

THE UNIVERSITY OF EDINBURGH

BUSINESS FOR MEETING OF THE UNIVERSITY COURT to be held in the Board Room, Evolution House, Edinburgh College of Art, 78 Westport, Edinburgh on Monday, 7 November 2011 at 2.00 p.m.

A buffet lunch will be available in the Board Room, Evolution House,
ECA from 1.00 p.m.

This meeting of Court will be preceded by a presentation from Vice-Principal Professor Breward entitled 'Future directions for the new Edinburgh College of Art'.

A FORMAL BUSINESS

- | | | |
|----|---|-----------|
| 1. | Minute of the meeting held on 19 September 2011 | A1 |
| 2. | Appointment of Chancellor's Assessor | A2 |

B PRINCIPAL'S BUSINESS

- | | | |
|----|-------------------------------------|-----------|
| 1. | Principal's Communications | B1 |
| 2. | Designation of Assistant Principals | B2 |

C SUBSTANTIVE ITEMS

- | | | |
|-----|---|-------------|
| 1. | Report of the Finance and General Purposes Committee | |
| | .1 Comments on the Report of the Central Management Group | C1.1 |
| | .2 Report on Other Items | C1.2 |
| 2. | Edinburgh College of Art – update | C2 |
| 3. | Report from Nominations Committee | C3 |
| 4. | Report from Audit Committee | C4 |
| 5. | Report from Estates Committee | C5 |
| 6. | Governance Statements | |
| | .1 Draft Corporate Governance Statement UoE | C6.1 |
| | .2 Draft Corporate Governance Statement (ECA) | C6.2 |
| | .3 Andrew Grant Scholarship Fund Draft Trustees' Report | C6.3 |
| 7. | Bursaries/Support – Scottish domiciled students | C7 |
| 8. | European Investment Bank (EIB) – long term loan | C8 |
| 9. | Annual Review 2010-11 | C9 |
| 10. | EUSA representatives on Court | C10 |

D ITEMS FOR FORMAL APPROVAL OR NOTE

- | | | |
|----|------------------------|-----------|
| 1. | Academic Report | D1 |
| 2. | Resolutions | D2 |
| 3. | Ordinance 210 | D3 |
| 4. | EUSA Constitution | D4 |
| 5. | Donations and Legacies | D5 |
| 6. | Use of the Seal | |

BUSINESS FOR A MEETING OF THE TRUSTEE OF THE ANDREW GRANT BEQUEST

E SUBSTANTIVE ITEM

- | | | |
|----|--|-----------|
| 1. | Andrew Grant Scholarship Fund Draft Trustees' Report | E1 |
|----|--|-----------|

MINUTE OF A MEETING of the University Court of the University of Edinburgh held in Raeburn Room, Old College on Monday 19 September 2011.

Present: Rector (in chair)
The Principal
Mr A Johnston
Professor A M Smyth
Mrs M Tait
Professor J Ansell
Professor D Finnegan
Professor A Harmar
Professor S Monro, Vice-Convener
Dr C Masters
Mr M Murray
Mrs E Noad
Mr D Workman
Mr M McPherson, President Students' Representative Council
Mr M Williamson, Vice-President Students' Representative Council

In attendance: Ms S Beattie-Smith, Rector's Assessor
Senior Vice-Principal Professor N Brown
Vice-Principal Professor J Haywood
Vice-Principal Professor D Miell
Vice-Principal Professor L Yellowlees
Vice-Principal Professor D Hounsell
Dr K Waldron, University Secretary
Mr N Paul, Director of Corporate Services
Dr A Cornish, Deputy University Secretary and Director of Planning
Mr A Currie, Director of Estates and Buildings
Ms S Gupta, Director of Human Resources
Dr K J Novosel, Head of Court Services

Apologies: Dr M Aliotta
The Rt Hon G Grubb, Lord Provost of the City of Edinburgh
Professor J Barbour
Mr P Budd
Ms A Richards
Mr D Brook

A FORMAL BUSINESS

1 MINUTE OF THE MEETING HELD ON 20 JUNE 2011 Paper A1

The Minute of the meeting held on 20 June 2011 was approved as a correct record.

