A meeting of the Court was held on Monday 23 April 2012.

Present: Mr EF Sanderson (in the Chair), Principal Professor CP Downes, Professor RJ Abboud, Professor SM Black, Emeritus Professor A Burchell, Mr R Burns, Mr D Cathcart, Mr J Elliot, Mr M Kendrick, Mr IA Kennedy (President, Students’ Association), Dr J Lowe, Dr H Marriage, Professor GJ Mires, Ms CA Potter, Dr AD Reeves, Mr KA Richmond, Mr IDM Wright.

In Attendance: University Secretary; Vice Principal & Head of the College of Medicine Dentistry & Nursing; Director of External Relations; Director of Finance; Director of Human Resources; Director of Policy, Governance & Legal Affairs; Director of Strategic Planning; Associate Dean of the School of Education, Social Work, & Community Education; Mr R Isles; Ms Julie McGovern (Court Member-elect); and Clerk to Court.

Apologies: Mr M Arnott, Ms SC Campbell, Lord Provost Dr J Letford, Dr AM Roger, Mr KAC Swinley, Professor J Taylor

51. MINUTES

The Court decided: to approve the minutes of the meeting on 20 February 2012.

52. MATTERS ARISING

(1) Update on Ethical Review Committee annual report regarding training (Minute 50)

The University Secretary informed Court that he had spoken with the Convener of the Ethical Review Committee, and had been assured that refresher training would take place this year.

The Court decided: to note the update.

(2) Graduates Council (Minute 46)

Court considered an update from the Graduates’ Council Assessors on Court regarding proposed changes to Graduates’ Council Regulations. It was noted that the proposed revised changes to Regulation 19 had taken account of the comments made by Court and Governance & Nominations Committee at their meetings on 20 February 2012.

The Court decided: (i) to ratify the decisions taken at its meeting on 20
February 2012 to amend the Charter (11.1 & 11.2) and Statute 20 (Graduates’ Council) as set out in Appendix 3 of the Court minutes of 20 February 2012, subject to the approval of, and to any further changes required by, the Privy Council; and

(ii) to ratify the decision taken at its meeting on 20 February 2012 to amend Ordinance 20 (Graduates’ Council), as set out in Appendix 3 of the Court minutes of 20 February 2012; and

(iii) to approve the proposed amendments to Graduates’ Council Regulations as set out in Appendix 1.

53. **CHAIRMAN’S REPORT**

The Chairman congratulated Mr Iain Kennedy on his re-election as Dundee University Students’ Association (DUSA) president, and Ms Julie McGovern on her election as independent student representative on Court. It was noted that Ms McGovern’s period of office on Court would be 1 August 2012 to 31 July 2013, but that in line with established practice she had been invited to attend Court in April 2012 and June 2012 in a shadow capacity. Following discussion, members of Court suggested that this practice be extended to other categories of newly-elected Court members, not only student members.

The Chairman reported that he had attended an event organised by the College of Life Sciences celebrating innovation. The event had been both interesting and enjoyable, showcasing the work being carried out by the University of Dundee in collaboration with external partners. It was particularly evident that the University was held in high regard by its partners.

The Chairman informed Court that the Report of the Review of Higher Education Governance in Scotland had again been the focus of discussions at the last meeting of the Committee of Scottish Chairs of Courts (CSC). The Committee remained concerned at the potential for prescriptive legislation, favouring the creation of a Scottish Code of Governance on a ‘comply or explain’ basis. A working party consisting of three Chairs of Courts (representing the Ancient Universities, Chartered Universities and Post-92 Universities), one independent member and a Chairperson had been proposed to work on the development of a Scottish Code of Governance, although it was not expected to complete its work for around 18 months. It was confirmed that there had been no further dialogue with the Scottish Government on this topic.

The Chairman reminded Court members of the dates of Graduation, and the date of the DJCAD degree show, encouraging them to attend where possible.

**The Court decided:** to extend the practice of inviting newly-elected or appointed student Court members to attend Court prior to
commencement of their terms of office to all categories of membership.

54. **PRINCIPAL’S REPORT**

The Court received a report from the Principal (Appendix 2). The Principal informed Court that an announcement would be made shortly by Times Higher Education, naming the University of Dundee as the best university in the UK in its Student Experience Survey. Significant publicity was expected, and the University would look to use this rating in student recruitment. The Principal gave formal and personal thanks to all those whose activities contributed to the rating. In particular, the activities of DUSA were noted to have had a significant impact.

The Principal highlighted the University’s success in securing research funding from Research Councils, charities, industry and other funding bodies. A prediction for the likely total value of research funding awards in 2011-12 was around £85m. Court Members noted that a significant proportion of this funding was from the Wellcome Trust, and the Principal attributed this to the cycle of renewals of existing awards as well as to the positive view of the Wellcome Trust toward the investments it had previously made at the University. The University maintained a strategy to support strong, high quality applications to Research Councils, to expand on EU interests, and to build upon its positive reputation in continuing to build upon existing commercial partnerships.

Moving to discussions on financial matters, the Principal confirmed that the budget setting process was underway. He highlighted that the improved financial settlement from the Scottish Funding Council (SFC) in the main teaching grant had been offset by the withdrawal of the University’s wider access premium and part-time fee waiver funds. Court agreed that within the bounds of the budget, it was important that the University continue to consider selective, strategic investment. The Principal confirmed that the University would be discussing the development of an Outcome Agreement with the SFC in the near future.

Looking forward, the Principal outlined how the new University Strategy, complemented by nine supporting strategies, would be presented to Court in June in parallel with a document outlining the core values and vision of the University. It was envisaged that each of the nine supporting strategies would be led by a Vice-Principal, Deputy Principal, the Secretary or by a senior support service Director, and the Principal would look at University-wide responsibilities once the recruitment of a new Vice Principal and Head of the College of Art, Science & Engineering had been completed.

Court had previously requested an update on the University’s Internationalisation strategy. The Principal had been considering the best way to manage the leadership of this strategy and sought the endorsement of Court for the appointment of Professor Margaret Smith (Dean of the School of Nursing) as Deputy Principal for Internationalisation. Professor Smith’s previous experience and success in the area was noted. Following the endorsement of Court for the appointment, the Principal informed Court that he would invite Professor Smith to present a paper on the Internationalisation Strategy to Court in June.
The Principal reported to Court that feasibility assessments were being carried out to identify potential activities and funding within the emerging field of ‘Asset Management for Renewable Energy’ for both research and learning & teaching. The University was keen to play a role in developments in this area, and was at the early stages of identifying a niche area of opportunity. He expected to be in a position to provide further information to Court members in the near future.

Finally, Court was pleased to hear that the work to expand and modernise the mortuary facilities in the Centre for Human Anatomy & Human Identification was reaching completion. This presented significant scope for the enhancement of anatomy teaching, case work, and research opportunities.

The Court decided: to endorse the appointment of Professor Margaret Smith as Deputy Principal for Internationalisation.

55. FINANCE & POLICY COMMITTEE

The Court received a report from the meeting of the Committee on 23 April 2012 (Appendix 3). The Director of Finance provided a brief summary of changes proposed to the Treasury Management Policy contained in the report, focusing on the potential for accurate cashflow forecasting to allow treasury investments to achieve greater returns.

The Convener highlighted that the Committee had discussed the proposal for a collaborative agreement with the Costeas-Geitonas School (GSC), Athens, which was being presented to Court later in the agenda (see Minute 56 below).

Court members were interested to hear of the update provided by the Director of External Relations on the progress of current fundraising campaigns. The success of the individual campaigns was seen as evidence of a good underlying strategy, and Court members suggested that an annual report on fundraising be provided.

The Court decided:

(i) to approve the proposed changes to the Treasury Management Policy;

(ii) to request an annual report on fundraising be provided to the Finance & Policy Committee; and

(iii) otherwise to approve the report.

56. MAIN SFC GRANT LETTER AND BUDGET SETTING

The Director of Finance presented a paper outlining the SFC grants which were confirmed on 30 March 2012. The majority of items were unchanged from the indicative grant letter received in December 2011, however the Part-Time Incentive Premium and Widening Access Retention Premium had been replaced by a Regional Coherence Grant which was to be paid to a limited number of (Post-92) institutions, excluding the University of Dundee – resulting in a loss of income amounting to £1,076k.
The Director confirmed that the budget-setting process was progressing according to timetable, and the first round of review meetings was almost complete. 2012/13 was expected to be a year of investment ahead of the Research Excellence Framework exercise in 2014 and the cost of this investment was expected to be in the region of £1.9m. This would mean that the final surplus for the year would be lower than forecast for the current financial year.

In discussing the budget for 2012-13, Court members highlighted the need for the surplus to be reported with the strategic investment costs clearly identified so that progress toward the 3% target could be judged accurately. The need for a clear commitment and plan to maintain the trajectory toward the 3% surplus target was noted, and the Director informed Court that this would be included in the budget paper being presented to Court in June 2012.

In response to questions regarding the development of the University’s Outcome Agreement with the SFC, the University Secretary confirmed that at this stage it remained unclear as to how the process would roll out. An update would be provided to Court at its next meeting, by which time it was anticipated that there would have been some engagement from the SFC and greater clarity around the process.

The Court decided:
(i) to note the report; and
(ii) to note that a paper outlining the 2012-13 budget would be presented in June.

57. PROPOSAL FOR COLLABORATIVE AGREEMENT WITH THE COSTEAS-GEITONAS SCHOOL (CGS), ATHENS

Mr Mike Naulty (Associate Dean of the School of Education, Social Work, & Community Education (ESWCE)) presented a paper outlining the business case, academic case and financial overview for a potential collaborative agreement between the University of Dundee and the Costeas-Geitonas School (CGS) in Athens. Under the agreement, the four year MA (developed from the existing Bachelor of Primary Education (BEd) in line with the recommendations of the Donaldson Review) would be delivered in Athens by staff from the School of ESWCE. The proposal represented part of the School’s plan for the diversification of its portfolio following significant Government cuts to the Scottish programme of teacher training.

The collaborative agreement would be subject to a four-year cycle, with an annual option for termination. The business plan had been produced by the School following consultation with the Finance Office, Research & Innovation Services, and staff from Policy, Governance & Legal Affairs. The agreement had been previously considered by the Senior Management Team on two occasions, as well as by the Finance & Policy Committee. As a result attention had been given to the requirement to reach recruitment targets, and to monitor carefully the Greek economic situation – particularly its membership of the Eurozone. Mr Naulty highlighted that the proposed partner was very experienced with the Greek Education System, had already made significant investment, and was committed to a positive outcome as they faced a sizeable risk in the project. It was noted by Court that the worst-case financial loss was estimated to be a ‘one-off’ £150k, with the potential for annual income of close to £300k. Furthermore, should the collaboration not prove to be
successful, once students had been recruited an existing distance-learning programme could be used to honour responsibilities to students and protect the University’s reputation. It was noted by Court that should it prove successful, the model as presented had the potential to be used at additional locations.

Members of Court sought clarification on the delivery and marketing arrangements for the course and the agreed currency for payments. Members expressed concerns regarding the potential impact of any further deterioration of the Greek economy – in particular seeking clarity as to a perceived possibility of exchange rate exposure should Greece leave the Euro. Members of Court also suggested that the withdrawal of Greece from the Euro be added to the risk register for the project. In response to questions, Mr Naulty confirmed that the decision to market the course as a four year MA as opposed to a BEd had been taken following consultation with the General Teaching Council for Scotland who had been involved in the process for the approval of the qualification.

The Court decided: to approve the proposal, noting concerns expressed regarding the currency agreements and the potential for resulting exchange rate exposure.

58. DASMAN DIABETES INSTITUTE

The University Secretary provided an update to Court on the collaboration agreement with the Dasman Diabetes Institute (DDI) in Kuwait. The DDI had recently announced its intention to become independent from the Kuwait Foundation for the Advancement of Sciences, which currently funded all DDI activities. As a consequence of this announcement, the Director of the DDI had asked to defer entering into a new contract with the University until independence had been confirmed, allowing for a clear and secure context for the DDI's future operations. It was confirmed that the DDI expected to be in a position to sign a contract by the end of 2012, and it was proposed that as an interim measure the existing contractual relationship with DDI be extended until that time. The Secretary confirmed that payments and milestones had continued to be met, and that the relationship with the DDI continued to be positive and productive.

The Court decided: to note the report and approve the interim arrangement.

59. RESEARCH EXCELLENCE FRAMEWORK

Professor John Connell (Vice-Principal with responsibility for research) gave a presentation to Court introducing the Research Excellence Framework (REF) and the on-going preparations for the REF at the University. He reported that the REF was a UK-wide evaluation of the quality and impact of the best research being carried out in UK Higher Education Institutions, and that it had replaced the Research Assessment Exercise (RAE), which was last carried out in 2008. The REF differed from the RAE in its inclusion of a detailed consideration of the impact of research, and in its focus on the excellence of research as opposed to a comprehensive assessment of all research carried out in Universities.

The Vice-Principal highlighted the importance of achieving a good REF performance - for both financial and reputational reasons, and he confirmed that a detailed
document outlining the University’s REF strategy and Code of Practice for managing staff would be presented to Court for approval in June. He also provided information on the development of quality thresholds for submissions and key dates for the REF process. Given the indication that it was likely only research activity classified as world leading (4*) or internationally excellent (3*) would be supported by the SFC, and that no funding would be likely to follow research classified as 2* or less, the University’s policy would be to return only staff performing at least at the level of internationally excellent research. Such an approach was consistent with the University’s policy over the last few years of looking to support only 3*, 4* and ‘rising’ 2* research.

The Vice-Principal drew Court’s attention to the fact that while the University would look to return everyone who was eligible, it was also important to ensure that academic staff did not feel that non-inclusion in the REF indicated that their contribution to the University was less valued than that of colleagues who were included. He confirmed that the exercise was designed to secure the best possible result for the University in a highly competitive world.

In response to questions, and referring to discussions taking place at Senate (see Minute 64 below), the Principal underlined the importance of continuing to support those 2* staff on an upward trajectory. Identifying staff in this category was noted to be a complicated process, but there was a clear iterative process to determine the 2* - 3* boundary consistently.

The Court decided:
(i) to note the report; and
(ii) to note that the University’s REF strategy and Code of Practice for managing staff would be presented to Court in June.

60. REMUNERATION COMMITTEE

The Court received a report from the meeting of the Committee on 26 March 2012 (Appendix 4). The Convener also provided a verbal report from the meeting which had taken place that morning (23 April 2012), where the Committee had discussed the review of Remuneration Committee’s processes and remit.

It was confirmed that a summary of discussions and recommendations would be produced for consideration at the next meetings of the Governance & Nominations and Human Resource Committees before being presented to Court for discussion in June.

