

University of the Highlands and Islands
University Court
14 February 2024, 13:00-17:00
UHI House, Inverness and by Microsoft Teams
Meeting Minutes [DRAFT]

Members

Alastair Campbell (Chair), Alex Paterson, Andrea Robertson, Angus Campbell, Davie Sandison, Derek Lewis, Fiona McLean, Gary Souter, Heather Offord, Malcolm Burr, Mei-Li Roberts, Neil Simco, Paul Travill, Rosemary McCormack, Vicki Nairn, William Campbell

In attendance

Sheena Stewart, Lorna Walker, Roger Sendall, Max Brown, Scott Rhynas, Sharon Wares (Observer), Nichoals Oakley (Clerk), Donna Hedde (in part)

Key: Action, **DECISION**

1. Preliminary Items
- 1.1. Welcome and apologies

The Chair, Alastair MacColl, opened the meeting and welcomed the members. Apologies were notified from Calum Ross.

The Chair welcomed Sharon Wares, Legal and Contracts Manager (UHI Executive Office) to the meeting as a staff observer.

The Chair proposed and the committee **APPROVED** moving item 9.3, Chair of Court period of appointment, to the start of the meeting.

9.3 Chair of Court period of appointment

The Chair declared an interest in the item and left the meeting. The Vice Chair, Andrea Robertson, chaired the meeting for the duration of this item.

The Vice Chair presented a proposal to extend the current Chair of Court's term of appointment for a further three years. Court considered and unanimously **APPROVED** the proposal.

[Alastair MacColl rejoined and chaired the remainder of the meeting]

1.2. Declarations of Interest

Angus Campbell declared an interest in item 5.2 as a board member of HIE.

There were no other declarations of interest.

1.3. Notification of other business

Sheena Stewart, University Secretary, requested an additional verbal item regarding the proposal to create a people committee. Court agreed to consider the matter at item 8 Any Other Business.

No other additional business was notified.

2. Minutes of meetings

2.1. Approval of the minutes of 14 December 2023

The minutes of 14 December 2023 were APPROVED as an accurate record.

2.2. Approval of the minutes of 25 January 2024

The minutes of 25 January 2024 were APPROVED as an accurate record.

2.3. Matters arising

The matters arising were noted as complete or on the agenda. Officers advised that the Economic Development presentation will now be made at the April Court meeting.

Members were also advised that Finance and General Purposes Committee meeting had been postponed to permit completion of work on the quarter 2 budget.

Court NOTED the matters arising.

2.4. Delegated decisions

None reported.

3. Interim Principal and Vice Chancellor Update

Vicki Nairn, Interim Principal and Vice Chancellor, introduced her update. She reported:

- Changes to leadership on student recruitment and admissions, with Lorna Walker, Vice Principal Strategy, Performance, and Culture now leading work in this area.
- Ongoing curriculum review and planning activity that were both progressing at pace.
- Green freeport opportunities and developments.
- Financial sustainability remained challenging, with steps taken within EO to implement the recovery plan. A presentation would be made to the next FGPC.
- Engagement with Scottish Funding Council (SFC) continued to be challenging, with long delays to responses to representations and related ongoing issues. UHI officers continued to seek decisions on a number of pressing matters and reported high level negotiations continued to address both short and long term financial issues. UHI officers reported that SFC were becoming increasingly frustrated by the frequency and scale of emergency funding requests received from UHI, and that they do not have contingency funding to accommodate all requests. In discussion on this matter, it was noted that whilst these decisions were awaited, academic partners continued to carry unfunded deficits and this was a serious and ongoing risk to these partners and the university.
- The recruitment of a new Chief Financial Officer.
- Further work on the new operating model. Since the last update to Court, UHI officers had been engaging with Academic Partner Boards. A further update would be provided later in the meeting under item 5.3.