2 MINUTE OF THE MEETING HELD ON 5 SEPTEMBER 2011 Paper A2

The Minute of the meeting held on 5 September 2011 was approved as a correct record.

Matters Arising

Court noted that the University Secretary was investigating the practices in other Universities in respect of continuity of student representation on their governing bodies

and would discuss this matter further with EUSA prior to further discussion on this matter at Court.

It was further noted that it had been agreed that the University and EUSA would prepare a joint statement on the UK Government's position on RUK fees. There had been discussion on a joint statement following the last meeting of Court with some issues still to be resolved. Court agreed to discuss the wording of the statement at the end of this meeting.

3 NOTE OF ELECTRONIC MEETINGS CONCLUDED ON 19 JULY AND 12 AUGUST 2011 Paper A3

The note of the electronic meetings concluded on 19 July and 12 August 2011 was approved as a correct record.

4 ELECTION OF SENATE ASSESSOR Paper A4

Court noted the election of Professor Anthony Harmar to the position of Senate Assessor on Court with effect from 1 September 2011 until 31 July 2014.

B PRINCIPAL'S BUSINESS

1 PRINCIPAL'S COMMUNICATIONS Paper B1

Court noted the items within the Principal's report and the additional information on: the occupation of the George Square Lecture Theatre; engagement with Latin America, India and China; the Scottish Government's Spending Review; the National Student Survey 2011 and the actions being taken forward including the establishment of a task group led by the Senior Vice-Principal.

2 DESIGNATION OF ASSISTANT PRINCIPAL AND ACTING VICE-PRINCIPAL Paper B2

On the recommendation of the Principal, Court approved the following:

Professor Sarah Cunningham-Burley to be designated Acting Vice-Principal Equality and Diversity with effect from 1 September until 31 December 2011 to cover the study leave of Vice-Principal Professor Waterhouse.

Professor Mona Siddiqui to be designated Assistant Principal for Religion and Society from 1 December 2011 until 30 November 2014.

Court noted and welcomed the considerable contributions made by Vice-Principals and Assistant Principals designated to undertake specific tasks to the overall activities and reputation of the University.

3 PRINCIPAL

Court congratulated the Principal on being awarded an Honorary Doctorate from the University of Strathclyde in July 2011.

C SUBSTANTIVE ITEMS

1 REPORT OF THE FINANCE AND GENERAL PURPOSES COMMITTEE

Professor Monro presented the papers previously circulated.

Court approved and welcomed the Expenses Policy and guidelines and noted the reports from the Standing Consultative Committee for Redundancy Avoidance (SCCRA) and the Staff Committee. In particular Court welcomed the very positive actions being taken to improve performance and development reviews across the University and the establishment of a sub-committee of the Staff Committee to drive this forward. Court also welcomed the actions to improve academic female progression and the establishment of a further small steering group over the next year to take this forward, noting the increasing importance placed by funding bodies on institutions achieving Athena Swan awards and the need to consider initiatives for appropriate progression for all staff.

Report on Other Items

Paper C1.2

The proposed procedure for dormant or partially inoperative endowments in the light of Privy Council approval of the new Ordinance was approved by Court. The amendments to the staff section of the Delegated Authorisation Schedule were also approved by Court. Court further welcomed confirmation of the merger date with the two MRC Units of 1 October 2011 and noted the activities of the Investment Committee particularly in relation to ECA endowments.

2 EDINBURGH COLLEGE OF ART

Paper C2

Court noted that the formal merger with the Edinburgh College of Art was achieved on 1 August 2011 and that a reconstituted Edinburgh College of Art, containing the activities previously undertaken by the ECA and the University's School of Arts, Culture and Environment had now been established within the University. It was welcomed that integration was progressing satisfactory and that the Post Merger Working Group would continue to actively monitor the situation.