The Court decided:
(i) to approve the report; and
(ii) to note that a full report on the review of Remuneration Committee’s processes and remit would be presented in June.
61. **AUDIT COMMITTEE**

The Court received a report from the meeting of the Committee on 6 March 2012 (Appendix 5). The Convener highlighted the development of a formal procedure for reporting incidents of data loss, and reported that internal audit reports had been received on: Review of Schools, Health & Safety, and Capital & Space Management. He also confirmed that a full investigation into an incident occurring at the Sir James Black Building was being carried out by a sub-group which would report its findings to the Audit Committee in May.

The Court decided: (i) to approve the formal procedure for data loss; and
(ii) otherwise to approve the report.

62. **UPDATE ON STUDENT RECRUITMENT**

A paper was provided by the Director of Student Operations updating Court on undergraduate application numbers for 2012/13. The paper also outlined the current position in relation to the recruitment cycle, highlighting the current Student Operations focus on maximising the conversion of offers to acceptances. In this respect, the University Secretary highlighted plans to invest in further marketing targeted toward Rest of UK (RUK) students, including the promotion of the result of the Times Higher Education Student Experience Survey.

The recruitment data were similar to those reported at the meeting of Court in February, showing that, when compared with the previous cycle there was a 1.8% increase in Scottish student application numbers, a decrease in RUK student applications of 11.4%, an increase in EU applications of 22%, and a 21.6% increase in overseas applications. At this stage in the cycle, it was difficult to predict the final outcomes. If conversion rates followed the patterns of previous years, some schools may be below their recruitment targets for RUK students, however it was noted that as a result of the introduction of the RUK student fee, the RUK applications received may be more serious and hence lead to higher conversion rates.

In response to questions, the University Secretary confirmed that further information regarding the fee status of students from Northern Ireland was being sought by Universities Scotland. He emphasised to Court the importance of a sector-wide approach to this issue, noting that further discussions on this topic would be taking place over the coming months.

In discussion, members of Court expressed concerns that there may be additional issues with students obtaining Visas in time for the start of the 2012/13 academic year due to the Olympics over the summer period. It was confirmed that the Director of Student Operations would be monitoring UK Border Agency issues closely.

The Court decided: to note the report.
63. **STRATEGIC FRAMEWORK – PROGRESS REPORT ON AIMS 1, 2 & 3**

The Court received a report, prepared and introduced by the Director of Strategic Planning, which set out the University’s performance in addressing the first three aims of the Strategic Framework to 2012. These aims were: 1) to attract high-achieving students; 2) to provide the best student experience; and 3) to increase postgraduate activity. The Director highlighted that student progression rates (key performance indicator (KPI) 3) had not improved, but that efforts to enhance the ability of graduates to compete in the labour market (KPI 2) appeared to be having an effect. Court members asked whether data for these two KPIs could be presented by College and School. They also expressed an interest in seeing KPI 3 data presented by the domicile of the student following the introduction of RUK student fees. The Director confirmed that this level of granularity was planned for the new University Strategy, but that meantime he would look at what was possible based on current data.

Court members were pleased to hear that taught postgraduate activity had achieved the increased targets set in 2009 (KPI 6), but noted that the environment would become increasingly challenging over the next few years. Concern was expressed at the reported low level of research postgraduate numbers given the University’s position as a research intensive institution. The Principal confirmed that this was something that the University Research Committee was actively addressing.

Court stressed the importance of ensuring that the targets within the strategy were embedded in the Objective-Setting & Review system. The Director confirmed that future performance indicators would be aligned and linked to goals and visions, and was being designed to provide this additional information.

**The Court decided:** to note the report.

64. **GOVERNANCE & NOMINATIONS COMMITTEE**

The Court received a report from the meeting of the Committee on 20 February 2012 (Appendix 6).

**The Court decided:** to approve the report.

65. **COMMUNICATIONS FROM THE SENATUS ACAEMICUS**

The Court received a report from the meeting of Senate on 28 March 2012 (Appendix 7).

**The Court decided:**

(i) to note the endorsement of Senate of the proposed revisions to the Charter (11.1), Statute 20 (Graduates’ Council), Ordinance 20 (Graduates’ Council) and Regulations that pertain to the Graduates’ Council of the University as discussed in Minute 51(2);

(ii) to approve the academic calendar for 2012/13; and

(ii) to otherwise note the report.
66. **STAFF**

(1) **Professorial and Other Grade 10 Staff**

The Court noted the appointment of the following:

Geoffrey Gooch  Personal Chair in Water and Environmental Policy  1 February 2012

(2) **Statute 16 – Grievance Procedures**

The Court decided: to approve the composition of a Committee, as set out below, to hear a grievance from an unnamed member of staff, noting that no member of the Committee was a member of staff from the same College as the member of staff bringing the grievance.

  Professor Doreen Cantrell (Convener)
  Mr Iain Wright (Lay Court Member)
  Professor Janet Hughes (Senate Nominee)

67. **HONORARY CHAPLAINS**

The Court decided: to approve the appointment of Deacon Charles Hendry as Honorary Roman Catholic Chaplain to the University, and Mr Mike Allardice as an Honorary Chaplain. Both appointments are for a period of three years, with effect from 1 May 2012.

68. **ELECTION OF MEMBER OF COURT BY NON-TEACHING STAFF**

The Court decided: to note that an election for Court membership by non-teaching staff would be held on 9 May 2012.
Graduates’ Association Regulations

(Note: Regulations made under Ordinance 20.)

1 The Secretary of the University shall maintain a register of members of the Graduates’ Association recording their full names, addresses, degrees and year of conferment of their first degree. This duty is disappplied to the extent that (1) such information may be unavailable; (2) any consent required by law or by any code of practice, etc of individuals is not forthcoming for any reason; (3) where compliance with this duty would breach data protection or other legislation, regulations or case-law.

2 The register may be consulted only by officers of the University and those delegated by them and to the extent, if any, permitted under data protection or other relevant legislation, regulations or case-law.

3 Notices of all meetings of the Association shall be advertised by the Secretary not less than ten weeks before the dates of the meetings. The notices shall call for nominations for any vacancies to be filled by election and for any other competent business for the meeting to reach the Secretary not less than four weeks before the dates of the meetings.

4 The papers for each meeting shall be available to all members of the Graduates’ Association not less than two weeks before the date of the meeting.

5 Twenty members of the Graduates’ Association shall form a quorum.

6 The Chairperson shall have a deliberative vote and in the case of an equality of votes the Chairperson shall also have a casting vote, provided that this Regulation shall not apply to votes for elections.

7 Every matter of business except where otherwise specially provided shall be determined by the majority of members present and voting on the matter.

8 The Chairperson shall determine all matters of competence and relevancy. When a point of order is raised the Chairperson shall rule at once. When the Chairperson’s ruling is challenged, the Chairperson shall ascertain the mind of the Association by a vote taken without debate.

9 The Chairperson shall have power to adjourn a meeting, provided that only unfinished business shall be transacted at an adjourned meeting.

10 The Graduates’ Association shall appoint a Business Committee with the following membership:
   a) The Graduates’ Association Assessors on the University Court (ex officio);
   b) The Convener of the Business Committee (ex officio);
   c) Eight members of the Association to be elected at the annual meeting of the Association;
   d) Such other persons not exceeding two in number, as may be co-opted from time to time by the Business Committee. Such persons shall usually, but not necessarily, be Graduates of the University as defined by Ordinance;
   e) The President of DUSA or his/her nominee;
   f) A member nominated by the Academic Council;

11 (1) The period of office of the elected members of the Business Committee shall be four years at the end of which they shall be eligible for re-election, but shall not hold office continuously for a period longer than eight years.

   (2) The period of office of members co-opted in terms of Regulation 10 shall be two years. Such co-opted members retiring shall be eligible for further co-option provided that no co-opted members shall serve continuously for more than four years in that capacity.

   (3) The maximum total continuous period of office of a person serving as an elected, nominated or co-opted member, or in a combination thereof shall be eight years. On expiry of their maximum period of office, such
persons shall not be permitted to seek re-election, be co-opted or nominated until a period of at least four years has elapsed from the date on which their membership ceases.

12 (1) The Business Committee shall at the meeting next before the annual meeting of the Association elect a Convener from those elected or co-opted to membership of the Business Committee in terms of sub-paragraphs c) and d) of Regulation 10, provided always that the Convener so elected shall be a Graduate of the University, as defined by Ordinance. The Convener shall begin a new term of office on the Committee and shall hold office for one year whereafter the Convener shall cease to be a member of the committee. The Convener shall be eligible for re-election but shall not serve continuously for more than four years in that office.

(2) If the member elected Convener would otherwise not be due to retire from the Business Committee at the next annual meeting of the Association, his or her election shall be deemed to create a vacancy, which may be filled by co-option.

(3) The Business Committee may at any time appoint a Vice-Convener from among its members. The period of office of the Vice-Convener shall be fixed by the Business Committee but shall not exceed the period for which the person appointed would otherwise have served as a member of the Committee.

(4) In the absence of the Convener and the Vice-Convener, if any, from any meeting a chairperson for the time being shall be elected by the meeting.

13 Two members of the Committee shall be elected each year. A casual vacancy may be filled by co-option at any meeting of the Business Committee and the person co-opted shall be a member for the unexpired period of office of his or her predecessor.

14 Elections for the Business Committee shall be held at the annual meeting of the Association. The Secretary shall invite nominations in the papers issued for the annual meeting. Nominations may be made by a proposer and seconder in writing accompanied by the candidate’s consent in writing and shall reach the Secretary before the hour of the annual meeting. Nominations duly proposed and seconded of persons present may also be made at the meeting. The election shall be by ballot on voting papers provided at the meeting. In the event of a tie the elections shall be decided by the drawing of lots.

15 Five members of the Business Committee shall form a quorum.

16 The Secretary of the University shall be responsible for providing secretarial services to the Business Committee.

17 The Business Committee shall deal with any matters on behalf of the Association and may act on behalf of the Association and report thereon to the Association. The Committee shall frame the programme of business to be submitted to the annual meeting of the Association subject to the addition of items received in terms of Regulation 3. The Business Committee shall have the power to establish a Chair’s Sub-Committee or other Sub-Committees to act on its behalf.

18 The Business Committee shall define the limits of the powers of the Sub-Committee which shall report on the exercise of the powers to the Committee.

19 When a vacancy is due to occur in the office of the Association’s Assessor on Court the Secretary of the University shall intimate this in the business paper for the annual meeting immediately preceding the annual meeting at which the election will take place. The vacancy shall also be advertised on the University’s web site.

Applications by Graduates of the University to be included on the list of candidates in the ballot shall be submitted to the Secretary of the University by 30th September preceding the annual meeting at which the election shall take place. Applications must be accompanied by a supporting statement, along with details of the degrees or diplomas held and the year obtained. Prior to the distribution of the list of candidates in the ballot, the candidates shall be invited to meet with the Convener and Vice-Convener of the Graduates Association Business Committee (or their nominees) and the two Graduates’ Council Assessors on Court (or their nominees) to discuss the criteria for the role and explore the attributes required to serve as a member of Court.

An electronic ballot form, containing the names and designations of candidates together with a photograph and supporting statement no longer than 250 words will be sent two months prior to the annual meeting in the name of the University Secretary. Information outlining the criteria for the role of Assessor on Court shall also be provided to the electorate at this time. For those without internet access, a postal vote will be available on request. In this event, online voting will no longer be available as an option. Voting will close at 12 noon on the
last working day preceding the date of the Annual Meeting and ballots will not be accepted after that deadline, nor at the Annual Meeting itself.

20 The Secretary of the University shall act as Returning Officer and a report of votes obtained through electronic voting will be made available to the meeting. Any additional votes obtained through postal ballot will be counted at the meeting and added to the total of electronic votes. The person receiving the highest number of votes will be declared elected. In the event of an equality of votes the Assessor shall be chosen by lot from among those persons receiving the same number of votes.

21 In any year in which no nomination for Graduates’ Association Assessor on Court comes forward by the deadline of 30th September preceding the annual meeting at which the election will take place, following consultation with the Secretary of the University, the Business Committee shall nominate a candidate who shall be appointed, subject to ratification by the University Court.

22 In the event of a casual vacancy for a Graduates’ Association Assessor occurring, following consultation with the Secretary of the University, the Business Committee shall nominate a candidate who shall be appointed as Assessor, subject to ratification by the University Court, for the remainder of the term falling vacant.

23 These Regulations may be suspended (except insofar as doing so would result in a breach of data protection or other legislation, regulations or case-law) by a resolution passed by a two-thirds majority of members present and voting.
Research Performance

The Senior Management Team (SMT) receives regular updates from Research & Innovation Services (RIS) on the University’s performance in securing research funding from research councils, charities, industry and other funding bodies. There has for some time been concern that in the difficult economic circumstances that we are experiencing, we would see profound effects on the levels of funding from these sources.

The most recent reports seen by the SMT tell a remarkable story. In almost every category of funding source, the University is maintaining its position, and overall the conservative predictions for 2011-12 are for total research funding awards of around £85m. Much of this figure is, of course, destined for projects lasting for some years, and so the issue has always been our capacity to sustain these research funding successes year on year. And the latest figures suggest we are doing this. This is great news, and I hope Court will join me in congratulating our Principal Investigators and RIS for their hard work and dedication. I have to say these successes also underscore the wisdom of our excellence agenda, since the vast majority of the project grants have been awarded in those areas where we have existing strength and quality.

Finance

Court will remember that at the meeting in February I signalled the SMT’s intention to support investment within those areas of strength in the University, as a means of both supporting the Research Excellence Framework, about which we will hear more later on the agenda, but also to cement our commitment to these areas into the future. Court was supportive of this approach, and the budget discussions currently ongoing are prioritising this kind of expenditure. This is crucially important, since it is only by investing in proven areas of excellence that the University will be able to achieve sustainability well into the future. Of course, the appointments that will flow from these investments need to be made as rigorously as possible: where excellence cannot be found, we will not make appointments. I look forward to being able to report over the next year on progress.

As I have said, the budget process is well underway; and later in the agenda, the Director of Finance will set out the current state of play as well as the final funding allocations from the Scottish Funding Council (SFC). In high-level terms, the final settlement from the SFC has brought with it significant gains for the main teaching grant, although these have been offset to a certain extent by reductions in funding for professional programmes, especially nursing, and by the withdrawal of the University’s wider access premium and part-time fee waiver funds. These latter changes signal the SFC’s emerging focus on regionalisation on the one hand and research concentration on the other. Hitherto, our strategy has always contained elements of both and this will mean we will have to think very carefully about the relative balance of these issues going forward. Both will be central features of our discussions with the SFC on the development of our outcome agreement; although we still await further details of the form these discussions will take.

