirk reading room have been very much welcomed by the School and its students. Other areas discussed during Professor Murphy's presentation included the School's REF preparations (particularly with regard to the REF's evaluation of 'impact'), challenges in securing funding for cross-disciplinary research that is not easily categorised within the usual research outputs, and addressing student demand for new areas of teaching and research (for instance, specialism in American literature).

The Senior Governor thanked each of the presenters for providing members with helpful and informative summaries of the work of their respective areas.

III. ANY OTHER COMPETENT BUSINESS

In reference to the HR data presented routinely to each Court meeting, it was noted that a short summary of related trends might be usefully provided to Court at occasional intervals.

IV. DATE OF NEXT MEETING

Friday 24 January 2014 at 10.00am.

UNIVERSITY COURT OF ST ANDREWS

AT ST ANDREWS on the 24th day of JANUARY 2014 AT A MEETING OF THE COURT OF THE UNIVERSITY OF ST ANDREWS

Present: Mr Alistair Moffat, *Rector* (President); Mr Ewan Brown, *Senior Governor* (excluding Item I 5 i only); Professor Louise Richardson, *Principal*; Professor Christopher Hawkesworth, *Deputy Principal and Vice-Principal (Research)*; Dr David Erdal, *Chancellor's Assessor*; Ms Chloe Hill, *President, Students' Association*; Mr Teddy Woodhouse, *Director of Representation, Students' Association*; Mr Patrick Mathewson, *Rector's Assessor*; Mr Nigel Christie, *General Council Assessor*; Dr Natalie Adamson, Professor James Naismith and Dr Chris Hooley, *Senate Assessors*; Mr David Stutchfield, *Non-Academic Staff Assessor*; Dr Norval Bryson, Mr Ken Dalton, Sir John Elvidge, Mr Mervyn Jones, Rev Dr Marjory MacLean, Mr Nigel Morecroft, Dr Mary Pople and Dame Anne Pringle, *Non-Executive Members*.

In attendance: Professor Nic Beech, *Vice-Principal (Governance, Policy & Planning)*; Professor Malcolm MacLeod, *Vice-Principal (Enterprise & Engagement)*; Professor Lorna Milne, *Vice-Principal (Proctor)*; Professor Neville Richardson, *Master of the United College*; Mr Derek Watson, *Quaestor & Factor*; Dr Gillian MacIntosh, *Executive Officer to the University Court*; Mr Niall Scott, *Director of Corporate Communications*; Mr Stephen Stewart, *Director of Sport & Exercise* (for Item II b 1 only); Mr John MacColl, *University Librarian* (for Item II b 2 only); Professor Andrew Cameron, *Head of the School of Physics & Astronomy* (for Item II b 3 only).

Apologies: Professor Frances Andrews, *Senate Assessor*; Councillor Bryan Poole, *Provost of Fife's Assessor*.

I. REGULAR BUSINESS

1. WELCOME & THANKS

The Rector welcomed Mr Ken Dalton, Non-Executive Member, and Professor James Naismith, Senate Assessor (Science / Medicine Professorial constituency) to their first meeting of Court.

Members joined with the Rector in thanking Professor Neville Richardson, who was attending his last meeting of Court, for his considerable contribution over his term as Master of the United College.

2. MEETING MINUTES

i) Minute of the Court Meeting held on 18 October 2013

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

3. REPORT FROM THE PRINCIPAL

The Principal provided a verbal update to her advance written report (on file, Court 13/19).

Members discussed a number of town and community issues in which the University is presently involved. In relation to the end-of-lease arrangements for the Botanic Gardens site owned by the University but currently run by Fife Council, it was reported that the St Andrews Botanic Garden Education Trust has now accepted the terms of the five-year initial lease of the site offered by Court in June 2013. Fife Council has been working with the Trust to appoint a Garden Director and to develop a viable business plan to increase usage and bring the garden to a sustainable financial position. Discussions also continue with Fife Council on the future use of the Byre Theatre (currently closed) as a local arts venue, which may allow the facility to be used in future for the benefit of the University and the local community. It was confirmed that proposals for the Kenly wind farm scheme (for which planning has now been granted following a successful appeal to the Scottish Reporter) would proceed through PARC to Court over the next few months.

The Principal also discussed with members the present redistribution of the portfolio of the Vice-Principal (External Relations), the plans for that role, and the continuing work of the Principal's Office team in defining the various options that lie behind the revision of the University's strategic plan.

4. AUDIT & RISK COMMITTEE

Members noted the report of the meeting held on 27 November 2013 (on file, Court 13/20). It was recognised that the subject of HMO compliance for Fife Park, discussed at length at the Audit & Risk November meeting, was a subject to be fully covered under a following Court agenda item.

5. GOVERNANCE & NOMINATIONS COMMITTEE

i) Minute of Meeting held on 7 November 2013

The Senior Governor left the meeting for consideration of the following agenda item.

Members discussed the recommendation contained within the Governance & Nominations minute (on file, Court 13/21) for the renewal of Mr Ewan Brown's term as Senior Governor for a further and final period of two years, from 1 August 2014 to 31 July 2016, following his appointment as Chancellor's Assessor at the end of his second term as General Council Assessor to the University Court. After discussion, Court approved the proposed extension to the Senior Governor's term, recommending however that a defined process for the identification of a potential successor be put in place well in advance of the completion of Mr Brown's final term, to allow for appropriate succession planning and a handover of responsibilities.

ii) Membership of PARC

Court approved a proposal (on file, Court 13/22) to modify the membership of PARC from next session onwards, thereby ensuring an independent member majority as required by the new Scottish Code of Good Higher Education Governance. It was agreed that the positions to be removed from the formal membership of PARC (namely the Deputy Principal, one senior Senate Assessor and one student representative) would be permitted to attend and contribute at committee meetings save formal voting rights; and that any future diminution to these attendance / membership privileges would only be modifiable by Court.

iii) Nomination of Secretary of Court

Court approved the nomination of Professor Nic Beech, Vice-Principal (Governance, Policy & Planning), as Secretary of the University Court (related paper on file, Court 13/23), 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.