[Andrea Robertson left the meeting]

Members discussed two substantive items arising from the Interim Principal and Vice Chancellor's Report: -

SFC Engagement

Court discussed the issues raised in the report about SFC engagement. Members were concerned that timely responses to communications were not forthcoming and the reported lack of engagement or

decisions on key matters for the partnership. Members asked IPVC to raise Court's concerns directly with the SFC. Members also requested a summary of UHI and SFC correspondence to be given to Court members for information.

Action: IPVC to inform SFC of Court's concerns regarding engagement.

Action: IPVC to share summary of correspondence between UHI and SFC.

Members queried progress on SFC's previous proposal to apply a dedicated resource to assist UHI in the change activity. UHI officers reported that this had now evolved into SFC procuring specialist consultancy that would be available to advise on UHI matters. Officers reported that any additional SFC resource would be welcomed.

Distant Islands Allowance

Members discussed the SFC's decision on the distant islands allowance, a direct benefit paid to staff by islands-situated academic partners (APs). APs had been making requests for funding this for considerable time and no decision had been made. SFC had now advised that there was no funding available to pay this beyond existing rurality funding, and responsibility therefore lay with UHI and the university partners.

Members were advised that due to this decision APs were considering difficult options on the future of the distant islands allowance payments during a period of serious financial difficulty. Members heard that as well as the risk to financial sustainability, there were risks to employee relations if the allowance was changed or terminated. Members discussed options for appealing or escalating the matter but noted that representations had already been made for several years to political representatives without success.

Court **NOTED** the Interim Principal and Vice Chancellor's update.

4. HISA Report

William Campbell, Student Association President, reported on the Association's activities since the last report. Court **NOTED** the HISA report.

5. Strategic Items for discussion

5.1. UHI Research: the regional and global impact

[Prof Donna Heddle joined the meeting]

Professor Neil Simco, Deputy Principal, introduced a presentation on UHI Research. He reminded members the previous Research Excellence Framework (REF), REF2021, outputs and particularly impacts were strong. However, one area that required improvement was research environment, and this remained an ongoing area of focus and development in preparation for the next REF exercise in 2028.

Professor Donna Heddle, Director of the UHI Institute of Northern Studies and Head of Research and Culture, gave a presentation on the regional and global impact of UHI research. She noted that research leads to revenue and underpins high quality student recruitment. Research was also developed strategically, and was not just an administration process.

Scenario modelling of grant funding for REF2028 on various REG allocation models and investment models was ongoing, and a proposal for Court to consider additional resourcing was being prepared

and would follow. Members requested more detail on how research contributes to UHI financially, and further detail on how the institution's research and knowledge exchange strategy aligns with the new UHI strategy and operating plans.

Action: Updated research and knowledge exchange strategy to be presented to UHI Court.

Action: Research investment proposal for REF2028 for Court's consideration.

[Prof Donna Heddle left the meeting]

5.2. MAATIC Update

Vicki Nairn, Interim Principal and Vice Chancellor, introduced the Moray Aerospace Advanced Technology and Innovation Campus (MAATIC) update.

Vicki Nairn reported that Finance and General Purposes Committee (FGPC) had considered a review of the MAATIC project conducted by UHI officers. Due to project instability, loss of key personnel, lack of local management capacity, rising costs, project risks, UHI and UHI Moray's financial conditions, and changes to UHI's strategic priorities (including operating model work), FGPC had recommended pausing UHI's involvement with the project with immediate effect. Court was advised of the potential risks, including reputational damage and potential competition from another HEI, that withdrawing from the project might entail. Informal discussions were already ongoing with project partners to inform them of the changes to UHI's position and consideration of how the project may be reformed or rescoped to permit UHI's involvement.

Members NOTED the risks presented in the proposal. Members **APPROVED** FGPC's recommendation to terminate UHI's involvement in the MAATIC project as currently constituted, and to notify project partners of this decision. Members **AGREED** that any potential rescoping or revision of the project that involved UHI be considered, but that this should be carried out by the project partners (not UHI resources) and subject to Court's review and approval.