University Strategy

Court will be aware that work is well underway on the development of a new University Strategy. This will provide a distinctive and compelling statement of ambition and vision for the University, together with a clear view of our aims and objectives over the next six years. This high-level strategy will be complemented by nine supporting strategies, each covering an essential theme – such as Research, Employability or Information – and containing a focused agenda that will be pursued by a dedicated Committee.

The suite of strategy documents is completed by a set of Operating Plans for each of the ‘business units’ of the University – Colleges, Schools and Directorates. These are rolling three-year plans. The University Strategy will be underpinned by a new Performance Management Framework. Part of the June and September Court Agendas will be devoted to consideration of the overall University Strategy document.

One of the supporting strategies mentioned above, internationalisation, has lacked dedicated leadership since the departure of Professor Anne Anderson. Up to now, I have been providing direction to the team across the University busy developing initiatives under this banner, but it is clear that I cannot continue to do so. Professor Margaret Smith, our Dean of Nursing, has relevant experience in this area, not least as a result of the very successful collaborations in nursing with East Africa, and she has agreed to lead this area of work for the
University. I shall be appointing her as Deputy Principal in accordance with the principles for appointment approved by Court at its meeting on 12 December 2011; and I invite the Court to endorse the appointment.

Over the next month, Professor Smith will be getting to grips with the new brief and developing a comprehensive strategy for our internationalisation efforts and it is hoped that a detailed paper can be brought to the Court meeting on 11 June 2012. She and I will also be exploring how best to ensure her work is both plugged in appropriately to the decision-making bodies of the University and articulates properly with the research and learning & teaching strategies in particular.

**Asset Management for Renewable Energy**

As Court members will doubtless be aware, the Scottish Government has put great emphasis on Scotland’s potential role as a leader in the development of renewable energy technologies. The University of Dundee is keen to play a role in these developments. Strathclyde is forging ahead on the technical side particularly in light of its securing a technology innovation centre for the renewable industry. Dundee, nevertheless, has expertise in a range of areas linked to offshore renewables, for example in designing subsea structures or in providing regulatory and legal advice. There is an opportunity to create a niche area of ‘asset management for renewable energy’, bringing together established strengths within the universities. The University is currently undertaking a feasibility assessment, led by Professor Rod Jones of the School of Engineering, Mathematics and Physics, to identify activities in research and learning and teaching along with the sources of funding to enable them to be initiated and to flourish. Discussions have also taken place with colleagues at the University of Aberdeen on suitable projects for collaboration in this area. I look forward to updating Court on these plans as they progress.

...and finally

Court will be pleased to know that the work to refurbish, expand and modernise the mortuary facilities in the Centre for Anatomy & Human Identification is reaching completion. The new facilities will enable the University to take the lead in the development of the Thiel embalming method (a method which members may remember provides a more lifelike experience for our medical and life sciences students). This presents significant scope for the enhancement of anatomy teaching (at undergraduate and postgraduate levels) and for Professor Black’s forensic anthropology casework, as well as providing a new world of exciting research opportunities in the development of surgical techniques.

Professor Pete Downes  
Principal & Vice Chancellor
Senior Management Team Meetings (SMT)
http://www.somis.dundee.ac.uk/court/com/smt/welcome.htm

Since the last report to the Court, the Senior Management Team has met as follows: 29 February, 14 and 28 March, and 4 and 11 April 2012; it considered a number of issues, including the following:

- Strategic Investments
- 2012-13 Budget Round
- University Strategy
- Learning & Teaching Strategy
- Research Funding Performance
- Internal Framework for Engagement with the REF
- Proposals to Collaborate with a School in Greece on the delivery of teacher education
- SFC call for bids for Innovation Centres
- University Engagement in Offshore Renewables
- Human Resources Issues:
  - Objective Setting and Review
  - Probationary Process for new lecturers
  - Possible Industrial Action in March
  - Voluntary Severance Cases
  - Athena SWAN
- Management Accounts
- Honorary Professor Appointments
Major Grants and Awards

- **£8.7m from the Wellcome Trust to Professor Paul Wyatt** for Discovery and Development of Drug Candidates for Neglected Diseases (Joint with Glaxo SmithKline);
- **£5.6m from the Wellcome Trust to Professor Doreen Cantrell** for Serine Kinase Pathways that Determine T Lymphocyte Activation and Cell Fate Choices (Principal Research Fellowship Renewal);
- **£3.8m from the Wellcome Trust to Professor Tomo Tanaka** for Molecular Mechanisms Regulating the Kinetochore-Microtubule Interaction in Mitosis (Principal Research Fellowship);
- **£2.1m from European Framework 7/European Research Council to Professor Roland Wolf** for REDOX: Reporter Models for the Evaluation of Diseases Involving Oxidative Stress;
- **£1.7m from the Wellcome Trust to Professor Julian Blow** for Understanding the Cellular Response to Replication Inhibition (Senior Investigator Award);
- **£1.2m from the Wellcome Trust to Professor Graham Hardie** for Non-canonical Pathways for Regulation of AMPK (Senior Investigator Award);
- **£0.6m from the Medical Research Council to Professor John Hayes** for Pivotal Role of the Keap1-Nrf2 Pathway in the Pathogenesis and Prevention of Non Alcoholic Steatohepatitis Induced Cirrhosis;
- **£0.4m from the Engineering & Physical Sciences Research Council to Dr Sandra Wilson** for IMPRINTS Identity Management: Public Responses to Identity Technologies and Services (Joint with Loughborough, Essex and Northumbria Universities)

People and Prizes

- Dr Gemma Webster, recent PhD graduate, has been named as one of three winners of the Research Councils UK ‘Telling Tales of Engagement’ Competition, receiving a prize of £10,000 to promote software to help improve the care of people with dementia;
- Alasdair Taylor, Grant Herron and Kirsty Nicholson, all students of Jewellery and Metal Design at DJCAD, have been awarded prizes by the Association for the Study of Medical Education in a competition to design a medal for award annually to an outstanding scientist; Alasdair and Grant were each first-prize winners in their category;
- Dr Neil Burford and Joseph Thurrott from the School of the Environment have been named as the winners of the College of Arts & Social Sciences Award for Innovation in Teaching and Lynne Boyle of the School of Education, Social Work & Community Education received the Award for Excellence in Teaching.
- Eilish McColgan and Gavin Robertson were awarded the Sportswoman and Sportsman of the Year Trophies respectively at the Sports Union’s annual Blues and Colours awards ceremony in March; in total 51 colours, 6 half-blues, 5 full blues and 22 merit awards were presented at the event.
- A team of students from the University of Dundee (Matt Pendelton, 3rd Year Medicine; Michael Crabb, 2nd Year PhD Computing; Naomi McIlvenny, BMSc Anatomical Sciences; Emily Price-Thomas, 2th Year Medicine; Adam Williamson, 4th Year Medicine; and Sharandeep Singh, 2nd Year Medicine) have won the Best Educational Innovation prize at FastForward, a UK-wide competition and conference held to promote entrepreneurial skills and innovation in health care, which took place in Manchester.
- Muhammad Sadiq (PhD student in Mechanical Engineering) and a team comprising Wen Ling Choon (UG Medicine), Anna Rzepczynski and Lucy Robertson (both UG Textiles) have shared the 2012 Venture Programme competition, Muhammad for a drug delivery system and Choong, Anna and Lucy for an infection-proof bag for ward doctors.
- Four graduates from Duncan of Jordanstone have won prizes at the New Contemporaries exhibition at the Royal Scottish Academy: Louise Pearson (RSA Art Prize), Emma McGregor (RSA Carnegie Scholarship), Lisa Birch (RSA Landscape Award), and Suzanne Clark (RSA Chalmers-Jervise Prize).
APPENDIX 3
FINANCE & POLICY COMMITTEE
(Minute 55)

A meeting of the Committee was held on 26 March 2012.

Present: Mr R Burns (Convener), Professor SM Black, Mr IA Kennedy (President, Students’ Association), Dr J Lowe, Dr AD Reeves, Mr EF Sanderson.

In Attendance: University Secretary; Dean of Education, Social Work & Community Education (item 5); Director of Finance; Director of External Relations (items 5 &6); Director of Campus Services; Director of Information Services and Policy Officer (Corporate Governance).

Apologies: Principal Professor CP Downes, Dr H Marriage, Mr KA Richmond, Mr IDM Wright.

1. MINUTES

Resolved: to approve the minutes of the meeting on 23 January 2012.

2. MATTERS ARISING

Changes to Vat for those holding charitable status

The Director of Finance provided a paper outlining VAT changes in relation to cost sharing groups. New legislation allowed VAT exempt organisations to set up cost sharing groups and pool their resources into new companies - which would then provide services back to the organisations without the barrier of VAT being added to the service charge. The Director reported that these changes had also been discussed at the Scottish Universities Finance Directors Group meeting. While the group had noted that the changes removed a barrier to shared service provision, it was felt that significant savings were likely to be difficult to achieve. Shared IT service and Audit service provision were discussed as two areas that had potential for exploration.

Resolved: to note the report

3. MANAGEMENT ACCOUNTS – PERIOD 7

The Director of Finance reported on the management accounts for the period to 29 February 2012. These showed an operating surplus of £4.3m to the end of period 5, a favourable variance of £3.4m compared with the phased budget. The year-end forecast was for an operating surplus of £2.0m, representing a favourable variance of £1.8m. After projected VS costs of £0.3m and gain on disposals of £1.1m, a bottom line surplus of £2.8m was forecast. This was noted to be equivalent to less than 1% of income against a target of a 3% surplus. Capital expenditure of £12.6m was forecast for the year, but several projects had experienced a delay leading to these costs appearing in projections for the next financial year. Total borrowings were forecast to remain at £8.5m through to the year end. A review of the process for phasing of the budget would be undertaken for the budget year 2012-13.

The Director highlighted a significant improvement in cash generation but also in net liabilities. The Committee agreed that investment returns might be maximised through improvement of the cash forecasting process and opportunities to do so should be investigated further.

In discussion of the treasury report, the Director drew the Committee’s attention to the level of foreign currency being held which may change in future months (see minute 8 below) and to the proposed revisions to counterparty exposure.

Resolved: (i) to endorse the need to look at re-phasing the budget; and

(ii) otherwise to note the accounts
4. **SUBSIDIARIES & ASSOCIATE COMPANIES**

   (1) **Six Month Accounts**

   The Committee received half-year results for the following subsidiary and associate companies:

   - AMCET Ltd
   - Dundee University Press Ltd
   - Dundee University Project Management Ltd
   - Dundee University Utility Supply Company Ltd
   - University of Dundee Nursery Ltd
   - Dundee University Incubator Ltd

   **Resolved:** to note the results.

5. **PROPOSAL FOR COLLABORATIVE AGREEMENT WITH THE COSTEAS-GEITONAS SCHOOL (CGS), ATHENS**

   The Dean of the School of Education, Social Work & Community Education introduced a paper outlining the business case, academic case and financial overview for a collaborative agreement between the University of Dundee and the Costeas-Geitonas School (CGS) in Athens. Under the agreement, the Undergraduate BEd would be delivered in Athens by staff from the School of Education, Social Work & Community Education. The proposal represented part of the School’s plan for diversification following significant Government cuts to the Scottish programme of teacher training. The Dean highlighted the synergy between the proposed collaboration and the existing Masters of Education programme which had been recognised as meeting the international Baccalaureate Teacher Awards requirements.

   Staff from the School of Education, Social Work & Community Education had visited CGS twice and the Finance Office, Research & Innovation Services, and staff from Policy, Governance and Legal affairs (the Director of Quality Assurance and Director of Legal Services) had been consulted during the creation of the business plan. The Dean confirmed that the plans took account of the current economic situation in Greece, and included a risk assessment which identified key time-points and milestones for decisions required to minimize risk. The proposed agreement contained an annual option to wind-down the project, with the worst-case financial risk to the University estimated to be £150,000. An annual income from the venture of approximately £300,000 was predicted in steady state. The Dean also confirmed that contingencies were in place to cater for students in the programme in the eventuality of the project not meeting its targets.

   The University Secretary summarised University Senior Management Team (SMT) discussions of the proposal at its meetings on 29 February 2012 and 14 March 2012. SMT had recognised that the School had responded to encouragement to be entrepreneurial in light of recent Government cuts, and had expressed similar concerns as the Committee: the importance to the success of the business model of meeting student recruitment targets and risks associated with the state of the Greek economy.

   In response to questions the Dean confirmed that a high demand for the programme in both Greece and the rest of Europe was anticipated, and that the state of the Greek economy was not expected to have significant impact on this demand. It was also noted that the CGS had invested significantly in improving its infrastructure, and considered the collaboration as a strategic advancement from its current delivery of CPD in this area.

   **Resolved:** to commend and endorse to Court the proposal, noting the importance of taking decisions on the future of the collaboration at an early stage if student numbers targets were not reached and keeping the condition of the Greek economy under regular review.

6. **REPORT ON PROGRESS OF FUNDRAISING CAMPAIGNS**

   The Director of External Relations provided a report on the progress of the three current fundraising priorities: the £12.5m Centre for Translational and Interdisciplinary Research (CTIR); the £10.8m refurbishment of the medial school at Ninewells; and the £2m new mortuary facilities for the Centre for Anatomy and Human Identification (CAHId). The CTIR project had almost reached its £2.5m fundraising target, with a remaining funding gap of £232k and further applications totalling £297k submitted to Trusts and Foundations. The Ninewells refurbishment campaign (fundraising target of £4.5m) had a remaining funding gap of £1,737,040, the majority of which was being sought from
individual donations. The £2m CAHId project (including Million for a Morgue) had a remaining funding gap of £389k from a £500k fundraising target, although it was noted that the campaign was gathering momentum.

The Director also provided an overview of the underlying fundraising strategy, highlighting that they were focussed on supporting core business such as the University’s capital programme. In the past fundraising had focussed on a small number of Trusts and Foundations, but the Director confirmed that as part of a revised strategy this list was being expanded and major individual donations were also now being cultivated. A systematic approach to fundraising ensured competition between projects was minimised while maximising potential income.

In response to questions, the Director acknowledged that significant work was required to cultivate some of the high-value donations sought, however she was confident that progress could be made. The recent successes of the annual telephone campaign were commended by the Committee.

Resolved: to note the report, congratulating those involved on the significant progress made, particularly in relation to the CTIR development.

7. REPORT ON ENDOWMENTS

The Director of Finance presented a review of endowments. The paper outlined the types of endowments held, the financial value of these endowments, and the potential to use endowments to fund capital investment. The Director confirmed that it would be difficult to use money held as endowments as capital, as most were for small amounts with each being subject to a variable range of restrictions.