6. REMUNERATION & HUMAN RESOURCES COMMITTEE

Members noted the report of the meeting held on 7 November 2013 (on file, Court 13/24).

In reference to what constitutes a zero-hours contract (a practice the Quaestor confirmed the University does not adopt), members noted the difficulties that may face students registered for casual work but whose fixed hours may not be sufficiently regular to ensure predictability of income.

Noting the Committee's approval of the introduction of banding within Grade 9 of the salary scale, to better reflect the wide range of responsibilities and seniority within this particular grouping, members requested that senior management review and confirm the strategy for addressing the gender disparity in appointments to these roles. The Principal confirmed that the Chief Legal Officer would also be presenting a further update to Academic Council on the means by which the gender pay differential amongst academic staff was being addressed.

7. ACADEMIC COUNCIL

Members noted the report of the meeting held on 4 December 2013 (on file, Court 13/25).

8. COURT OFFICE BUSINESS

Court received the report from the Executive Officer (on file, Court 13/26) detailing recent trends in staff changes reported by Human Resources and other Court-related matters. Commending the new format of the staff data

included within the report, it was suggested that further clarity could be achieved for Court by identifying which leavers by job family were as a result of the completion of a fixed term contract.

After discussion on the existing mechanisms in place within the Development Office to endow and name a professorial chair through a philanthropic gift, Court gave final approval to Draft Resolutions 2013 No.1 (Degree of Masters of Biochemistry (M.Biochem.)) and No.2 (Foundation of Chairs).

II. a PLANNING AND RESOURCES COMMITTEE (PARC) BUSINESS

1. Minute of Meeting held on 13 December 2013

Members noted the minute of the meeting (on file, Court 13/27). The Quaestor confirmed that the revised set of institutional KPIs would be brought to PARC for consideration at its March 2014 meeting.

2. Court Away Day Report

Members approved the report of business discussed at the October 2013 Court Away Day (on file, Court 13/28). Court recognised the uncertainties that persist regarding the potential implications of Scottish Independence on sectoral funding should the September 2014 referendum result in a 'Yes' vote (particularly as relate to the impact on tuition fee income, eligibility for UK Research Council grants and share of the USS pension liability). Members agreed that it was vital that universities should seek to foster and inform the national debate, given the profound importance for Scottish society and, specifically for the governance of each university, the continued financial sustainability of individual institutions. The inability of Universities Scotland to engage effectively in the debate was a matter of regret.

3. Strategic Planning Follow-Up

The Deputy Principal introduced a discussion paper (on file, Court 13/29) updating Court on the ongoing efforts to further define the individual strategic proposals and University-wide initiatives that are to be taken forward to support the next iteration of the institutional strategic plan. Following the circulation of the briefing paper considered by Court at its October 2013 Away Day session, feedback from further discussions within each Faculty on the various proposals was presently being considered by the Principal's Office. The academic staff members of Court commented on reaction to the proposals from staff within their respective areas of expertise.

Appreciating the importance of all staff being fully engaged in the process, Court members recommended that further consultation with staff be undertaken within a defined timescale by senior management, with a view to presenting a set of final proposals. This was thought by

members to be particularly important for those areas where, though there may be a feasible business or operational case, the means by which academic excellence therein can be established and/or sustained is less defined - particularly with regard to linkage with present areas of research strength. Further clarity on the expectations of how each individual School's strategies are to work towards accomplishing the overall strategic goal also require more definition, as does the potential inter-disciplinary links that lie behind a number of the individual projects currently being proposed.

Court encouraged senior management to continue the broad strategic discussions across the University, with further updates to be brought to PARC and Court at their next meetings.

4. Guardbridge

Members discussed a paper (on file, Court 13/30) outlining the progress and estimated timeline for the Guardbridge energy centre project, for which the University has recently submitted a planning application to Fife Council. It was noted that, including the amounts approved by PARC, the University would be exposed to approximately £2million of costs if the project did not proceed. Court considered the financial business case and members were asked for their views on whether further conditions to those proposed in the paper were required to be satisfied before Court was asked for approval to proceed. At Court's June 2014 meeting, detailed information would be tabled including those pre-conditions and the request for delegated authority, should the need for final approval occur outwith the normal Court meeting schedule.

5. Fife Park Redevelopment

Court discussed a paper (on file, Court 13/31) summarising the tender process underway for the replacement of the Fife Park student halls of residence and the potential options for its funding. It was agreed that a PARC sub-group (comprising the Senior Governor, Sir John Elvidge and Ms Chloe Hill) would consider the findings of the tender evaluation on behalf of Court, in the interval between meetings, and advise senior management accordingly.

It was also agreed that a future PARC meeting should consider a summary paper providing a broad overview of University-owned student / staff accommodation in the context of new residential provision and increasingly stringent HMO requirements potentially affecting the older residential estate.