Court noted the position in respect of the ECA endowments, the total sum transferring across on 1 August and approved the arrangements to manage the ECA endowments and to separate out the three categories of endowments currently pooled within the Andrew Grant Scholarship Fund once the Accounts for 2010/2011 had been finalised. Court approved the delegation of the management of the awarding of prizes and scholarships from the ECA endowments (except in respect of the Andrew Grant Bequest) to the Bequest and Scholarship Committee to be established within the reconstituted Edinburgh College of Art. It was noted that a satisfactory way forward had been determined in respect of the ECA student union facilities and that there would be a formal Court review towards the end of this academic year and that the Scottish Funding Council would also be assessing the merger. A further paper would be presented to the next meeting of Court.

3 APPEAL TRIBUNAL

Paper C3

In accordance with the University's previous Disciplinary Policy, Procedure and Regulations – Academic and Academic-Related Staff which related to the now repealed Commissioners' Ordinance, Court approved the appointment of Ms Jane Green of Maclay, Murray and Spens LLP to hear an appeal against dismissal instituted by a former member of the University's academic staff; the disciplinary process had commenced prior to the new policy being approved by Court and therefore the previous policy required to be followed. Court further approved the nominations of Mr Alan Johnston and Professor Kathy Whaler to be the Court and Senate nominations respectively should Ms Green wish to sit with two other persons as set out in the policy.

4 UNIVERSITY'S ANNUAL INTERNAL REVIEW STATEMENT TO THE SCOTTISH FUNDING COUNCIL Paper C4

The Annual Internal Review Statement to the Scottish Funding Council was endorsed by Court. It was noted that, following approval by eSenate, 13-21 September 2011, the Statement would be issued to the SFC in accordance with the requirements set out in SFC/30/2008.

5 EUSA CONSTITUTION Paper C5

Court noted that the proposed changes still required to be formally ratified by the student body and that Court approval was required in accordance with statute to amend the student union constitution. Court further noted that EUSA incorporated two bodies: the Students' Representative Council (SRC) and the Edinburgh University Union (EUU). The SRC is the body that closely interacts with the University, being represented on Court and Senatus and representing students at course level. The EUU was established by the SRC and is the component of EUSA that focuses on commercial and facilities matters.

EUSA had recognised that the present SRC structure was no longer appropriate to meet the needs of the student body and in order to promote good governance arrangements and student participation a revised SRC structure had been developed. Court approved, in principle, the proposed new constitution.

6 RECTORIAL ELECTION Paper C6

Court approved the proposed arrangements for the 2012 Rectorial election particularly the Regulations to govern the conduct of the election and the statement on the Role of the Rector.

D ITEMS FOR FORMAL APPROVAL OR NOTE

1 ACADEMIC REPORT Paper D1

Court noted the summary of the business conducted by the Vacation Senate.

2 RESOLUTIONS Paper D2

Court approved the following Resolutions:

- Resolution No. 47/2011: Foundation of a Chair of Astrobiology
- Resolution No. 48/2011: Foundation of a Chair of Islamic and Inter-Religious Studies
- Resolution No. 49/2011: Foundation of a Chair of International Banking Law and Financial Regulation
- Resolution No. 50/2011: Foundation of a Personal Chair of Cultural History
- Resolution No. 51/2011: Alteration of the title of the Chair of Veterinary Immunology

3 THE UNIVERSITY OF EDINBURGH CROSS & SALMON TRUST Paper D3

Court approved the following appointments to the University of Edinburgh Cross and Salmon Trust: Dr Michael Cross; Ms Janet Salmon; Mr Jon Gorringer; Vice-Principal Professor Mary Bownes; and Mr Iain Fleming Riddle, all with immediate effect for a period of five years. It was further noted that the Principal was an ex officio Trustee of the University of Edinburgh Cross and Salmon Trust.