Resolved: to note the report

8. ANNUAL REVIEW OF TREASURY POLICY

The Director of Finance presented a review of treasury activity over the last 12 months. The review included proposed revisions to the Treasury Management Policy (annex) aimed at ensuring the policy remained relevant for continued application.

The Director highlighted two areas of the review – cash forecasting and exchange rate exposure. It was noted that more accurate forecasting of cash balances would allow treasury activity to achieve greater returns by making investments for longer. Exposure to the Euro was noted to have increased over the last 12 months as a result of higher levels of EU funding being achieved, but the policy outlined an approach to eliminating that exposure.

Resolved: to recommend to Court that it approve the amended policy

9. ESTATES & BUILDINGS REPORT

Estates Progress Report

The Director of Campus Services introduced his routine report to the Committee. In doing so, he highlighted the recent launch of an energy awareness campaign. He also confirmed that the new energy monitoring system was currently out to tender and that a paper proposing procurement of a 4th CHP engine had been delayed to allow further investigation of potential tax implications and life-cycle costing.

An update on the progress of current capital works projects was also provided. Phase 2 of the Ninewells Library & Teaching Accommodation project was now underway, and designs for phase three were being evaluated. Updates on the Duncan of Jordanstone projects, the Centre for Anatomy & Human Identification and Centre for Transitional & Interdisciplinary Research were provided.

Resolved: to note the report.
1. Introduction

This document sets out the policies, practices and objectives of the University’s treasury management activities, as approved by the Finance and Policy Committee.

The University defines its treasury management activities as:

- The management of the University’s investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.

- The University regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the University.

- The University acknowledges that effective treasury management will provide support towards the achievement of its business objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management.

This policy is specific to cash management and therefore excludes the management of the permanent endowment assets which is managed separately by the Endowment Committee which is a sub-committee of Finance and Policy Committee. Any cash balances held by the University in relation to the permanent endowments assets and the capital associated with any expendable endowments will be managed as part of the overall University’s cash balance and will therefore be covered by this policy and not the Endowment Committee.

The core principles the University will follow when investing money are:

- to make deposits secure;

- to ensure they have sufficient liquidity for their daily demands;

- to produce the highest return, once the first two considerations have been met.

No treasury management activity is without risk and therefore defining the level of acceptable risk is essential. The treasury policies are designed to minimise the risk of capital loss but cannot eliminate it entirely.

2. Risk Management

The Director of Finance will design, implement and monitor all arrangements for the identification, management and control of treasury management risk, will report at least annually on the adequacy/suitability thereof to the Finance and Policy Committee, and will report to the Finance and Policy Committee, as a matter of urgency, the circumstances of any actual or likely difficulty in achieving the University’s objectives in this respect. In respect of each of the following risks, the arrangements which seek to ensure compliance with these objectives are set out in Schedule A.

2.1 Credit risk management

The risk of failure by a counterparty to meet its contractual obligations to the University under an investment, borrowing, capital, project or partnership financing, particularly as a result of the counterparty’s diminished creditworthiness, and the resulting detrimental effect on the University’s capital or current (revenue) resources.

_The University regards a key objective of its treasury management activities to be the security of the principal sums it invests. Accordingly, it will ensure that its counterparty lists and limits reflect a prudent attitude_
towards organisations with whom funds may be deposited, and will limit its investment activities to the instruments, methods and techniques listed in Schedule A: 1.1. The list will be reviewed on an ongoing basis by the Director of Finance and at least annually by the Finance and Policy Committee.

The Finance Director will have the power to temporarily remove (and then to reinstate) any counterparty if any current issues should result in doubts over that counterparty’s ability to repay funds.

2.2 Liquidity risk management

The risk that cash will not be available when it is needed, that ineffective management of liquidity creates additional unbudgeted costs, and that the University’s business objectives will be thereby compromised.

The University will ensure it has adequate though not excessive cash resources, borrowing arrangements, overdraft or standby facilities to enable it at all times to have the level of funds available to it which are necessary for the achievement of its business objectives. Funds available to the University are listed in Schedule A: 1.2.

2.3 Interest rate risk management

The risk that fluctuations in the levels of interest rates create an unexpected or unbudgeted burden on the University’s finances, against which the University has failed to protect itself adequately.

The University will manage its exposure to fluctuations in interest rates with a view to containing its interest costs, or securing its interest revenues while maintaining the security of the invested funds. It will achieve this by the prudent use of its approved financing and investment instruments, methods and techniques, primarily to create stability and certainty of costs and revenues but at the same time retaining a sufficient degree of flexibility to take advantage of unexpected, potentially advantageous changes in the level or structure of interest rates.

2.4 Exchange rate risk management

The risk that fluctuations in foreign exchange rates create an unexpected or unbudgeted burden on the University’s finances, against which the University has failed to protect itself adequately.

The University will manage its exposure to fluctuations in exchange rates so as to minimise any detrimental impact on its budgeted income/expenditure levels. The University will normally only retain funds in currencies to the extent that payments are due to be made in these currencies. This will be reviewed quarterly and any currency balances surplus to requirement will be transferred into sterling at the best rate achievable at that time. Further details are set out in Schedule A: 1.3.

2.5 Refinancing risk management

The risk that maturing borrowings, capital, project or partnership financings cannot be refinanced on terms that reflect the provisions made by the University for those refinancings, both capital and current (revenue), and/or that the terms are inconsistent with prevailing market conditions at the time.

The University will ensure that its borrowing, private financing and partnership arrangements are negotiated, structured and documented, and the maturity profile of the monies so raised are managed, with a view to obtaining offer terms for renewal or refinancing, if required, which are competitive and as favourable to the University as can reasonably be achieved in the light of the market conditions prevailing at the time.

It will actively manage its relationships with its counterparties in these transactions in such a manner as to secure this objective, and will avoid over reliance on any one source of funding if this might jeopardise achievement of the above.

2.6 Legal and regulatory risk management

The risk that the University itself, or an organisation with which it is dealing in its treasury management activities, fails to act in accordance with its legal powers or regulatory requirements, and that the University suffers losses accordingly.

The University will ensure that all of its treasury management activities comply with its statutory powers and regulatory requirements.
2.7 Fraud, error and corruption, and contingency management

The risk that the University fails to identify the circumstances in which it may be exposed to the risk of loss through fraud, error, corruption or other eventualities in its treasury management dealings, and fails to employ suitable systems and procedures and maintain effective contingency management arrangements to these ends.

The University will ensure that it has identified these circumstances and has taken the appropriate action, including the provision of appropriate and adequate internal controls and insurance cover. These activities will be reviewed on a regular basis as part of the internal audit plan.

2.8 Market risk management

The risk that, through adverse market fluctuations in the value of the principal sums the University borrows and invests, its stated treasury management policies and objects are compromised, against which effects it has failed to protect itself adequately.

The University will seek to ensure that its stated treasury management policies and objectives will not be compromised by adverse market fluctuations in the value of the principal sums it invests, and will accordingly seek to protect itself from the effects of such fluctuations.

2.9 Covenant breach risk

The risk that the University fails to meet terms set by lenders which leads to default of loans and the resulting withdrawal of credit facilities.

The University will monitor its loan covenant compliance on an ongoing basis appropriate to the risk. The Director of Finance will report annually to Finance and Policy on this as part of the annual treasury management report. The University will seek to minimise the security requirements of new debt and maximise the opportunity of the existing debt portfolio.

2.10 Inflation risk management

The risk that the University experiences a reduction in the real value of its monetary assets due to increases in the general level of prices for goods and services it consumes on a regular basis

The Director of Finance will monitor the potential impact of inflation and will report annually to the Finance and Policy Committee on the likely impact of inflation and any mitigation strategies that have been followed.

3. Decision Making and Analysis

The University will maintain full records of its treasury management decisions, and of the processes and practices applied in reaching those decisions, both for the purposes of learning from the past and for demonstrating that reasonable steps were taken to ensure that all issues relevant to those decisions were taken into account at the time.

4. Approved Instruments, Methods and Techniques

The University will undertake its treasury management activities by employing only those instruments, methods and techniques detailed in Schedule A and within the limits and parameters approved by the Finance and Policy Committee.

5. Organisation and Segregation of Responsibilities

The University considers it essential for the purposes of the effective control and monitoring of its treasury management activities, for the reduction of risk of fraud or error, and for the pursuit of optimum performance, that these activities are structured and managed in a fully integrated manner, and that there is at all times clarity of treasury management responsibilities. The principle on which this will be based is a clear distinction between those charged with setting treasury management policies and those charged with implementing and controlling these policies, particularly with regard to the execution and transmission of funds, the recording and administering of treasury management decisions, and the audit and review of the treasury management function.
The Director of Finance will ensure that there are clear written statements of the responsibilities for each post engaged in treasury management and the arrangements for absence cover. These are set out in Schedule B. The Director of Finance will also ensure there is proper documentation for all deals and transactions, and that procedures exist for the effective transmission of funds.

6. Reporting Requirements and Management Information

The Finance and Policy Committee will as a minimum receive an annual report, covering:

- the strategy and plan to be pursued in the coming year;
- the performance of the treasury management function during the year, including the reasons for and the effects of any changes to the strategy set at the beginning of the year;
- the performance of any external service providers.

Further details are set out in Schedule B.

7. Accounting and Audit Arrangements

The University will account for its treasury management activities in accordance with appropriate accounting practices and standards, and with statutory and regulatory requirements in force for the time being.

The University will ensure that its auditors and any other bodies charged with regulatory review have access to all information and papers supporting the activities of the treasury management function as are necessary for the proper fulfilment of their roles, and that such information and papers demonstrate compliance with external and internal policies and approved practices.

8. Cash and Cash Flow Management

The Director of Finance will have responsibility for the cash management of the University and its subsidiaries as defined under this policy.

The Treasury Manager will prepare a weekly funds report detailing bank balances, deposits and borrowings and provide commentary on significant transactions.

Cash flow projections will be prepared on a regular and timely basis, and the Finance Director will ensure these are adequate for the purposes of monitoring compliance with treasury management practice on liquidity risk management.

9. Investments

The Director of Finance together with the Director of Research and Innovation Services (RIS) will have responsibility for the management of investments in spin-out companies. The Director of Finance and the Director of RIS will report annually to Finance and Policy on the University’s interests in spin-out companies, associates and subsidiary companies.

The Director of Finance will have responsibility for the management of all other investments. The investments in Government bonds inherited from the mergers of Duncan of Jordanstone Art College and Northern College will be redeemed as they fall due.

10. Money Laundering

The University is alert to the possibility that it may become the subject of an attempt to involve it in a transaction involving the laundering of money. Accordingly, it will ensure that staff involved in this are properly trained and fully aware of the University’s Fraud Prevention Policy.

11. Staff Training and Qualifications

The University recognises the importance of ensuring that all staff involved in the treasury management function are fully equipped to undertake the duties and responsibilities allocated to them. It will, therefore, seek to appoint individuals who are both capable and experienced and will provide training for staff to enable them to acquire and maintain an appropriate level of expertise, knowledge and skills. The Director of Finance will recommend and implement the necessary arrangements. For approved qualifications and training courses see Schedule D.
12. **Use of External Service Providers**

The University recognises the potential value of employing external providers of treasury management services, in order to acquire access to specialist skills and resources. When it employs such service providers, it will ensure it does so for reasons which will have been submitted to a full evaluation of the costs and benefits. It will also ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review. It will further ensure, where feasible and necessary, that a spread of service providers is used to avoid over reliance on one or a small number of companies. Where services are subject to formal tender or re-tender arrangements, the University’s Procurement Policy will always be observed.

Where external service providers are appointed with the responsibility for day-to-day treasury matters the University will retain full responsibility for the safeguarding of its funds and setting the treasury strategy.

13. **Banking Arrangements**

The University recognises the importance of ensuring effective control over its bank accounts. All funds due to the University are deposited in accounts with the University’s main bank unless otherwise approved by the Director of Finance. Banking arrangements will be subject to periodic review.
Treasury Management Policy

1. Risk Management

1.1 Credit and Counterparty Lists

The University regards a prime objective of its treasury management activities to be the security of the principal sums it invests. Accordingly, it will ensure that its counterparty lists and limits reflect a prudent attitude towards organisations with whom funds may be deposited.

The Director of Finance is responsible for monitoring the credit standing of approved counterparties. Where he/she has reason to believe that a counterparty’s credit standing is or may become impaired he/she should apply lower limits than set out in this schedule or cease to use them. Any change to the counterparty list should be advised to the Finance and Policy Committee.

All counterparties must have a minimum short-term rating of F1 from Fitch and A1 from Standard & Poor’s. These ratings will be reviewed at least quarterly for institutions in which funds are held and before any new funds are deposited. In addition to credit ratings, relevant information from financial advisors and the media will be taken into consideration.

With the exception of Royal London Cash Management, no deposits should be committed for a period in excess of 12 months.

As the University’s main facility is a rolling credit facility the policy is to minimise this facility whilst maintaining sufficient funds are always available to meet any short term liquidity needs. In the event that there are funds to deposit, the Director of Finance is authorised to deposit surplus funds of the institution with any of the organisations listed below to ensure achievement of the best net returns available.

The approved counterparty list is as follows:

<table>
<thead>
<tr>
<th>Counterparties</th>
<th>Limits</th>
<th>Account Type</th>
<th>Time Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>University’s main bankers – Royal Bank of Scotland</td>
<td>£20 m 50%</td>
<td>Special interest bearing account</td>
<td>Overnight</td>
</tr>
<tr>
<td>University’s main bankers – Barclays</td>
<td>£20 m 50%</td>
<td>Fixed term deposits</td>
<td>Up to 12 months</td>
</tr>
<tr>
<td>Royal London Cash Management</td>
<td>£15 m 30%</td>
<td>Certificates of deposit &amp; interest bearing bank accounts</td>
<td>Up to 2 years</td>
</tr>
<tr>
<td>Lloyds Banking Group (including Bank of Scotland)</td>
<td>£15 m 30%</td>
<td>Fixed term deposits</td>
<td>Up to 12 months</td>
</tr>
</tbody>
</table>

Royal London Cash Management (RLCM)

RLCM are permitted to invest in deposits and certificates of deposit with banks and building societies on an approved Credit List with a maximum limit of £1 million in any one name. RLCM may also invest an unlimited amount in UK Treasury Bills. The Credit List includes UK and non-UK Banks which must have a minimum Standard & Poor’s short-term credit rating of A1. RLCM are permitted to invest up to £2 million for periods of up to 2 years; in practice, the majority of deposits are for 3 months.