6. Summary Financial Report to 30 November 2013

Members noted the routine report of the University's financial performance (on file, Court 13/32). It was confirmed that a 'dummy' set of the University's year-end financial statements was to be prepared as

if stated under the new HE SORP, to enable further discussion at the May 2014 meeting of the Audit & Risk Committee.

b REVIEWS & PRESENTATIONS

1. Department of Sport & Exercise

Mr Stephen Stewart, Director of the Department of Sport & Exercise (DSE), gave a presentation outlining the recent activities of Saints Sport, the umbrella group which comprises the DSE and the student-led Athletic Union (AU) (summary and PowerPoint slides on file, Court 13/33). Mr Stewart reported on the greatly improved performance of St Andrews in both team and individual events at a national level (for 2012-13, the University ranking 26th in UK and 3rd in Scotland). Such positive results were testament not only to increased student involvement in sport overall, but also a reflection of the enhanced professionalism of both the DSE and AU and the recent investment therein. Mr Stewart also reported on the various sports-related projects (such as voluntary student outreach with local schools and clubs), which seek to enrich the overall student experience and strengthen existing links with the local community. Mr Stewart outlined in brief the proposed capital plans for further modernisation of the University's sports facilities, these building on recent extensions to the sport estate that have paid dividends in increased engagement and usage. Mr Stewart was commended for the significant improvements made to the University's sporting provision and performance over the last few years.

2. University Library

Mr John MacColl, University Librarian, reported to Court on a number of recent and ongoing initiatives within the Library (summary and PowerPoint slides on file, Court 13/34). Mr MacColl acknowledged Court's considerable investment in the library service over the past three years, noting that the refurbishment of the main library building, the purchase and renovation of Martyrs' Kirk to create a research library / postgraduate study space, and the substantial increase in the purchasing budget for research materials, had increased both user satisfaction (now rated 72% in last NSS) and usage (up 50% in the main library since refurbishment). Major challenges for the library in the future largely related to addressing evolving user demands for more flexible study space and library service, and also in meeting the challenges of digital publishing and the resultant issue of storage of less frequently used physical material. The housing of Special Collections in accommodation worthy of the collection remains a matter still to be addressed, the expectation being that the University's historic holdings will be increasingly utilised in teaching and research.

3. School of Physics & Astronomy

Professor Andrew Cameron, Head of School, presented on the School's current strengths in research and teaching and the future challenges the School and discipline faces (summary and PowerPoint slides on file, Court 13/35). A number of recent high-quality appointments of staff in the areas of biophotonics, condensed matter theory and photonics had strengthened existing areas of academic excellence and had allowed for notable improvements to infrastructure and in available research equipment. Professor Cameron also described a number of pioneering teaching initiatives within the School each aimed at strengthening students' skills and encouraging independent learning. Future opportunities for the School lie in developing interdisciplinary areas of research in support of the emerging Science strategy and in maintaining research award success in a challenging environment of fewer, larger grants.

The Senior Governor thanked each of the presenters for providing Court members with informative summaries of their respective areas of responsibility.

III. DATE OF NEXT MEETING

Friday 11 April 2014 at 10.00am.

UNIVERSITY COURT OF ST ANDREWS

AT ST ANDREWS on the 11th day of APRIL 2014 AT A MEETING OF THE COURT OF THE UNIVERSITY OF ST ANDREWS

Present: Mr Alistair Moffat, *Rector (President)*; Mr Ewan Brown, *Senior Governor*; Professor Louise Richardson, *Principal*; Professor Christopher Hawkesworth, *Deputy Principal and Vice-Principal (Research)*; Ms Chloe Hill, *President, Students' Association*; Mr Teddy Woodhouse, *Director of Representation, Students' Association*; Mr Patrick Mathewson, *Rector's Assessor*; Mr Nigel Christie, *General Council Assessor*; Professor James Naismith and Dr Chris Hooley, *Senate Assessors*; Mr David Stutchfield, *Non-Academic Staff Assessor*; Dr Norval Bryson, Mr Ken Dalton, Mr Mervyn Jones, Rev Dr Marjory MacLean, Mr Nigel Morecroft, Dr Mary Popple (save Item I 5(i)) and Dame Anne Pringle, *Non-Executive Members*.

In attendance: Professor Nic Beech, *Vice-Principal (Governance, Policy & Planning)*; Professor Malcolm MacLeod, *Vice-Principal (Enterprise & Engagement)*; Professor Lorna Milne, *Vice-Principal (Proctor)*; Professor Garry Taylor, *Master of the United College*; Mr Derek Watson, *Quaestor & Factor*; Mr Andy Goor, *Finance Director*; Dr Gillian MacIntosh, *Executive Officer to the University Court*; Mr Niall Scott, *Director of Corporate Communications*; Mr Adrian Wood, *Director of Procurement* (for Item II(b) 1 only); Professor Stephen Linton, *Head of the School of Computer Science* (for Item II(b) 2 only).

Apologies: Dr David Erdal, *Chancellor's Assessor*; Dr Natalie Adamson and Professor Frances Andrews, *Senate Assessors*; Sir John Elvidge, *Non-Executive Member*.

I. REGULAR BUSINESS

1. WELCOME

The Rector welcomed Professor Garry Taylor to his first meeting of Court as Master of the United College.

2. MEETING MINUTES

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

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

3. REPORT FROM THE PRINCIPAL

The Principal provided a verbal update to her advance written report (on file, Court 13/36). Noting that Fife Council would shortly consider the University's bid to lease the currently-closed Byre Theatre for an initial term of 25 years,

to serve as a focus for both University and community-led music and drama activities, members noted that press coverage had been largely positive and supportive of the plan. Members commended the recent gift of £500,000 to the cost of refurbishment of Martyrs Kirk as a dedicated research library, bringing the total raised for the project through philanthropic means to £1,750,000. Court also welcomed and congratulated colleagues on the various research grants and other awards highlighted within the Principal's written Court report.

Members discussed the admissions data for 2014-15 entry, noting however that it remained too early within the admissions cycle to determine this year's overall trends. The volatility in RUK numbers was discussed (this largely due to the increasingly competitive domestic market for UK students within the various fee regimes) and it was reported that, for subsequent years, RUK targets would operate similar to overseas cohorts, in order to react more strategically to changing market conditions.