5.3. Operating Model Update

Max Brown, Director of Transformation, gave an update on the operating model work since the last meeting. Meetings with academic partner boards of management had been taking place, with general consensus on the direction of the work, with emphasis placed on increasing the pace of activity. Concerns were also raised about the ability and capacity of the organisation to deliver change at the pace required.

Members noted concerns about how proper engagement and consultation could take place given the tight timescales and pace required. They also requested detail and impact of the plan across the core areas of curriculum, operations, constitution, and finances.

Members were advised that recruitment of project resources and reconfiguring of the transformation team into a project management office had taken place.

Significant upcoming dates included an all-day meeting on 26 February with academic partner principals, followed by a meeting with the SFC on the 27 February. Financial modelling would be presented at both meetings.

On specific items, the following updates were reported and NOTED:

- Curriculum change: this work was already in progress, and focus was now on maximising student recruitment and growth, and seeking reductions in management costs.

- Organisational change service review. This review was being expanded as part of the shared service workstream.
- Student support and experience service review. Being undertaken to ensure equity of service provision and balance between centrally provided services and local requirements.
- Common/ shared processes and systems. Under consideration were HR/ payroll, admissions, timetabling, procurement, registry (including SITS coding and payments). In discussion on this item, members requested that in future references to 'shared' services be changed to 'single' services to better reflect the proposal to work as (and become) a single integrated institution.
- A workshop with solicitors on legal models and legislative consequences had taken place and would help inform the outline business case.
- Constitutional change. A draft specification was being developed for the outline business case and requirements for external consultancy. Expected to appoint external consultants in mid-April.
- The outline business case was expected by Court by the end of May 2024, and members were keen to review any drafts beforehand.

Members requested a further meeting and update before the next meeting to discuss progress on the work and the outline business case.

Action: Schedule briefing update with Court members in March.

Court **NOTED** the operating model update.

5.4. Academic Partners' financial positions and SFC transition funding Update

[Andrea Robertson rejoined the meeting]

Members noted the academic partner financial update. Members were advised that a schedule of financial reviews of academic partners was in development to provide Court and FGPC assurances on financial sustainability of the partnership and specific partners.

5.5. Student Recruitment and Admissions Review

Lorna Walker, Vice Principal Strategy, Performance, and Culture, presented on the Student Recruitment and Admissions Review. The current position was outlined, including a decline in Higher Education (HE) student numbers; potential clawback of £5.4m; and current forecasts suggesting that UHI would be unlikely to meet the SFC target until 2028/29.

A single approach to student recruitment continued to be difficult to achieve for UHI, with the impact of any investment dispersed across nine operating units. Current recruitment/ marketing/admissions-aligned staff across the partnership was approximately 50 FTE, or £2m per year across nine budgets. The proposal therefore was not additional investment, but coordination and better utilisation of existing resources in a more unified and directed way. This would follow discussions with principals, a special meeting of Partnership Council, and clear links to both the new operating model and curriculum workstream, as well as opportunities for operating model resources to inform student recruitment operational changes. A proposal and business case, including all aspects of student recruitment (e.g. student numbers, international marketing) would return to the next Court meeting in April 2024.

Action: Student recruitment and admissions review update and business case to next Court meeting.

6. Items for noting/ approval

6.2. Appointment of assigned incorporated college board members

Noted without further discussion.

7. Minutes from Committees of Court

7.1. Partnership Forum meeting of 31 January 2024

Noted without further discussion.

7.2. FGPC meeting of 5 February 2024 – RESERVED

Noted without further discussion.

8. Any Other Business

Sheena Stewart, University Secretary, informed members of a proposal to form a People Committee a

s a subcommittee of UHI Court. This committee's remit would include matters such as Health and Safety, Equalities and Diversity, and Employment. A proposed terms of reference would be presented to UHI Court for approval at the next meeting. Members welcomed and NOTED the update.

Action: Submit a People Committee terms of reference for Court's approval.

9. Reserved Business

9 Proposed Recognition and Procedure Agreement between UHI Executive Office and UCU

9.1 Minutes Nominations Committee 15 January 2024

9.2 PVC recruitment update

9.3 Chair of Court period of appointment