RLCM acts as agent for the University. The Portfolio of investments is the property of the University and HSBC Bank acts as Custodian of the Portfolio holding all instruments or documents of title on behalf of the University. All cash transactions between the University and RLCM are credited or debited to Royal London Cash Management Client Trust Settlement Account with HSBC Bank on a same day basis. RLCM are not liable for any fraud or insolvency of the Custodian (HSBC) or our own Bankers therefore there is a low risk in respect of monies transferred to and from the Client Trust Settlement Account.
The University maintains a detailed list of RLCM transactions which is summarised for the Director of Finance as part of the weekly funds report.

The limits set out above may be amended only with approval of the University’s Finance and Policy Committee.

1.2 Liquidity

The University maintains an effective cash and cash flow forecasting and monitoring system which identifies the extent to which the University is exposed to the effects of potential cash flow variations and shortfalls on a daily basis.

The University currently has access to the following borrowing facilities.

<table>
<thead>
<tr>
<th>Notice Period</th>
<th>Source</th>
<th>Funding Type</th>
<th>Facility Limit</th>
<th>Interest Rate</th>
<th>Review Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>2-Day Access</td>
<td>Barclays plc</td>
<td>Revolving Credit Facility</td>
<td>£25 million</td>
<td>Base + 1.25%</td>
<td>Jan 2012</td>
</tr>
<tr>
<td>Instant Access</td>
<td>Barclays plc</td>
<td>Overdraft</td>
<td>£9 million</td>
<td>Libor + 1.25%</td>
<td>Feb 2010</td>
</tr>
<tr>
<td>2-Day Access</td>
<td>Royal Bank of Scotland</td>
<td>TMRC Credit Facility</td>
<td>£8.5 million</td>
<td>Libor + 1.25%</td>
<td>Jun 2014</td>
</tr>
</tbody>
</table>

As the University’s main facility is a rolling credit facility the policy is to minimise this facility whilst maintaining sufficient funds are always available to meet any short term liquidity needs. This is need is met through holding funds within the current/overnight account with the University’s main banker (Royal Bank of Scotland) and through the following Instant Access deposit facility.

<table>
<thead>
<tr>
<th>Notice Period</th>
<th>Source</th>
<th>Funding Type</th>
<th>Minimum Total Deposit Level</th>
<th>Facility Limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instant Access</td>
<td>Royal London Cash Management</td>
<td>Certificates of Deposit</td>
<td>£1 million</td>
<td>Maximum deposits held: £15 million</td>
</tr>
</tbody>
</table>

1.3 Exchange Rate Exposure Policy

The University’s policy is to minimise exposure to exchange rate fluctuations. The University aims to conduct all transactions in GBP as its base currency and the currency which reflects the vast majority of its costs base. There will however be exceptions, such as EU research contracts, whereby the University will need to conduct transactions in other currencies.

The University does not operate any currency hedging arrangements. This is primarily due to the nature of many of these contracts that makes it difficult to predict the amount and timing of receipts with the necessary level of certainty. The University does maintain Euro and US Dollar accounts and where possible these will be used to match payments and receipts.

The main currency risk is within the area of research and commercial research contracts. The University has in place a policy (Schedule C) to monitor such contracts on an ongoing basis and thereby aim to minimise any adverse currency exposure.

Currency receipts, other than Euros and US Dollars, are converted into sterling upon receipt. Deposits of Euros and US Dollars are retained where appropriate to cover anticipated currency payments. The balances on these bank accounts are reviewed on a quarterly basis and any currency in excess of £500k plus known commitments is then translated into GBP.

The Director of Finance is authorised to buy and sell currencies with any of the organisations listed below.
<table>
<thead>
<tr>
<th>Institution</th>
<th>Limits</th>
</tr>
</thead>
<tbody>
<tr>
<td>University’s Bankers</td>
<td>$10 million</td>
</tr>
<tr>
<td></td>
<td>Euro 5 million</td>
</tr>
<tr>
<td>Other UK Clearing Banks and approved counterparties (see 1.1)</td>
<td>$5 million</td>
</tr>
<tr>
<td></td>
<td>Euro 3 million</td>
</tr>
<tr>
<td>Financial Brokers (Registered by the FSA)</td>
<td>$5 million</td>
</tr>
<tr>
<td></td>
<td>Euro 3 million</td>
</tr>
</tbody>
</table>

The limits set out above may be amended only with approval of the Finance and Policy Committee.

1.4 Refinancing

In the event that the University need to either renew existing borrowing facilities or obtain new facilities, the Director of Finance will report to the Finance and Policy Committee to explain the basis of any such requirement. Once approved in principal the Director of Finance, along with the University’s financial advisors, will conduct an appropriate process with potential funders to secure the best terms for the University. Any arrangements are subject to final review and approval by the Finance and Policy Committee as defined in the Schedule of Delegation.
Treasury Management Policy

Administration

1. Tendering

The Director of Finance will review regularly the quality and cost of banking services and if deemed necessary will seek Finance and Policy Committee’s approval for a tender exercise in respect of these services.

The tender process will be that normally followed by the University, contained within its Financial Regulations and Procurement Policy. The Finance and Policy Committee is responsible for the appointment of the service provider on the recommendation of the Director of Finance.

2. Performance Measurement

Cash deposits will be reported at each month end showing amount, counterparty, period and interest rate. The report will also include interest rates offered by other approved banks.

3. Organisation and Segregation Of Responsibilities

3.1 Finance and Policy Committee

- To agree to University’s borrowing strategy.
- Approval of and consideration of amendments to the University’s treasury management policy and practices.
- To review borrowing requirement and approve borrowing facilities.
- To receive and review the annual treasury report and any interim reports as deemed necessary.

The Director of Finance will provide an annual treasury report which will cover the following:

- Commentary on treasury operations for the year.
- Cash flow compared with budget and commentary on variances.
- Annual financial strategy for the next financial year.
- Proposed amendments to the treasury management policy statement.
- Matters in respect of which the treasury management policy statement has not been complied with.
- Analysis of currently outstanding loans, deposits and investments by instrument, counterparty, maturity and interest rollover period.

3.2 Director of Finance

The Director of Finance is authorised, subject to the provisions of the policy statement, to:

- Recommend the treasury management policy and practices for approval, reviewing the same regularly and monitoring compliance.
- Receive and review management information reports and to provide at least annually a treasury report to Finance and Policy Committee.
- Review the performance of the treasury management function and promote best value reviews.
- Ensure the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function.
- Recommend the appointment of external service providers.
- Approve the deposit of surplus funds with counterparties other than overnight with the University’s main bankers or Royal London Cash Management.
- Ensure the revolving credit facilities are operated within the limits agreed by the Finance and Policy Committee.
- Operate foreign bank accounts to the extent that they are necessary to facilitate the operational activities of the University.
3.3 Financial Controller

The Financial Controller will:

- Receive and review weekly fund reports.
- Manage treasury management resources and skills, and the effective division of responsibilities within the treasury management function.
- Supervise treasury management staff.
- Identify and recommend opportunities for improved practices.
- Authorise the execution of transactions in accordance with loan covenants and University payment policy procedures.
- Provide cover for the Treasury Manager.

3.4 Treasury Manager

The Treasury Manager will:

- Execute transactions.
- Adhere to agreed policies and practices on a day-to-day basis.
- Maintain relationships with third parties and external service providers.
- Prepare and maintain systems documentation relating to the treasury function.
- Monitor cash flows on a daily basis.
- Submit management information reports to the Director of Finance as required.
- Prepare weekly fund reports
Treasury Management Policy

The Treatment of Currencies in Research Projects.

A number of research projects within the university are funded in foreign currencies – mainly Euros, but also US dollars and other currencies. These can be either grants or contracts.

EU funded grants are received in advance of any work being done. When the cash is received it does not belong to the University but is effectively held in trust until the work is completed and a claim made. On receiving the cash the University has an asset (cash) and an equal liability (deferred income), both denominated in EUR. There is therefore no exchange exposure.

Periodic claims are made to the EU as work is carried out. The claims are submitted in EUR converting GBP costs into EUR at the official exchange rate ruling at the date of the claim. At that point EUR equal to the value of the claim are sold for GBP and an equal amount of deferred income is released to the income and expenditure account. All these transactions take place at the same rate and there is no exchange exposure. Any remaining EUR cash held for the grant is offset by an equal and opposite balance of deferred income.

In order to give PIs improved information, RCFO will produce budgets in sterling on the basis of the exchange rate prevailing at the date RCFO sets up a code for the project.

In order to make sure that PIs have up-to-date information about the remaining budget, budgets will be recalculated regularly to take into account movements in the exchange rate. This will be done at the then prevailing rate of exchange when either of the following happens:

- Invoice or grant claim prepared by RCFO
- Remittance received from funder

RCFO will also recalculate the budget at other times to make sure that it is restated at least once a quarter. The PI and his/her administrator(s) will be informed of any budget recalculations and will be responsible for staying within the recalculated budgets. Clearly currency movements are outwith the control of the PI or the University but, as the grant/contract is currency limited, we must remain within the total currency allowed. This will also ensure that claims are maximised in the event of positive movements.

There will be a recalculation at the point the final claim/invoice is prepared. The PI will be required to resolve any problems with over/under spends up to the sterling value of the final claim/invoice. It is recognised that the settlement of the final claim/invoice for some of these projects (especially European Commission funded projects) can be very late. So long as the project is within budget at the point the final claim/invoice is prepared, any subsequent exchange rate movement up until the date the final payment is received will be dealt with centrally.

The above will also apply to fixed price contracts which are priced at or above FEC. Where a fixed price has been set below FEC, the default position is that any positive currency movement will be used to off-set the FEC shortfall.

Where the PI is being asked to stay within a lower budget as a result of adverse movements, the overall principles should be the same as those relating to management of pay inflation constraints:

- Where possible, savings should be made from direct cost items to offset the reduced budget, for example staffing gaps during the period of the grant or an under-spend on non-pay budgets.
- If it is not possible to avoid exceeding the recalculated budget, then the College / School should review its other income sources to see if it possible to make up this shortfall elsewhere.
- If this is not possible, then the over-spend would need to taken into the income and expenditure account of the College / School.
Approved qualifications

Association of Corporate Treasurers

The following qualifications are ideal but not mandatory

Certificate in International Treasury Management
AMCT Diploma in Treasury
MCT Advanced Diploma

Staff involved in day to day treasury matters should attend the following training:

BUFDG Cash and Treasury Management

Next review date: March 2013

Version control

<table>
<thead>
<tr>
<th>Version number</th>
<th>Date</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.01</td>
<td>26 March 2012</td>
<td>Review by A Hewett and changes arising from internal audit review dated 21 November 2011</td>
</tr>
</tbody>
</table>
A meeting of the Remuneration Committee was held on 26 March 2012.

Present: Mr Richard Burns (Convener), Mr Jo Elliot, Dr Janet Lowe, Mr Eric Sanderson.

In Attendance: Dr Jim McGeorge, Mrs Pamela Milne.

1. The minute of the meeting held on 21 November 2011 was received, which had been approved by Court on 12 December 2012.

2. Mrs Milne reminded the Committee that the next meeting of the Remuneration Committee was to be held on 23 April 2012 and at that meeting the issues of Remit and Policy would be discussed, along with consideration of the possible implementation of a grading structure for Professorial staff.

3. The College of Life Sciences’ submissions for salary increases were considered along with one late submission from the School of Medicine. Salary increases in addition to the nationally agreed settlement for 2011/12, were agreed as follows:

<table>
<thead>
<tr>
<th>College</th>
<th>2011/12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Life Sciences</td>
<td>23,000</td>
</tr>
<tr>
<td>Medicine</td>
<td>2,000</td>
</tr>
</tbody>
</table>

4. A total therefore for 2011/12 (i.e. including the decisions made at the November meeting) of £79,668 (cf £42,000 in 2010) was distributed selectively to 21 individuals from the eligible group of 160 members of staff.

5. The Committee discussed and considered the taxation changes relating to pensions and the ‘lifetime allowance’. These changes meant that, usually for tax reasons, some members of staff were opting out of the USS pension scheme. Consideration was given as to whether any other form of remuneration/compensation needed to be considered for staff in this position, of whom there were believed to be nine in the University. Having considered the guidance available from UCEA, USS, information from other Universities and pension advisors, it was agreed that no action required to be taken by the University.

The Committee reached this decision largely based on the following facts:

(i) Staff had the option to stay in the pension scheme, there being no requirement to leave USS.

(ii) Other members of staff choosing to opt out of the pension scheme were not compensated in any other way.

(iii) For those opting out due to the lifetime allowance issue, USS had made separate provision for sickness and death in service which could be taken up by the individual, should they wish to do so.
APPENDIX 5

AUDIT COMMITTEE
(Minute 61)

A meeting of the Committee was held on 6 March 2012.

Present: Dr H Marriage (Convener), Mr JE Barnett, Mr J Elliot, Mr KAC Swinley, Mr I Stewart.

In Attendance: Mr R Burns, University Secretary, Director of Finance, Director of Policy, Governance & Legal Affairs, Director of Campus Services (items 3(1), 3(2), 3(3), 4 and 5), Head of Safety Services (items 3(1), 3(2), 4 and 5), Ms A Taylor (KPMG), Mr M Timar (PricewaterhouseCoopers) and Clerk to Court.

Apologies: Principal Professor CP Downes, Emeritus Professor A Burchell.

1. MINUTES

Resolved: to approve the minutes of the meeting on 28 November 2011.

2. MATTERS ARISING

Dundee University Press Ltd (DUP)

The Committee requested an update on the Dundee University Press Ltd (DUP) book deal (Minute 3(2)). The Director of Finance informed the Committee that a ‘Terms of Printing’ agreement was now being drawn up, and an update would be provided at a future date.

Resolved: to request an update on DUP at the next meeting of the Audit Committee.

3. INTERNAL AUDIT

The internal auditors presented a series of reports as outlined below.

(1) Review of Schools

The auditors presented a report examining the control environment in the Schools of: the Environment; Dentistry; and Engineering, Physics & Mathematics. This represented the second in a series of reports looking at School operations to be carried out during the auditors’ period of appointment. The auditors made one high risk recommendation and five moderate risk recommendations. The high risk recommendation related to a perceived lack of consistency in the detail or content of operational plans – a topic that would itself be subject to audit later in the year. The University Secretary confirmed plans to evaluate the new planning process at the end of the first cycle, following on from which he expected to implement further improvements which would focus on ensuring school operational and institutional strategic plans were better aligned and more consistent. Committee members noted from the report that PECOS had not yet been rolled out for use within the School of Dentistry. The Director of Finance confirmed that a meeting would take place soon to schedule the implementation of PECOS across the College of Medicine, Dentistry & Nursing, following which there would be a review of the implementation of PECOS across all Colleges to ensure consistency.

Resolved: to note the report.