4. AUDIT & RISK COMMITTEE

i) Minute of Meeting held on 20 February 2014

Members discussed the minute of the meeting (on file, Court 13/37), specifically the reported findings of two internal audit reports on the issues of Data Protection and HMO licence compliance (the latter largely related to the possible scale of compliance requirements within the current residential estate). Members also discussed the on-going concerns of the Committee over inadequate temporary accommodation for Special Collections material, pending the finalisation of the Library strategy (including its estate requirements) and the Department's place therein.

Discussing the internal auditors' recommendations given in the Data Protection report as relates to the requirement for higher standards and consistent management / maintenance of network switchgear and other equipment across the University network, including those isolated areas in two Science schools, the Science Faculty members of Court expressed concern that should Schools be potentially instructed to relocate and lose control of locally-sited equipment, there would be a lack of skills at the centre for such specific IT support and consequential risks to research productivity. Other members were of the view that the risks highlighted by the internal auditors' report were to the University overall and that, to address these, a balance must be struck between allowing a suitable level of autonomy to Schools whilst maintaining appropriate institutional security of sensitive or research-valuable data. The Quaestor confirmed that academic concerns would be fully addressed by the ICT Strategy & Planning Group, which has academic membership, and through academic involvement in drafting the developing institutional policy on research data management.

ii) Health & Safety reporting to Court

Mr Mervyn Jones, Non-Executive Court lead on the Health & Safety Assurance Group, confirmed that, following the consideration of the Assurance Group's annual report and the revised Health & Safety policy at Court's June 2014 meeting, future Court agendas would routinely include a standing item on health & safety at each of its meetings. It was also confirmed that the Principal's Office was currently reviewing the reporting of health & safety-related matters within the senior management structure, including the identification of a health & safety 'champion', and that the outcome of this review would be reported to Court in due course.

iii) Annual Report of the University Ethics Assurance Group

Members noted the annual report of the activities of the University Ethics Assurance Group (on file, Court 13/38).

5. GOVERNANCE & NOMINATIONS COMMITTEE

i) Minute of Meeting held on 27 February 2014

Members noted the report of the meeting (on file, Court 13/39).

Dr Mary Popple having left the meeting for consideration of this agenda item, Court approved Governance & Nomination's recommendation that she be invited to serve a second and final term as a Non-Executive member of Court, from 1 August 2014 to 31 July 2018. On her return, Court warmly thanked Dr Popple for her considerable service to Court, especially for ably serving as Convener of the Audit & Risk Committee. The student members of Court also commended Dr Popple's considerable continuing commitment to student-related activities and attendance at events in her capacity as a Court member.

ii) Timetable for Rectorial Election 2014

Court approved the proposed timetable (on file, Court 13/40) for the Rectorial Election scheduled to take place in the autumn of 2014. The student members of Court confirmed that the University's own requirements for Rectorial candidates to formally affirm their intention to be a 'working' Rector (i.e. to attend Court as an elected representative of the student body) would prevent the present situation as has occurred at the University of Glasgow, whereby a Rector has been elected that cannot fulfil the statutory requirements of the role (which have now been underlined by the new Scottish Code of Good HE Governance).

6. REMUNERATION & HUMAN RESOURCES COMMITTEE

Members noted the report of the meeting held on 27 February 2014 (on file, Court 13/41).

On the gender pay differential currently being monitored by the Committee, it was agreed that at its next meeting the Committee should consider whether, for academic salaries at Grade 8 & 9 for new starts, there was a risk of 'importing' pay differentials from other institutions and, if so, how this might be best addressed. It was also agreed that the Committee should consider whether the confidential minute (covering salary-related matters) should be circulated to all the lay members of Court.

7. ACADEMIC COUNCIL

Members noted the report of the meeting held on 12 March 2014 (on file, Court 13/42).

8. COURT OFFICE BUSINESS

Court received the report from the Executive Officer (on file, Court 13/43) detailing the result of the recent election for General Council Assessor to the University Court - Mr Ken Cochran (B.Sc. (Hons), 1979) being elected for an initial four-year term - and recent staff changes reported by Human Resources. In receiving the report, Court promulgated Draft Resolution 2014 No.1, Degree of Master of Fine Arts.

II. a PLANNING AND RESOURCES COMMITTEE (PARC) BUSINESS

1. Minute of Meeting held on 21 March 2014

Members noted the minute of the meeting (on file, Court 13/44).

The Finance Director reported that publication of the capital grant letter from the SFC was still pending but that this would be circulated to Court members in the interval between meetings if necessary. Concerning the Kenly wind farm development, the Quaestor & Factor confirmed that the project was now moving to the procurement stage as the University seeks an expert partner to assist in delivery of the capital scheme.

2. Review of Key Performance Indicators

Members discussed the proposed new high-level institutional performance indicators (on file, Court 13/45) for future monitoring by Court, which will be supported by a subsidiary set of more detailed metrics for use by senior management. Commenting on the present format of the report, it was suggested that the current iteration could be usefully improved if clear information on threshold boundaries was provided (i.e. specifically what factors determine the colour-coded indicator rating) and, within the textual commentary, what action points are thus required to improve the rating going forward. For Court's purposes in monitoring overall core business issues, areas of risk and direction of travel, and in order for a full discussion of metrics causing concern, it was agreed that further information may need to be provided (on both causes and senior management's response thereto) to the

summary detail given in the present report, especially for indicators that are defined as red or high-amber. It was also recommended that benchmarking of institutional performance should seek to include international competitors (if available datasets allows for such comparison) and that measurement against UK peer institutions should ensure that these are with research-intensive institutions of a similar size and academic composition. It was agreed that PARC would take on board the comments made by Court as further work is undertaken on fine-tuning the current draft and format of the report and developing specific targets.