4 ECA LOAN TRANSFER

Paper D4

It was noted that as part of the merger with the Edinburgh College of Art, an outstanding loan agreement between ECA and Lloyds transferred to the University. Court formally approved the transfer of the loan in the following terms:

- (a) that the loan facility in an original principal sum of up to £7,500,000 be arranged with Lloyds TSB Bank plc and that the offer of such facility made by the Bank in a letter dated 1 August 2011 be accepted and that the University Secretary be authorised to make the necessary arrangements with the Bank and to sign on behalf of the University the Facility Letter.
- (b) that the University Secretary and the Director of Finance be and are hereby authorised on behalf of the University:
 - i) to give all written instructions to the Bank in respect of the drawdown and continuance of the Facility; and
 - ii) to give written confirmation of all instructions that are not given to the Bank in writing
- (c) that the Bank may hereby act on the instructions of any two of the following authorised officials of the University: Principal, University Secretary; Director of Corporate Services, Director of Finance; Deputy Director of Finance; Assistant Director(s) of Finance; and the Senior Management Accountant, and that the Bank will be issued with a certified copy of the list with specimen signatures.
- (d) that the appointment of additional authorised officials is certified by two of the officials listed in (c) above, and such appointment is notified to the Bank in writing.

Court further authorised the Vice-Convener of Court and the University Secretary to confirm this Court decision to Lloyds.

5 DONATIONS AND LEGACIES

Paper D5

Court was pleased to note the donations and legacies to be notified received by the University of Edinburgh, Development Trust between 1 June and 14 September 2011.

6 USE OF THE SEAL

Paper D5

A record was made available of all the documents executed on behalf of the Court since its last meeting and sealed with its common seal.

7 JOINT STATEMENT ON RUK FEES

Court considered the current drafts prepared by EUSA and the University and agreed appropriate wording which was acceptable to Court and EUSA. The agreed joint Statement would be circulated to all members of Court for information.

A MEETING OF THE TRUSTEE OF THE ANDREW GRANT BEQUEST *held in Raeburn Room, Old College on Monday 19 September 2011.*

Present: Rector (in chair)
The Principal
Mr A Johnston
Professor A M Smyth
Mrs M Tait
Professor J Ansell
Professor D Finnegan
Professor A Harmar
Professor S Monro, Vice-Convener
Dr C Masters
Mr M Murray
Mrs E Noad
Mr D Workman
Mr M McPherson, President Students' Representative Council
Mr M Williamson, Vice-President Students' Representative Council

In attendance: Senior Vice-Principal Professor N Brown
Vice-Principal Professor J Haywood
Vice-Principal Professor D Miell
Vice-Principal Professor L Yellowlees
Vice-Principal Professor D Hounsell
Dr K Waldron, University Secretary
Mr N Paul, Director of Corporate Services
Dr A Cornish, Deputy University Secretary and Director of Planning
Mr A Currie, Director of Estates and Buildings
Ms S Gupta, Director of Human Resources
Ms S Beattie-Smith, Rector's Assessor
Dr K J Novosel, Head of Court Services

Apologies: Dr M Aliotta
The Rt Hon G Grubb, Lord Provost of the City of Edinburgh
Professor J Barbour
Mr P Budd
Ms A Richards
Mr D Brook

1 **FUTURE ARRANGEMENTS FOR THE ANDREW GRANT BEQUEST** **Paper E1**

Court noted its role as corporate Trustee of the Andrew Grant Bequest in accordance with The Edinburgh College of Art (Transfer) (Scotland) Order 2011 with effect from 1 August 2011. It was noted that the total value of the ECA endowments on transfer was £4m including the sum of £1.7m received as repayment of the loan previously made from the funds of the ECA endowments to ECA and that the three categories of ECA endowments, including the Andrew Grant Bequest, were currently pooled and held within the Andrew Grant Scholarship Fund (AGSF). The Trustee approved the separation of the ECA endowments such that only the Andrew Grant Bequest would remain within the Andrew Grant Scholarship Fund and further approved that OSCR's consent should be sought to rename the Andrew Grant Scholarship Fund to the 'Andrew Grant Bequest' to reflect this. It was noted that the separation of the ECA

endowments would not be undertaken until after the AGSF Accounts for 2010/2011 had been finalised.