(2) Health & Safety

The auditors presented a report focusing on health and safety arrangements and exploring in particular the degree to which they were managing the University’s risks in this area. The auditors identified one critical, two high, three moderate and two low risk recommendations. The critical and high risk recommendations related to the lack of a formal process for recording and monitoring risk assessments and for following up on agreed actions. The auditors also identified the lack of a standard process for identifying training needs, recording these needs and ensuring staff attended the required courses. A short self-assessment check-list was
provided by KPMG for consideration for use in supporting Schools/Directorates to review their health and safety processes. All recommendations had been accepted by management.

The Committee questioned the implementation time-frames for the recommendations, particularly the critical recommendation regarding training which had an implementation date of 30 June 2012. The University Secretary confirmed that the timescale included time to develop the training, identify the individuals relevant to the training and commence the programme itself. It was noted that the Human Resources Committee had recently discussed plans to provide training to managers with health and safety responsibilities, covering legal and contractual responsibilities and how to fulfil them. The plans included a proposal that risk assessments should be formally scrutinised and approved by Schools to improve consistency and recording.

Committee members expressed concern that the report, taken together with the Health & Safety Committee report (see Minute 4 below) might give rise to the perception of a lack of engagement with health and safety issues and questioned whether sufficient support, processes and systems were in place. The University Secretary confirmed that the University fully recognised its corporate responsibilities for health and safety, that it took these responsibilities very seriously, and that it was working to address the issues raised as quickly and thoroughly as possible. He highlighted that as part of this commitment the University had commissioned the audit report in the first place and management had accepted all of the recommendations made. The Committee suggested that critical health and safety aspects of roles could be introduced to annual Objective Setting and Review (OSAR) meetings to ensure that appropriate training was being undertaken and monitored.

Discussions took place regarding the practice of out-of-hours working, and the Committee noted that it was becoming more commonplace. The need to achieve a balance between academic requirements and issues of safety, cost and security was recognised, with it being noted that the recent initiative to focus out of hours student activity in the Library & Learning Centre was helpful in that regard. The Director of Campus Services confirmed that highly trained security staff were currently employed out of hours, but that the more buildings open on such a basis the more thinly that resource was stretched. A review of the numbers of security staff, additional technologies, focusing activities onto key buildings and smart working initiatives would be considered as routes to improve out-of-hours safety.

Thereafter the Committee requested that management provide a follow-up paper in six months detailing progress made in addressing the issues highlighted in the report.

Resolved: (i) to request that Officers provide a 6 month update on the implementation of recommendations from the Health and Safety audit report; and

(ii) otherwise to note the report.

(3) Capital and Space Management

The auditors presented an assessment of the control environment around capital projects, the quality of the University estate, and the benefits realised from the centralised timetabling system. They made four high and four moderate risk recommendations. The risk findings reflected the fact that the University’s estate was the second largest category of expenditure after staff costs. The auditors highlighted that the ambitious space reduction and improved energy efficiency targets would be challenging under current arrangements. High risk recommendations included: the need to ensure that estates, capital and space management planning was linked to academic, workforce and financial plans; and the need for a long-term plan to address the maintenance backlog.

The University Secretary and Director of Campus Services informed the Committee that Schools had engaged with Estates & Buildings issues in their operational plans and that there had been some successes in the space reduction and changed use of space as a result of these plans. It was agreed that strong senior management involvement would continue to be required to facilitate achievement of the target space reduction.

The Committee noted that certain recommendations were something to aspire to, but that in the current financial climate compromises had to be made. It was agreed that an asset register
based upon a survey of the estate would be valuable, but that the estimated £75,000 cost of the survey would be better spent on the maintenance itself given the strong ‘local knowledge’ of Estates & Buildings staff of maintenance requirements. It was also noted that discussions were now taking place with senior management regarding how to take forward the suggestion that Schools/Directorates have greater ownership of energy usage.

The University Secretary confirmed the commitment to reinvest money saved from the reductions in the estate and from energy efficiency into improving the standard of the remaining estate. He also acknowledged the long time frames for some recommendations, and proposed an interim review of progress.

Resolved: (i) to note the suggestion of an interim review of progress in implementing recommendations; and

(ii) otherwise to note the report.

(4) Status Update

The Committee received a report on the progress of work to date and the plans for work during the remainder of the academic session. Ms Taylor confirmed that KPMG were on target to meet the planned schedule of work.

The Convener asked the Committee if they had found the presence of audit sponsors at the meeting during discussions of the reports to be a useful practice. The Committee agreed that it had been useful to be able to ask follow-up questions to the sponsor to clarify items contained within the report and requested that the practice be continued for future reports.

Resolved: to note the report, and to invite audit sponsors to future meetings of the Audit Committee.

4. HEALTH & SAFETY SUB-COMMITTEE

The Head of Safety Services presented the report of the Sub-Committee’s meeting on 19 January 2011. He provided background information to the incident occurring at the Knockhill Racing Circuit. The Committee were pleased to hear that the student injured in the incident had made a full recovery and had returned to studies. It was confirmed that the police were no longer investigating the incident; however the investigation by Fife Environmental Health Officers was on-going to establish if any criminal act in terms of Section 3 of the Health and Safety at Work Act had occurred. The University Secretary confirmed that he would continue to engage in dialogue with Fife Council Environmental Health to support the progress of the investigation.

Resolved: (i) to request that the University Secretary update the Committee following discussions with Fife Council; and

(ii) Otherwise to note the report.

5. HEALTH & SAFETY INCIDENT: SIR JAMES BLACK CENTRE

The University Secretary presented a report of a health and safety incident occurring in the Sir James Black Building on 21 February 2012 when the wholesome drinking water supply became contaminated with ethylene glycol used in the building’s chiller system. He confirmed that there had been no cases of poisoning and that the contamination had been caught promptly, but that it had nevertheless been a ‘near-miss’. He praised the initial response from the Health & Safety Team, Estates & Buildings Team and the College of Life Sciences noting that it had been quick and efficient.

The University Secretary confirmed that he had been liaising with the NHS Public Health Team since the incident and would meet with them again on 7 March 2012. The Health and Safety Executive (HSE) had also been made aware of the incident.

A forensic engineer had been engaged to examine the system, and a preliminary assessment had suggested that human error, along with a lack of a fail-safe to the system, was likely to be the cause. The Committee asked whether similar installations existed elsewhere on the Campus. The Director confirmed that a comprehensive survey was being carried out of all similar installations to identify any other non-compliant fittings.
The Committee agreed that the incident had been quickly assessed and contained by those making the first response, but noted that the emergency planning arrangements had not been activated until the day after the incident. The University Secretary confirmed that this was one aspect that would be reviewed and was likely to lead to enhanced guidelines and protocols for handling emergencies.

The University Secretary proposed to the Committee that a group be constituted to investigate the incident fully. Given the knowledge and background of Emeritus Professor A Burchell, it was suggested and agreed by the Committee that she should be approached to represent the Audit Committee on this group. It was further proposed that Professor Malcolm Horner and an HR Officer should also be included in the group. (Secretary’ note: Professor Burchell was subsequently unavailable and so Mr Andrew Richmond chaired the Group).

The group would be given full access to all reports and information relating to the incident, and the terms of reference for the group would be broad in nature, covering: the sequence of events, possible liability or responsibility, and any systemic issues in the management of the response to the incident.

Resolved: (i) to request that the University Secretary circulate to the Audit Committee draft terms of reference for the group investigating a health and safety incident occurring in the Sir James Black Building; and (ii) to ask that a further update be provided to the Committee following the meeting environmental health officers.

6. PROCEDURE FOR DATA LOSS

The Director of Policy, Governance & Legal Affairs outlined an incident of data loss in the School of Nursing & Midwifery. He confirmed that the procedures for investigating and reporting suspected data loss had been followed and that the loss had been formally reported to the Information Commissioner. A paper was presented for endorsement to Court (annex) outlining an improved procedure for the reporting of incidents of data loss arising from the lessons learned from the incident.

The Committee noted the decision not to involve the police, with management confirming that this decision had not been taken lightly, but on the basis that the evidence was slight and circumstantial. The importance of raising awareness of policies for the protection of data (both electronic and in physical files) given a perceived move toward flexible working was highlighted and it was also suggested that information regarding the availability of encryption technology should be publicised to staff. The University Secretary reported that the University was aware of high risk datasets, and that best practice was being employed in many areas. He also acknowledged that both data protection and data loss protocols would need to be reviewed regularly.

It was noted that the internal auditors would be commencing an Information Security audit shortly, and the report of that review would be presented to the next meeting of the Audit Committee.

Resolved: (i) to endorse for approval by Court the formal procedure for the reporting of incidents of data loss; and (ii) otherwise to note the report.

7. EFFICIENT GOVERNMENT

The Committee received a copy of the University’s submission to the Scottish Funding Council (SFC) as part of the efficient government initiative. The Director of Finance confirmed that the bulk of savings returned were staff costs (Voluntary Severance and vacancy planning) along with property disposals.

Resolved: to endorse the submission to the SFC.

8. TRANSPARENT APPROACH TO COSTING (TRAC)

The Committee reviewed the University’s TRAC return for 2010/11, which had been submitted at the end of January 2012. The Convener, at that time, had confirmed compliance with the TRAC statement of requirements, and the Committee was now being invited to endorse the view that the compliance requirements had been met.
Resolved: to record the Committee’s satisfaction that the return had been prepared in accordance with the TRAC Statement of Requirements.

9. REVIEW OF AUDIT COMMITTEE EFFECTIVENESS

Ms Taylor (KPMG) gave a short presentation outlining aspects of audit committee effectiveness. She recommended that Audit Committee effectiveness reviews be outcome focused as opposed to based on practicalities such as the number of meetings, and Ms Taylor noted that the paper produced by officers was aligned to best practice in the sector.

In presenting the review proposals, the Director of Policy, Governance & Legal Affairs highlighted that a review of effectiveness was now overdue having been last performed in March 2006. The proposals represented one approach that could be adopted for a self-review of effectiveness, but it was for the Committee to determine the nature and content of the review. The outlined process incorporated best practice in Audit Committee review as highlighted by KPMG and also the Committee of University Chairs (CUC) Handbook for Members of Audit Committees in Higher Education Institutions. The intention was to make the process and outcomes of the review meaningful while enabling officers to provide support to the committee - thus making the process less onerous on Committee members.

The Committee Members noted that significant improvements had been made to Audit Committee processes since the last review, and confirmed their support for a review of effectiveness. Members expressed concern at the length of the questionnaire proposed in the paper and highlighted that the proposed process was extensive, however they acknowledged that the questionnaire would be useful in focusing the review.

Resolved: (i) to request that Officers provide a time-line for the review, noting that a short time-frame was preferred by the Committee;

(ii) to request that Officers circulate the questionnaire in an electronic format for completion; and

(iii) otherwise to note the paper and approve the proposals contained within the paper.

10. LEGAL MATTERS

The Committee received a routine report detailing the current legal cases involving the University, including updates since the last meeting of the Committee. In discussion of the risks, the Convener sought clarity on the degree to which there should be provision in the accounts for any uninsured risks. The Committee suggested that the external auditor be consulted and that the item then be discussed at Finance & Policy Committee as appropriate during the preparation of the annual accounts.

Resolved: to note the report.
Introduction

1. This paper sets out the circumstances surrounding an incident of data loss in the School of Nursing & Midwifery, outlines the recommendations for improved action resulting from that loss, and invites the Committee to endorse for approval by Court a formal procedure for the reporting of incidents of data loss.

Summary of Incident

2. In June 2011, the University became aware of the potential loss of the physical files of five student applicants to postgraduate study in the School of Nursing & Midwifery. These files most likely contained the following data: application form; references; certificates of degrees; English language test scores; correspondence relating to offers of admission; copy of passport (for those who were overseas applicants; etc).

3. The loss was reported to the University’s Records Manager & Information Compliance Officer as soon as it was apparent, following which a thorough search of the relevant offices was undertaken. The Records Manager duly carried out an investigation of the circumstances and of the action taken to that point by the School to recover the files.

4. The conclusions of the investigation were that a member of staff, against whom time disciplinary proceedings had been ongoing at that time, had in all likelihood removed the physical files from the University; the files contained, inter alia, evidence to be used in the disciplinary proceedings against that member of staff.

5. During the investigation the member of staff was suspended, and then duly resigned. It has however not been possible to recover the five physical files. Despite its suspicions that the member of staff had taken the files, the University decided against involving the police due to the lack of hard, as opposed to circumstantial, evidence available to support doing so.

6. Each of the five data subjects was notified of the loss of data pertaining to them and advised to contact the University if they wished to discuss any concerns they might have. None of the applicants has contacted the University regarding the data loss.

7. A copy of the report of the investigation is available for members to consult on request.

Subsequent Action

8. In July 2011, the University decided formally to notify the Information Commissioner of the data loss, enclosing a copy of the Records Manager’s report. The report set out a series of remedial actions as set out below:

8.1. That training on the processing of personal information and the requirements of the Data Protection Act be provided to the School of Nursing and Midwifery as soon as that can be arranged.

8.2. That the University’s network of Data Stewards and Data Managers be sent reminders about the provisions of the University’s Data Protection Policy, their responsibilities, obligations in respect of personal data and the legal requirements of the Data Protection Act 1998 and be asked to distribute that as widely as possible.

8.3. That the Records Manager be tasked with developing a formal procedure for incidents of data loss.

8.4. That the Secretary of the University require that refresher training sessions on information compliance be held in all Colleges and SASS Directorates.

8.5. That the University develop an online module for training in Data Protection and the management of personal data for all staff.

9. Items 8.1 and 8.2 are complete, and work is in hand to address items 8.4 and 8.5 with the intention that all items are implemented by the end of the current academic session.

Draft Procedure

10. Attached to this paper, members will find a draft procedure for reporting incidents of data loss in pursuance of item 8.3 above. The procedure has been endorsed by the University Secretary, the Director of Information Services, the Director of Policy, Governance & Legal Affairs, and the Director of Legal Services, as well as by the Directors’ & College Secretaries’ Groups.
11. The Committee is invited to endorse the policy and recommend its approval at the meeting of Court on 23 April 2012. The Committee might also wish to recommend that data security in Schools should be addressed as part of the rolling internal audits of Schools.

Dr NJ Laker
Director of Policy, Governance & Legal Affairs
University of Dundee

DRAFT Procedure for data loss

Where any member of University staff suspects that information, and in particular personal information, has been lost they are required to take the steps outlined below so that the circumstances of the loss, its seriousness and its potential impact can be established and necessary actions taken to

- recover data
- avoid escalation
- mitigate loss
- inform necessary personnel and regulatory agencies
- avoid recurrence

University staff are reminded that the best way to prevent data loss is to practice good information security and at minimum to lock filing cabinets, desk drawers and office doors where personal or other sensitive information may be held and to password protect memory sticks, computers, laptops or other portable electronic media. Where systems are known to contain personal or other sensitive data staff should seek advice from ICS on encryption and other security measures and ensure that any advice is implemented fully.