3. Strategic Plan Update

Members discussed a paper (on file, Court 13/46) providing an update on senior management's recent progress in defining the institutional priorities to be taken forward in the next version of the University's strategic plan. As certain investment plans were largely predicated on a degree of student expansion, the Deputy Principal confirmed that further market research was currently being undertaken to measure student demand and to ensure maintenance of the present quality threshold amongst applicants. It was recognised that growing sector uncertainty over the outcome of September 2014's referendum on Scottish Independence meant it was difficult to plan for expansion when the consequences of the vote (whether in favour of Independence or not) could have major implications for the current funding climate and areas of tuition fee income.

Discussion focused on the means by which academic engagement is being fostered in the development of the various proposals, in order that the initiatives to be financially supported by Court fully meet the criteria of academic excellence and commercial sustainability, whilst ensuring strategic cohesion to institutional aims overall. It was agreed that subjecting individual proposals to peer review, in order to secure matched external funding, would be (for the Sciences at least) a useful barometer of a well-defined and financially viable project.

There was some concern amongst members that the relevant academic 'buy-in' to present plans was still to be secured. The Principal confirmed that staff were being encouraged to engage in on-going discussions about the University's future strategic direction through her current programme of visits to individual Schools, this in tandem with individual consultation with Heads of Schools and academics in those areas where business cases are to be developed. It was suggested that Academic Council, on behalf of Senate, might have more of a role to play in discussions. Court agreed that - prior to approval of a strategy statement, implementation plan and investment proposals - further academic input was necessary, not only in response to the new initiatives that are proposed at present but to ensure that excellence in existing provision is protected (given existing pressures on estate space

and potential recruitment reductions post-REF, as detailed by the Master).

In conjunction with receiving future updates on the strategic planning process, it was agreed that the paper previously reviewed by Court in 2012 (Court 11/63), detailing the prioritisation by the Principal's Office of capital schemes as ranked under the headings of St Andrews Experience, Academic Strategy, Residential Provision and Other Issues, be updated in advance of Court's October 2014 meeting, to inform strategic discussions.

4. Financial Sustainability

Members debated a briefing paper (on file, Court 13/47) outlining the University's financial performance in comparison with peer Scottish institutions. Focusing on recent institutional underperformance in research grant applications and awards in comparison to the University's Scottish competitors, Court discussed the potential causes behind a predicted drop in research income in the current financial year and the means by which this can be effectively addressed. It was agreed that whilst recruitment of the best academic staff remained critical, particularly in the context of research assessment exercises increasing staffing competition within the sector, the need to appropriately nurture talent and develop home-grown researchers to the level of world-class standing was equally vital. The considerable time-lag between point of hire and major grant success was noted. It was noted that the Principal's Office would continue to monitor the situation to determine the causes behind the current fall in applications and to take action appropriately.

5. Town Housing

Court discussed a briefing paper (on file, Court 13/48) on housing-related issues as pertain to both students and staff, given the recognised accommodation pressures within St Andrews overall due to the town's economic success and residential desirability. The Quaestor & Factor summarised the findings of the two recent reports on town housing issues, the first by the University's Centre for Housing Research in partnership with Fife Council, and the second by the Town Commission on Housing. Both reports largely reached the same conclusions on the necessity of measured and affordable residential expansion, the exception being the Town Commission's support of an extension to the moratorium on HMOs within the town centre.

Members discussed the means by which the University might seek to relieve pressure on the town's accommodation issues by increasing the residential provision for both students and staff. It was agreed that a holistic approach was necessary to meet differing student requirements that vary by cohort (managed provision with wardennial support being in demand by undergraduates but more flexible, family-focused provision

often required for postgraduates). It was also recommended that the mixed use by staff and students of potential accommodation sites be discussed with the Students' Association.

The Quaestor & Factor agreed to bring to a future PARC meeting a further paper outlining the options that the University may wish to consider in providing further residential provision for undergraduate students (based on around an additional 500 bed spaces) and staff / postgraduate students.

6. Summary Financial Report to 28 February 2014

Members noted the management report of the University's financial performance for the seven months to February 2014 (on file, Court 13/49), which indicated that the forecast year-end result and the cash position were largely on budget.

7. Annual Report of the Investment & Treasury Assurance Group

Members noted the annual report of the Investment & Treasury Assurance Group (on file, Court 13/50), detailing its recent activities and providing a summary of the current investment position. Commending the recent event held by the Alliance Trust on ethical investment practices, Court echoed the comments made by PARC that future events of this nature should be publicised through the Students' Association, to reach as wide an audience as possible.

b REVIEWS & PRESENTATIONS

1. Procurement

Mr Adrian Wood, Director of Procurement, joined the meeting to present an update on recent and ongoing initiatives within the Unit (summary and PowerPoint slides on file, Court 13/51). Reporting that the Unit had recently undergone organisational restructuring, resulting in a reduction in staff headcount and considerable financial savings, the new structure would be able to address the aims of the developing Procurement strategy, which aims are aligned to the values of the University overall. The Procurement team were working increasingly closely with Estates colleagues on various high-value capital expenditure projects (around 26 in total) to ensure both value-for-money and continuous efficiency improvements in commercial areas such as tendering and purchasing. Issues discussed in light of the presentation included the role of APUC (Advanced Procurement for Universities and Colleges) in aiding collaboration activities across the sector; the limited scope for common procurement processes in specialised research-grant funded academic projects; and the various tender issues surrounding the recent Physics Ultra Low Vibration lab and Clean Room, as discussed at the last PARC meeting.