WHEN IN DOUBT ABOUT THE MANAGEMENT AND TRANSFER OF PERSONAL OR OTHER SENSITIVE DATA STAFF SHOULD ALWAYS SEEK ADVICE.

Procedure for managing suspected data loss:

1. Following the identification of the breach conduct a preliminary search to ensure that the data has not been misplaced.
2. Notify your Director/College Secretary and the University’s Records Manager & Information Compliance Officer of the loss immediately.
3. The Records Manager will ask you for the following information:
   a. What information was lost (as far as you can establish from your preliminary search)?
   b. How much information was lost?
   c. What was the presumed location and timing of the loss?
   d. How sensitive was that information? (For more information on judging sensitivity please see the University’s Data Protection Policy - https://secure.dundee.ac.uk/recordsmanagement/dataprotection/dundeeonly/policy.htm)
   e. In what format was the information held (paper, electronically, on a memory stick, on a laptop etc)?
   f. In what ways was the information secured?
4. In conjunction with your Director/College Secretary and the Secretary of the University the Records Manager & Information Compliance Officer will then conduct an investigation and may request that a nominated person (which could be you or a senior member of staff in your College/Directorate) undertake any or all of the following:
   a. Interview colleagues.
   b. Conduct a thorough search of offices or similar areas.
   c. Remote wipe systems (where possible).
   d. Provide a formal note detailing the nature of the loss and information on search that has been undertaken to attempt to establish the whereabouts of the data.
5. At the conclusion of the investigation the Records Manager & Information Compliance Officer will provide a report to the Secretary of the University detailing the nature and extent of any loss and making recommendations for mitigating actions. These may include:
   a. Written notification to the data subjects or to the University’s partners that data has been lost.
   c. Reporting of the breach to the police where criminal activity is suspected (eg where there is suspicion that data has been stolen).
   d. Training for individuals or units on the proper handling of University information.
   e. Disciplinary action where the actions of an individual or group are found to be ultra vires or negligent.
6. The Secretary of the University will convene a small group to consider the outcome of the investigation and progress recommendations as appropriate. The normal composition of the group shall be the Secretary of the University, the Director of Information Services, the Director of Policy, Governance and Legal Affairs, the Director of Legal Services, the Records Manager & Information Compliance Officer and any other officers deemed necessary by the Secretary.
7. Following the conclusion of any mitigating activity the Records Manager & Information Compliance Officer will confirm that in writing to the Secretary of the University and disseminate any necessary information to College Secretaries and Directors for distribution.
A meeting of the Committee was held on 20 February 2012.

Present: Mr EF Sanderson (Convener), Principal Professor CP Downes, Professor RJ Abboud, Emeritus Professor A Burchell, Mr R Burns, Dr J Lowe, Professor J Taylor, Mr IDM Wright.

Apologies: Mr M Kendrick.

In Attendance: University Secretary, Director of Policy, Governance & Legal Affairs and Clerk to Court.

1. MINUTES

Resolved: to approve the minutes of the meeting on 16 May 2011.

2. MATTERS ARISING

(1) Corporate Governance: Chairman of Court (Minute 2(1))

Members of the Committee noted that, notwithstanding the recommendations made at its meeting on 16 May 2011, the Chairperson of Court had been invited to remain present during discussions on his performance which took place at the meeting of Court on 13 June 2011. The Convener acknowledged and accepted the concerns raised and confirmed that during the next review on 11 June 2012 he would not be present.

Resolved: to note the position in respect of future reviews.

(2) Corporate Governance: Operation of Court (Minute 2(2))

The Convener invited the Committee to comment on the usefulness of external facilitation for a review of Court effectiveness. Members agreed that there was potential for useful feedback, but some members with experience of such reviews noted that they often failed to deliver major contributions aside from providing external legitimation of existing good practice. The Committee decided to continue with the current practice of annual internal self-reflection on performance and operation, but to seek further information and consider the inclusion of an external facilitator and/or reviewer in the next quinquennial review of Court effectiveness in 2014.

Resolved: (i) to ask the Chairperson of Court to canvass the opinions of Scottish Chairs regarding their experiences of the usefulness and costs of external facilitators/reviewers;

(ii) to ask Dr Lowe to provide information on the provider, and nature of the Scottish Funding Council external reviews; and

(iii) to ask the University Secretary to make enquiries of the experience of other institutions.

(3) Remuneration Committee (Minute 3)

The University Secretary provided an update to the Committee on the planned review of the Remuneration Committee remit. At the last Remuneration Committee the Director of Human Resources had been asked to prepare a paper for consideration at the next Remuneration Committee meeting in April outlining the review. The paper would then be circulated to the Governance & Nominations and Human Resources Committees before being communicated to Court for approval. In responding to an invitation to give input into the review process, discussions focused on 3 main areas: how the Committee conducts its business; the underlying principles for senior staff remuneration; and the decision-making process. It was important to
the Committee that the outcomes of the review should lead to terms of reference which would demonstrate transparency in the decision-making process and provide clarity over the delegation of responsibilities from Court.

Resolved: to ask that members of the Committee forward any additional input for the review to the University Secretary.

(4) Lay Vacancies (Minute 5)

At previous meetings, members had considered the skills background desirable for the remaining co-opted lay vacancy on Court. A suitable candidate had been identified and was subsequently interviewed on 7 February 2012 by a panel largely constituted by Governance & Nominations Committee members (the Convener of the Audit Committee had agreed to act in this role following the unexpected and unavoidable withdrawal of one of the Committee members late in the process). The Candidate (Ms Shirley Campbell – Human Resources & Development Director of Scottish Water) had also met separately with the Principal and University Secretary. A report from the Chair of the interview panel was considered, alongside a verbal summary from the University secretary; both had been impressed by the candidate’s interest and knowledge of the Higher Education (HE) sector and of the University of Dundee. The candidate’s broad range of skills was noted, and it was the opinion of the Committee that her appointment would add value to the composition of Court. The Chair of the interview panel confirmed that the candidate’s employers were supportive of her application.

Resolved: unanimously to recommend to Court the appointment of Ms Campbell as lay member of Court for four years in the first instance from 1 March 2012 in terms of Statute 9(1)(l).

(5) Review of Charter and Statutes (Minute 6)

The Director of Policy, Governance & Legal Affairs confirmed that he had received feedback from the Privy Council regarding the changes to the Charter and Statutes which the Committee had recommended at its last meeting. In light of the Review of HE Governance in Scotland, consideration and approval of changes by the Privy Council was subject to delay. However the Director noted that the proposed changes to Statute 16 (Staff of the University) were necessary to support HR policies, and as such, while it was anticipated that it might be a difficult and protracted process, Privy Council approval for these changes in particular would continue to be pursued.

Resolved: to await further updates from the Director of Policy, Governance & Legal affairs on the status of changes to Statute 16.

3. REPORT OF THE REVIEW OF HIGHER EDUCATION GOVERNANCE IN SCOTLAND

The Committee was invited to comment on the report and its recommendations. The Convener informed the Committee that the Committee of Scottish Chairs of Courts (CSC) would be meeting on the 22 February 2012 to formulate a joint response to the recommendations, and he invited Committee members to provide input to that response. The University Secretary then updated the Committee on the Universities Scotland response to the report: a questionnaire had been circulated to University Principals and Secretaries seeking initial comment on the recommendations, and asking institutions to indicate whether they felt each of the recommendations was welcome/unproblematic, requiring further definition, or particularly challenging. He highlighted that existing good practice at the University of Dundee meant many recommendations could be easily accommodated, and that the University had looked to indicate this where possible while providing a robust response to other less suitable recommendations. Analysis of the summary of responses from across the sector to the questionnaire showed common themes of concern in the following areas: the lack of clarity to the recommendation for a single statute, the proposal for election and remuneration of Chairs of Courts, the inclusion of staff members nominated by unions, the restriction on the presence of officers other than the Principal at meetings of Court, the proposal to hold meetings of governing bodies in public, and the positive gender discrimination in some recommendations. The University Secretary indicated that the Chairs, Principals and Secretaries groups would work together to provide a sector-wide response, and that consideration was being given to the development of a draft Code of Practice. This would represent a proactive and positive way to engage with the consultation process. He echoed the position of the Convener in inviting contributions from Committee members to feed into the process.
In discussing the report, the Committee voiced the concern that the report lacked the external points of reference, benchmarks and clarity required to judge whether each recommendation, or the package as a whole, would actually achieve improved governance. The Committee also felt that the report suggested to the public that there was existing poor governance practice despite several recommendations of the report being common practice within Scottish universities at the time of writing. Inherent contradictions between recommendations in the report and against best practice were noted as a cause for concern.

The discussion then focused on the time-scale and nature of potential legislation. The Committee broadly welcomed the introduction of a Scottish Code of Practice providing a structure of guidance and best-practice on a ‘comply or explain’ basis, however it was agreed that to legislate for mandatory implementation of the recommendations might threaten the autonomy of institutions. The Convener confirmed that it was unlikely that the recommendations would be considered as part of Post-16 Education legislation going forwards in April 2012.

Committee members raised strong concerns about the election of Chairs of governing bodies in the manner proposed, highlighting how important it was that the Chair had the confidence of the governing body. It was felt that an elected chair would be subject to conflicts of interest arising from their electoral mandate, and that they might be less able to guide the governing body in making difficult decisions. Committee members also felt that holding meetings in public would undermine their own willingness to challenge management robustly and openly and thereby reduce the quality of governance. Finally, clarity on the recommendation that the academic board should be the final arbiter on academic matters would be necessary, as Committee members felt it could be interpreted as changing the roles of Senate and Court in the decision making process.

Resolved:
(i) to note the concerns of the Committee and communicate to the Court meeting that afternoon a summary of discussions;
(ii) to ask that members communicate to the University Secretary and the Convener any comments they wished to be included in any responses to be made to Universities Scotland, the Committee of Scottish Chairs of Courts, and the Secretaries group; and
(iii) to request an update at the next meeting.

4. MEMBERSHIP OF THE FINANCE & POLICY COMMITTEE

The Convener confirmed that the composition of all Committees of Court would be considered at the meeting on 14 May 2012, however membership of the Finance & Policy Committee needed to be considered sooner as two members (Vice-Principal Professor Calderhead and Dr McLellan) had recently stepped down. It was proposed that Professor Sue Black, who had been elected by Academic Council to replace Dr McLellan as a Court member, also replace Dr McLellan as a member of the Finance & Policy Committee for the remainder of the year. Professor Black had already indicated her willingness to serve in this capacity.

Resolved: to recommend to Court that afternoon that Professor Black be invited to join the Finance & Policy Committee.

5. GRADUATES’ COUNCIL

A paper was presented by the Graduates’ Council Assessors which outlined desired changes to the Charter, Statute 20 (Graduates’ Council), Ordinance 20 (Graduates’ Council) and the Graduates’ Council Regulations. The changes had been proposed at a meeting of the Graduates’ Council Business Committee on 17 December 2011.

The change to the name of the Graduates’ Council had been proposed by members of the Graduates’ Council Business Committee as one way in which the Council could be made more welcoming to potential members. They also intimated that the title of Graduates’ Association better reflected the activities and duties currently undertaken by the Graduates’ Council. The changes proposed would also reduce the size of the Committee, alter its composition and bring terms of office in-line with those of Court members. These changes were supported by members of the Governance & Nominations Committee. Changes to Regulation 19 (Election of Graduates’ Council assessors to Court) were also proposed, but members expressed concern over the proposed screening process for candidates by the
Governance & Nominations Committee. A number of alternatives were suggested that would achieve the aim of ensuring the quality and suitability of candidates.

It was noted that in light of the Review of Higher Education Governance in Scotland the approval process for changes to the Charter and Statute might be difficult and protracted.

Resolved: (i) to endorse to Court the changes other than those in Regulation 19 of the Graduates’ Council Regulations; and

(ii) to recommend that the paper be referred back to the Graduates’ Council Business Committee for further consideration of changes to Regulation 19 of the Graduates’ Council Regulations.

6. CHANGES TO ORDINANCES 39 (Degrees, Diplomas and Certificates), 40 (Student Discipline) and 43 (Tuition and Other fees)

The Committee was invited to review and comment upon proposed changes to Ordinances 39 (Degrees, Diplomas and Certificates), 40 (Student Discipline) and 43 (Tuition and Other fees) as endorsed by Senate on 8 February 2012. The amendments presented were considered uncontroversial in nature, representing a tidying up of Ordinances to bring them into line with current practices.

Resolved: to endorse to Court the changes as proposed.

7. REGISTER OF MEMBERS’ INTERESTS

The Committee received a report detailing the disclosed interests of members of Court. The Principal also informed the Committee that he had been elected as Convener of Universities Scotland for the period 1 August 2012 to 31 July 2014. The decision would be formally announced at a future date, however the Committee expressed its congratulations.

Resolved: (i) to record the Committee’s congratulations to the Principal on his election as Convener of Universities Scotland; and

(ii) to otherwise note the report;

8. LORD PROVOST

The Committee noted that the Dr J Letford’s term of office as Lord Provost would expire this year. The Secretary indicated that discussions with new Lord Provost would be held following his or her election, with a view to determining appropriate membership by the Lord Provost or a nominated assessor on Court.
APPENDIX 7

COMMUNICATION FROM THE SENATUS ACADEMICUS

(Minute 65)

1. PRINCIPAL’S REPORT

The Principal introduced the new agenda structure for Senate meetings, the intention of which was to generate more discussion and debate on matters that were of concern to the Senate. The Principal explained that each Committee Convener would pick out noteworthy issues or items for debate from College and Committee reports.

The Principal gave Senate an update on the HE Governance Review and on likely scenarios given the sector’s widespread agreement on concerns about some central elements of Professor von Prondzynski’s Report. The Principal advised that it appeared unlikely that the Scottish Government would legislate in the near future even if it did support the general approach outlined in the Review. The Principal made the point that while the sector was in favour of clearer and more accountable governance arrangements – through a Code of Practice for example – there was a genuine concern that, for example, the introduction of a single statute would risk undermining the independence and autonomy of universities. The Principal concluded that the sector (through Universities Scotland) and the University itself needed to take the initiative in the continuing debate, and to this end discussions were proceeding on the development of a Code of Governance Practice by the sector.

The Principal congratulated the re-elected President of the Students’ Association (DUSA) on behalf of Senate and noted that DUSA had assembled another strong team of officers to represent students and the issues that matter to them.

The Principal reported that major grants and research income figures, from both the research councils and from the UK charity sector were holding up very well in a climate where key funders have less resource to disburse.

The Principal also offered congratulations on behalf of Senate to Professor Andrew Morris on his appointment as the Chief Scientist for Scotland.