2. School of Computer Science

Professor Stephen Linton, Head of the School of Computer Science, joined the meeting to give a presentation on the teaching and research activities of the School (summary and PowerPoint slides on file, Court 13/52). Teaching within the School was rigorous, personal and practice-based, in facilities that were both large and well-equipped. Research activities were broadly grouped into defined areas of excellence, though there were frequent cross-collaborations between each group to share skills and expertise. Future challenges for the School - particularly in the competitive area of student recruitment - lay in addressing the ending of SISCA (Scottish Informatics and Computer Science Alliance) funding, this having been a welcome source of PhD studentships in the past, and in reacting to UK visa restrictions that have negatively impacted on PGT numbers from particular geographic areas. New funding opportunities for students were to be created via other initiatives, but the market is increasingly competitive, particularly for RUK students, reflecting a growing demand from employers for high-quality and experienced IT graduates. Discussing the proposed opportunities for exploiting current expertise in data intensive research (as outlined within the draft strategic plan proposals), Professor Linton noted that the establishment of such an institute, in tandem with the creation of a University data repository for both live and archived research, would create further opportunities in both UG and PG teaching and offer potential solutions for many areas of academic research where large datasets require analysis and visualisation.

The Senior Governor thanked both presenters for providing members with informative summaries of their respective areas of expertise.

III. ANY OTHER COMPETENT BUSINESS

Members noted with considerable sadness the recent death of Mr Peter Cabrelli, who served two terms on Court as a Non-Executive Member from 2004 to 2012. Members paid tribute to Mr Cabrelli's significant contribution to Court, including in his role as Chairman of the Trustees of S&LAS, commending his generous service to the University overall.

IV. DATE OF NEXT MEETING

Friday 20 June 2014 at 10.00am.

UNIVERSITY COURT OF ST ANDREWS

AT ST ANDREWS on the 20th day of JUNE 2014 AT A MEETING OF THE COURT OF THE UNIVERSITY OF ST ANDREWS

Present: Mr Alistair Moffat, *Rector* (President); Sir Ewan Brown, *Senior Governor*; Professor Louise Richardson, *Principal*; Dr David Erdal, *Chancellor's Assessor*; Ms Chloe Hill, *President, Students' Association*; Mr Teddy Woodhouse, *Director of Representation, Students' Association*; Mr Patrick Mathewson, *Rector's Assessor*; Mr Nigel Christie, *General Council Assessor*; Dr Natalie Adamson, Professor James Naismith and Dr Chris Hooley, *Senate Assessors*; Mr David Stutchfield, *Non-Academic Staff Assessor*; Councillor Bryan Poole, *Provost of Fife's Assessor*; Dr Norval Bryson, Mr Ken Dalton, Sir John Elvidge, Mr Mervyn Jones, Rev Dr Marjory MacLean, Mr Nigel Morecroft and Dr Mary Popple, *Non-Executive Members*.

In attendance: Professor Nic Beech, *Vice-Principal (Governance, Policy & Planning)*; Professor Garry Taylor, *Master of the United College*; Mr Derek Watson, *Quaestor & Factor*; Mr Andy Goor, *Finance Director*; Dr Gillian MacIntosh, *Executive Officer to the University Court*; Mr Niall Scott, *Director of Corporate Communications*; Mr Ondrej Hajda, *Director of Representation-Elect, Students' Association*.

Apologies: Professor Christopher Hawkesworth, *Deputy Principal and Vice-Principal (Research)*; Professor Frances Andrews, *Senate Assessor*; Dame Anne Pringle, *Non-Executive Member*.

I. REGULAR BUSINESS

1. WELCOME

The Rector welcomed Mr Ondrej Hajda, Director of Representation-Elect, who was attending this Court meeting as part of the sabbatical handover activities.

2. MEETING MINUTES

i) Minute of the Court Meeting held on 11 April 2014

The minute (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 13/53). Confirming that Fife Council's executive committee have recently given unanimous backing to the University's proposed lease of the Byre Theatre (from 1 August 2014, for a period of 25-

years, to be reviewed after three years in 2017), subject to final ratification from Creative Scotland. It was to be hoped that Creative Scotland would engage fully with the University to complete formalities on the tenancy agreement, to enable the re-opening of the facility for both University and community use in the near future.

Members commended the University's recent league table success (St Andrews ranking as 3rd in *The Guardian University Guide 2015*, following on from a classification as best in Scotland and 4th in the UK in *The Complete University Guide 2015*), discussing also how this performance may be sustained in other sectoral comparative exercises such as REF.

In consideration of the University's achievements in a multitude of widening participation initiatives (one of the three defined topics covered at the recent annual Strategic Dialogue Meeting with the Scottish Funding Council), Court encouraged senior management to look at ways in which the University's substantial performance in these areas (when measured against a more extensive criteria than basic SIMD indices) may be better communicated both publicly in general and also to prospective students as part of recruitment efforts.

Court joined with the Rector in congratulating the Senior Governor, Sir Ewan Brown, on his award of a knighthood in the recent Queen's Birthday Honours list.

4. AUDIT & RISK COMMITTEE

i) Minute of Meeting held on 15 May 2014

Members noted the report of the meeting (on file, Court 13/54), the Convener providing a summary of the main issues discussed by the Committee as detailed within the minute.

ii) Academic Assurance Group Annual Report

Court received the annual report summarising the recent activities and achievements of the Academic Assurance group (on file, Court 13/55).

iii) Health & Safety Assurance Group Annual Report

Members noted the annual report of the Health & Safety Assurance Group, also formally approving the most recent iteration of the institutional Health & Safety policy (both on file, Court 13/56).