The Senatus decided:

(i) to endorse the Principal’s congratulations to the University’s research staff and to RIS, for the strong performance in attracting funded research;

(ii) to endorse the Principal’s congratulations to Professor Morris on being appointed as the Chief Scientist for Scotland; and

(iii) otherwise, to note the report.

2. UNIVERSITY COURT

The Senatus received a communication from the meeting of the University Court held on 20 February 2012.

The Principal asked the Senate to note the discussions at Court concerning the collaboration with the Dasman Diabetes Institute. The Principal explained how this project represented a new and positive approach to international collaboration and contrasted it with the overseas campus approaches taken by other institutions.

Professor Connell, the Vice-Principal for Research, reported that the collaboration provided an opportunity to lead on world class research – with a focus on medical education, research and service delivery – and commended it to the Senate.

The Senatus decided: for its part, to approve the report.

3. GRADUATES’ COUNCIL

The Senatus received a paper outlining proposals already agreed by Court. The proposals would see the Graduates’ Council renamed as the Graduates’ Association to make the organisation more welcoming to
potential members and to better reflect the activities and duties currently undertaken by the Graduates’ Council. The changes would also reduce the size of the Committee, alter its composition and bring terms of office in-line with those of Court members.

**The Senatus decided:** to endorse to Court proposed revisions to Charter, Statute, Ordinances and Regulations that pertain to the Graduates’ Council of the University.

4. **INTERNAL FRAMEWORK FOR ENGAGEMENT WITH REF 2014**

The Senatus received a report and considered a paper from the Vice-Principal for Research. The Vice-Principal explained the context of the present internal framework development and summarised the main points of the paper, asking Senate to note:

(i) that the Research Excellence Framework timetable required submission for assessment by November 2013, with submitted research to be in the public domain by December 2013 and with outcomes announced in 2014;

(ii) that the outcomes of REF would inform the selective allocation of SFC research funding from 2015;

(iii) that a Code of Practice for Staff Selection (incorporating equality and diversity issues) was required as part of the timetable;

(iv) that the submission would consist of research outputs rated at 3* and 4*;

(v) that the agreed internal strategy for inclusion in the submission had set the minimum threshold at an average of 2.75 to allow for the inclusion of staff developing towards world class research outputs;

(vi) that a co-ordinator and internal selection panel would be appointed for each Unit of Assessment (UoA);

(vii) that decisions on inclusion, exclusion and boundary issues would be made by the UoA panels – informed by the Code of Practice, and equality and diversity considerations;

(viii) that the framework sought to reassure staff that non-inclusion did not mean that the University did not value their contributions;

(ix) that the University was in a good position to meet the deadlines set out in the REF process and that the draft Code of Practice would be submitted to Court in good time for approval before its final submission in July 2012 to the REF Team.

The Senate thereafter focused on a number of issues relating to the internal framework and related strategy.

Senate discussed the rationale behind the threshold for inclusion, its application at a uniform level across all Units of Assessment and the risks and challenges involved.

Some members of Senate argued that too high a threshold risked limiting the supported research activities of excluded staff in a way that would undermine the synergistic link between teaching and research.

Some Senators expressed concerns about the impact of non-inclusion on early career researchers and asked for more guidance and reassurance for this group of staff.

The Vice Principal responded by making it clear that the research excellence agenda must be coupled with staff development and the Objective-Setting & Review (OSR) process in all Schools, with Deans acting as conduits, as part of the wider University strategy.

Other members of Senate strongly agreed with the approach taken and argued that the University’s submissions should reflect the very highest levels of attainment in research outputs. Senate members also pointed out that the University would be in a very small minority if it chose a strategy that submitted research rated lower than 3*, which would not reflect its standing as a research-led institution.
The Vice Principal agreed that a poor result in REF would damage both the academic reputation and the funding of the University and that the Research Excellence Framework, as its name suggests, was focused on excellence and quality rather than on volume or quantity of outputs.

The Vice-Principal asked Senate to note that the framework document was a draft at this stage and that further comment and amendment was possible before it returned to Senate and Court in May for approval.

**The Senatus decided:** to note the report.

5. **RUK STUDENT RECRUITMENT 2012/13**

The Senate received a presentation from the Deputy Director of Student Operations on the current state of undergraduate recruitment in the 2012/13 entry cycle.

The presentation focused on the changes from the last cycle and the various factors that had resulted in a drop in the number of applications from certain groups, notably students from the Rest of the UK (RUK). The Deputy Director noted that a late rush of applications at the same point last year had exaggerated the drop. However, both EU and Overseas applications were up significantly from last year.

The Deputy Director explained that the increase in EU applications would put pressure on SFC capped numbers. The opportunity for Northern Irish domiciled applicants to qualify as EU (using Irish passports) would also make it more challenging to stay within SFC limits.

The Deputy Director concluded by asking Senate to note the positive aspects of the application statistics – the increase in the quality of EU and overseas applications – as well as recognising the pressure on SFC funded numbers and both the challenges and the opportunities associated with RUK.

Senate thereafter discussed various issues raised by the presentation and noted:

(i) that recruitment to the new 3-year programmes would not be fully operational until the 2013/14 admission cycle;

(ii) that controlled subjects were finding it even more difficult to keep within their funding number limits;

(iii) that fair admissions polices were arguably under pressure from the focus on domicile rather than quality in funding regimes;

(iv) that the conversion of applicants to matriculated students, rather than applications themselves, would provide the more pressing challenge in the coming months.

6. **DUSA ELECTIONS 2012**

**The Senatus decided:** to note the results of the DUSA Elections March 2012:

- President - Iain Kennedy
- Deputy President - Rachael Doherty
- Vice President Communications and Campaigns - Daniel McGlade
- Vice President Student Activities - Anna Dimitrova
- Vice President Student Welfare - Sarah Getgood
- Vice President Engagement - Andrew Jardine
- Honorary Secretary - Iain MacKinnon
- Independent Court Member - Julie McGovern

7. **DRAFT ACADEMIC CALENDAR**

**The Senatus decided:** to forward the draft Calendar to the Court for approval (annex).

8. **EXTERNAL EXAMINING POLICY**

**The Senatus decided:** to approve the revised University external examining policy.
August 2012

6 Mon Resit examinations begin
17 Fri Last day of resit examinations
20 Mon C Finance and Policy Committee 2pm
24 Fri Last day for announcement of results

Last day for issue of Termination letters

September 2012

3 Mon C Court Retreat Wk 0
Welcome Week
Last day for lodging appeals

4 Tues C Health and Safety Sub-C 10am

6 Thurs Last day for School Committee Termination meetings

7 Fri Last day for Matriculation

10 Mon First issue of Termination of Studies (Appeals) Committee agenda Wk1
Semester 1 begins

11 Tues S Postgraduate Affairs Taught Sub-Committee 10am
S Postgraduate Affairs Research Sub-Committee 2pm
University Opening Service 5.15pm

12 Wed S Termination of Studies (Appeals) Committee 9.15am

13 Thurs C University/Unison/Unite Joint Committee 10am
Information Management Strategy Group 11am

17 Mon C Human Resources Committee 2pm Wk 2

18 Tues S Honorary Degrees Committee 11am
C Audit Committee 2pm

19 Wed S Senate Business Committee 2pm

20 Thur S Research Committee 12 noon

21 Fri C University/UCU Joint Committee 10am
S E-Learning Sub-Committee 2pm

24 Mon College Board of Art, Science and Engineering 4pm Wk 3

25 Tues College Board of Arts & Social Sciences 4pm
April 2012

26 Wed College Board of Medicine, Dentistry & Nursing 4pm
27 Thurs S Learning and Teaching Committee 10am
    College Board of Life Sciences 3.30pm
28 Fri Senior Staff Workshop 9am

October 2012

1 Mon C Governance and Nominations Committee 10am Wk 4
    School Secretaries Forum 12.15pm
    C Finance and Policy Committee 2pm
    Dundee Autumn Holiday
3 Wed Personal Chairs Committee 2pm
8 Mon
10 Wed S Senate 4pm Wk 5
15 Mon
16 Tues S Advisory Group on Appeals & Complaints Procedures 11am Wk 6
22 Mon C Court 2pm Wk 7
24 Wed S Postgraduate Affairs Taught Sub-Committee 10am
    S Postgraduate Affairs Research Sub-Committee 2pm
25 Thurs S Employability Committee 10am
29 Mon Academic Council Standing Committee 1pm Wk 8
30 Tues C Risk Management Monitoring Group 10am
31 Wed S Senate Business Committee 2pm
    S Research Governance & Policy Sub-Committee 2pm

November 2012

5 Mon School Secretaries Forum 12.15pm Wk 9
    College Board of Art, Science and Engineering 4pm
6 Tues College Board of Arts & Social Sciences 4pm
7 Wed College Board of Medicine, Dentistry & Nursing 4pm
8 Thurs S Research Committee 12 noon
    College Board of Life Sciences 3.30pm
9 Fri S E-Learning Sub-Committee 2pm
12 Mon Academic Council 1pm Wk 10
13 Tues S Learning and Teaching Committee 10am
14 Wed  Graduation

16 Fri  Senior Staff Workshop 9am

19 Mon  C Remuneration Committee 10am  Wk 11
       C Finance and Policy Committee 2pm

20 Tues C Human Resources Committee 2pm

23 Fri  Complaints Session Workshop 10.30am

26 Mon  C Audit Committee 2pm  Wk 12

28 Wed  S Senate 4pm

December 2012

3 Mon  Semester 1 examinations begin  Wk 13
       School Secretaries Forum 12.15pm

5 Wed  Personal Chairs Committee 2pm

8 Sat  Graduates’ Council Business Committee 10.30am

9 Sun  University Carol Service 5pm

10 Mon  C Court 2pm  Wk 14

14 Fri  Semester 1 examinations end
       End of Semester 1

21 Fri  University closed after business until start of business on Thursday 3
       January 2013

January 2013

3 Thurs  Start of business

7 Mon  Welcome Week – January Intake
       School Secretaries Forum 12.15pm

10 Thurs  Discovery Day

       C University/Unison/Unite Joint Committee 10am

11 Fri  Discovery Day

14 Mon  Start of Semester 2  Wk 15

       C University/UCU Joint Committee 10am

15 Tues  S Senate Business Committee 10am

16 Wed  C Health and Safety Sub-C 2pm

17 Thurs S Research Committee 12 noon

21 Mon  C Finance and Policy Committee 2pm  Wk 16
College Board of Art, Science and Engineering  4pm

22  Tues  College Board of Arts & Social Sciences  4pm
23  Wed  College Board of Medicine, Dentistry & Nursing  4pm
24  Thurs  S  Employability Committee  10am
       College Board of Life Sciences  3.30pm

28  Mon  Academic Council Standing Committee  1pm  Wk 17
29  Tues  C  Human Resources Committee  2pm
30  Wed  S  Research Governance & Policy Sub-Committee  2pm

February 2013

4  Mon  School Secretaries Forum  12.15pm  Wk 18
6  Wed  S  Senate  4pm
11  Mon  Academic Council  1pm  Wk 19
18  Mon  C  Court  2pm  Wk 20
20  Wed  Information Management Strategy Group  2pm
22  Fri  S  E-Learning Sub-Committee  2pm
25  Mon  S  Postgraduate Affairs Taught Sub-Committee  10am  Wk 21
       S  Postgraduate Affairs Research Sub-Committee  2pm

March 2013

1  Fri  Senior Staff Workshop  9am
4  Mon  School Secretaries Forum  12.15pm  Wk 22
5  Tues  C  Audit Committee  2pm
6  Wed  S  Senate Business Committee  2pm
7  Thurs  S  Research Committee  12 noon
11  Mon  S  Learning and Teaching Committee  10am  Wk 23
       College Board of Art, Science and Engineering  4pm
12  Tues  College Board of Arts & Social Sciences  4pm
13  Wed  College Board of Medicine, Dentistry & Nursing  4pm
14  Thurs  College Board of Life Sciences  3.30pm
18  Mon  Wk 24
19  Tues  Academic Council Standing Committee  1pm
25  Mon  C  Finance and Policy Committee  2pm  Wk 25
27  Wed  S  Senate  4pm
April 2012

29 Fri Complaints Session Workshop 10.30am
   Good Friday

31 Sun Easter Sunday

April 2013

1 Mon Dundee Holiday
   School Secretaries Forum 12.15pm

22 Mon C Court 2pm Wk 26
   Examinations begin

29 Mon School Secretaries Forum 12.15pm Wk 27

May 2013

1 Wed C Risk Management Monitoring Group 10am
   S Postgraduate Affairs Taught Sub-Committee 10am
   S Postgraduate Affairs Research Sub-Committee 2pm
   S Research Governance & Policy Sub-Committee 2pm

2 Thurs S Employability Committee 10am

3 Fri C University/UCU Joint Committee 10am

6 Mon C Health and Safety Sub-C 10am Wk 28
   Academic Council 1pm
   Dundee Holiday

7 Tues S Advisory Group on Appeals & Complaints Procedures 10am
   C University/Unison/Unite Joint Committee 10am

8 Wed Personal Chairs Committee 2pm

9 Thurs Information Management Strategy Group 11am
   S Research Committee 12 noon

10 Fri S E-Learning Sub-Committee 2pm

13 Mon C Governance and Nominations Committee 10am Wk 29
   C Finance and Policy Committee 2pm
   College Board of Art, Science and Engineering 4pm

14 Tues S Learning and Teaching Committee 10am
   College Board of Arts & Social Sciences 4pm

15 Wed S Senate Business Committee 10am
   College Board of Medicine, Dentistry & Nursing 4pm
16 Thurs College Board of Life Sciences 3.30pm
17 Fri Senior Staff Workshop 9am
18 Sat Graduates’ Council Business Committee 10.30am
20 Mon C Human Resources Committee 2pm Wk 30
22 Wed C Audit Committee 2pm
24 Fri Semester 2 examinations end
End of Semester 2
27 Mon Dundee Holiday
29 Wed S Senate 4pm

June 2013
3 Mon School Secretaries Forum 12.15pm
10 Mon C Court 3pm
18 Tues Graduation Ceremonies
19 Wed Graduation Ceremonies
20 Thurs Graduation Ceremonies
21 Fri Graduation Ceremonies

July 2013
1 Mon School Secretaries Forum 12.15pm
3 Wed Personal Chairs Committee 2pm
11 Thurs Information Management Strategy Group 11am

August 2013
5 Mon Resit examinations begin
19 Mon C Finance and Policy Committee 2pm

September 2013
2 Mon Semester 1 Welcome Week Wk 0
6 Fri C Court Retreat
9 Mon Semester 1 Teaching begins Wk 1

C = Court Committee
S = Senate Committee