5. GOVERNANCE & NOMINATIONS COMMITTEE

i) Minute of Meeting held on 22 May 2014

Members noted the report of the meeting (on file, Court 13/57). Discussing the ongoing compliance requirements for addressing the principles given in

the new Scottish Code of Good Higher Education Governance, it was agreed that at its next meeting, in October, Court should discuss the broad issue of governance and the University's current position as measured against the recommended governance model and principles outlined in the Code.

ii) Non-Executive Court Appointments

Following evaluation of the recommended nominees (related paper and CVs on file, Court 13/58), Court approved the appointment of Professor Sir David Wallace and Professor Stuart Monro as Non-Executive Members of Court, for an initial four-year term, from 1 August 2014 to 31 July 2018. Additionally, Court approved the appointment of Ms Ann Faulds as an external member of the Audit & Risk Committee, for an initial two-year Committee term from 1 August 2014 to 31 July 2016.

It was noted that, though the recent public advertisement for Non-Executive members had specifically sought potential candidates with skills suitable for assuming the position of Senior Governor (to fall vacant in 2016 on the retiral of the present incumbent), the appointment of that post-holder would only be confirmed after further advertisement (a requirement of the new HE Governance Code) and consideration of nominees by Court.

iii) Nominations for the Board of Trustees & Officers of the American Foundation

Court approved the extension of tenure of the present Trustees as listed, and the appointment of four new Trustees for the terms stated therein (details on file, Court 13/59).

6. REMUNERATION & HUMAN RESOURCES COMMITTEE

Members noted the report of the meeting held on 22 May 2014 (on file, Court 13/60).

The Committee's recent decision not to circulate its confidential minute to the Non-Executives on Court who are not members of the Committee was discussed. It was recognised that whilst actual salary particulars may be kept confidential to the Committee, the granting of pay awards outwith the standard process (particularly to the senior management team) should be communicated to the full Non-Executive membership of Court. It was agreed that the Committee should therefore consider the issue again at its next meeting.

7. ACADEMIC COUNCIL

Members noted the report of the meeting held on 4 June 2014 (on file, Court 13/61).

8. COURT OFFICE

i) Court Office Business

Court received the report from the Executive Officer (on file, Court 13/62) detailing recent staff-related trends as reported by Human Resources and other routine Court-related matters. In doing so, Court gave final approval to Draft Resolution 2014 No.1 (Degree of Master of Fine Arts (MFA)).

ii) General Council Business Committee

The Vice-Principal (Governance, Policy & Planning) summarised the background to a paper (on file, Court 13/63) recently produced by the General Council Business Committee, which proposes the retention of a Business Committee with minimal University administrative support for running its biennial elections and the provision of a room for its meetings. Other duties such as minute-taking would be expected to be carried out by the Committee itself. Court assented to the proposal, subject to a suggested evaluation of its effectiveness after a year of operation. It was confirmed that Court's assent to the proposal would be communicated to General Council members at the General Council statutory meeting on 28 June 2014.

II. a PLANNING AND RESOURCES COMMITTEE (PARC) BUSINESS

1. Minute of Meeting held on 6 June 2014

Members noted the minute of the meeting (on file, Court 13/64).

The Quaestor & Factor, to whom Court has delegated authority to complete the necessary contractual and funding arrangements, provided an update on progress on the Fife Park redevelopment, confirming that he expected completion before the end of June. Additionally, the Quaestor confirmed that, following a steer from the SFC at their recent visit, the University was preparing 'shovel-ready' capital bids for submission to the SFC in the autumn.

Discussing potential staff incentivisation schemes to support improved research award performance, the Principal confirmed that such incentives would not be monetary-based, formulaic or linked to overall grant income successfully won.

2. Strategic Plan Update

Members noted the update (on file, Court 13/65) on the ongoing formulation of the University's new strategic plan. The Principal confirmed that the documentation detailing the proposed projects for strategic investment, together with the recent data on Schools' research award performance, continued to be discussed with academic staff at the Principal's visits to the individual Schools. In the period up to the Independence referendum in September, the focus was on engaging

further with staff and in exploring potential avenues for external funding of the strategic projects proposed in the most recent iteration of the plan. There was broad enthusiasm for interdisciplinary initiatives, but that further work was being undertaken to determine such centres' relationship with existing individual School structures and how their outputs might fit with national assessment exercises such as REF, in which submissions are presently measured within individual subject areas.

3. Institutional Indicators

Noting the updated report on the high-level indicators (on file, Court 13/66), members discussed whether further clarity was needed on performance boundary thresholds to indicate whether these were absolute or referred to an initial short-term milestone towards an overall target. The Quaestor & Factor agreed to take on board these comments. It was agreed that the recent metrics produced of the University's research grant performance, plotted by individual HESA cost centre and benchmarked against key sectoral groups, would be discussed at the next PARC meeting in September 2014.

4. Guardbridge Site Regeneration

The Quaestor & Factor outlined the master-planning options for the development of the large industrial part of the Guardbridge site (on file, Court 13/67), including the avenues presently being explored for commercial partner involvement and the introduction of external funding (an experienced project director having recently been appointed to assist with this process). Proposals were currently focused only on the brownfield section of the large site, there being scope for potential residential development elsewhere as housing for the PGR or post-doc community. As potential plans for the industrial site develop, it was recommended that the overarching governance structure be reviewed, to ensure a broad academic representation from a number of Schools with possible research linkages and to take advantage of external business expertise. Discussing the issue of exploitation / management of Intellectual Property and other such knowledge transfer issues, it was suggested that this topic should be a subject of discussion at a future PARC meeting.

5. Summary Financial Report to 30 April 2014

Members discussed the summary of the nine months' financial performance (on file, Court 13/68), noting that the forecast surplus was expected to be marginally ahead of budget, with an additional one-off and exceptional receipt for the Fife Park redevelopment (this however earmarked for HMO compliance work for other student residences). Members discussed the potential for prudent provisioning at year-end and for refinancing options once the areas for strategic investment are agreed.

6. Draft Financial Plan 2014/15 to 2016/17

The Finance Director presented the draft financial strategy and plan for the next three years (on file, Court 13/69), updated since PARC's June meeting to provide further details on the proposed cost management activities to be undertaken by senior management during the planning period. The core objective was to achieve a minimum £5m (3%) annual operational surplus (against a long-term target of 5%), with pay costs reduced to be commensurate with the sector average and improved liquidity, building on recent achievements in improving the in-year cash position.

Summarising the plan's main features, the Finance Director highlighted the substantial challenges being faced in constraining pay costs (where contracting out of National Insurance contributions from April 2016 would cost approximately £2.5m per annum and where annual pension contributions were expected to increase). Other initiatives included improving the use of the estate space both during term-time and vacation periods, and growth of research income, where recent performance has impacted on overhead recovery. Options for enhanced income generation, in both academic areas and via the University's involvement in external events (such as The Open in 2015), had also been identified. The Finance Director confirmed that the draft financial plan was prudent and achievable within the planning period. Members sought confirmation that future reporting against plan would be against the revised plan surpluses that took account of the expected consequences of the cost management activities detailed within the supporting documentation.

Members discussed the means by which the staff cost-base is to be reduced post-REF (the expected drop-off in staff numbers yet to be fully achieved after the REF census date), this requiring a more determined focus on individual performance management, particularly for academic staff, which should be aided by the planned establishment of a default University retirement age. It was recognised that whilst the proposed financial plan was predicated on a reduction in academic staffing numbers (of around 75 posts over a three-year period), it remained important to protect institutional aspects that were critical to the St Andrews student experience and to league-table performance, such as small-group teaching and appropriate staff / student ratios. The Master confirmed that the conversion of staff from fixed-term contracts to permanent positions requires further attention, to ensure this process is not automatic, but that individuals being considered for such contractual change meet or exceed the required standards of performance.

In consideration of the various actions presented as supporting measures to realise the plan, it was confirmed that each of the senior managers identified therein are fully aware of the targets to be met in each area and their individual responsibility for those within the planning

period. It was also recognised that broad engagement of all University staff in assisting with cost reduction activities was vital if the institution as a whole was to embrace efficiencies and support ongoing and transformative investment in key strategic areas.

7. Internationalisation

The Principal gave a presentation (PowerPoint slides on file) detailing the current context of and further options for internationalisation in the areas of research collaboration, student recruitment and partner opportunities with overseas institutions. The University's current position in international research collaboration when compared against its peers was outlined, it being highlighted that further improvements in this area are vital in order to secure external funding and improve international reputation in league tables. The practical steps currently being explored by senior management (including additional research partnership with individual institutions and consortia) were summarised.

On the issue of international growth in student numbers, the Principal outlined emerging geographical areas of high student demand where recruitment efforts may be concentrated, building upon the historically important North American and European markets. The provision of summer schools as a recruitment tool, in tandem with capacity for further growth in Foundation Entry programmes (such as those provided by ELT), were possible areas of expansion, particularly in subject areas not already in high demand from the international market (i.e., outwith the popular Schools of Economics, International Relations and Management).

Noting that many other peer UK institutions have established overseas campuses, the Principal outlined other areas for teaching collaboration with international partners, building on existing initiatives such as the William & Mary International Honours programme and other standing co-tutelle agreements. Potential collaborators were currently being identified and further thought was being given to the expansion of the William & Mary Undergraduate joint degree model to other subject areas and institutions. Above all, the Principal highlighted that it was important to maintain quality standards and to capitalise on existing niche areas of strength and demand.

It was agreed that the Principal's slides would be circulated to members, prior to a further discussion on internationalisation issues at the next Court meeting in October 2014.

b PRESENTATIONS

1. Students' Association

Ms Chloe Hill, President of the Students' Association, gave a presentation to members on the recent activities of the Association and

its sabbatical team (summary on file, Court 13/70). Focusing on the recent creation of a new three-year strategic plan, to take account of the many possibilities created by the ongoing redevelopment of the Association's St Mary's Place building, Ms Hill summarised the main strategic aims focused around the areas of representation, student activities, commercial opportunities, and enhanced communication with current and past students. The strategic plan aimed to support continued efforts to improve Postgraduate engagement with the Students' Association, improving links with St Leonard's College and reviewing the present Postgraduate representative structure. Other areas highlighted included support (and recognition) for student participation in the University community outwith the core academic area, the development of commercial activities to address the varying needs of a diverse student body, and improved communication between students and their elected representatives, to build on the sector-leading turnout in student elections. Each of these activities aimed to further support the key characteristics of the Association, these being a student-led, democratic, inclusive and caring community at the centre of University life. Members joined with the Senior Governor in thanking Ms Hill for her informative presentation, congratulating this year's sabbatical members on their many achievements during this challenging year in which the Association, its student members and staff continue to work around the ongoing redevelopment building works.

III. ANY OTHER COMPETENT BUSINESS

Noting that this would be the last Court meeting before the September 2014 Scottish Independence referendum, members agreed on the importance of encouraging continued and informed debate across the University from a wide variety of viewpoints. It was confirmed that the University would maintain a strictly neutral position.

In answer to members' queries, the Principal confirmed that a new Deputy Principal to succeed Professor Chris Hawkesworth had been agreed and would be announced on his retirement in September 2014 (this individual joining Court as a member).

IV. THANKS

Members joined with the Rector in warmly thanking the departing members – Dr Norval Bryson, Dr David Erdal, Rev Dr Marjory MacLean, Professor Chris Hawkesworth, Dr Natalie Adamson, Ms Chloe Hill and Mr Teddy Woodhouse – for their many and valuable contributions to Court during the term of each of their membership.

V. DATE OF NEXT MEETING

Friday 24 October 2014 at 10.00am, followed by the annual Away Day session.