There was further consideration of delegation arrangements and the Trustee approved the delegation of the preparation of future annual accounts for the Andrew Grant Bequest to the University's Finance Department and that the governance arrangements in respect of future annual accounts should be the same as that for the University's annual accounts prior to the accounts of the Andrew Grant Bequest being presented to it for approval. The Trustee further confirmed the financial management of the Andrew Grant Bequest to the University's Investment Committee as previously agreed.

It was agreed that in order to take forward the awarding of prizes and scholarships that the Trustee should formally delegate management of these arrangements from the income of the Andrew Grant Bequest to a Bequests and Scholarships Committee within the reconstituted Edinburgh College of Art to be established and convened by the Principal of the reconstituted Edinburgh College of Art. The Trustee asked that it be provided, in due course, with further information on the process which would be undertaken by the Bequest and Scholarship Committee to undertake this task. The Trustee further approved the proposed monitoring arrangements as set out in the paper in order to enable it to fulfil its duties as the Trustee of the Andrew Grant Bequest.

Further meetings of the Trustee of the Andrew Grant Bequest would be held as required and at least once every academic year.

The University of Edinburgh

The University Court

7 November 2011

Appointment of Chancellor's Assessor

The Princess Royal, as Chancellor of the University, has invited Sheriff Principal Edward F Bowen QC to act as her Assessor on the University Court with immediate effect from 17 October 2011. Sheriff Principal Bowen will serve in this capacity for an initial period of four years until 31 July 2015 at which time consideration will be given to his re-appointment.

Her Royal Highness is grateful to Sheriff Principal Bowen for accepting this appointment.

Chancellor's Assessor – Sheriff Principal Edward F. Bowen, CBE, TD, QC

Sheriff Principal Bowen was educated at Melville College and the University of Edinburgh. He was called to the Scottish Bar in 1970 and practiced mainly in civil work, particularly personal injury cases and planning law. In December 1979 he was appointed an Advocate Depute and prosecuted in the High Court for four years before being appointed Sheriff of Tayside Central and Fife at Dundee in 1983. While serving as Sheriff in Dundee, he was Chairman of SACRO (Safeguarding Communities – Reducing Offending) Tayside and a Governor of the Dundee Institute of Technology (now the University of Abertay). In 1990 he resigned from the shrieval bench and resumed practice. In 1992 he was appointed Queen's Counsel and in October 1997 he was appointed Sheriff Principal of Glasgow and Strathkelvin transferring to the Sheriffdom of Lothian and Borders in 2005.

He has served in various other capacities: as a Chairman of Employment Tribunals (part-time); a member of the Criminal Injuries Compensation Board (CICB); chaired the group which established Scotland's first Drugs Court and Domestic Abuse Court; served as a Temporary Judge in Court of Session and High Court of Justiciary since 2000; and chaired the Review of Sheriff and Jury Procedure which reported in June 2010.

He was appointed Commander of the British Empire (CBE) in the 2010 New Year's Honours List.

The University of Edinburgh

The University Court

7 November 2011

Principal's Report

These communications are grouped into international, UK and Scottish developments, followed by details of University news and events:-

International

Latin America

Following the visit by the Vice Principal International and Director of the International Office to Chile, Brazil and Mexico in July 2011, several institutional agreements have been finalised and signed with the Universities and funding agencies concerned including:

- UNAM¹, FUNED² and CONACyT³ (Mexico)
- UNICAMP⁴ (Brazil).

Links with the Law School and the University of Chile are under discussion and also with CIDE⁵, Mexico and the Academy of Government.

BG Group, the UK based oil and gas company, organised a successful visit of Brazilian National Council for Science & Technology (CNPq) delegates to UK Universities including Edinburgh.

Internal discussions are progressing regarding the most appropriate location for a new liaison office in Latin America.

India

Professor Roger Jeffery, Dean for India, hosted a Namaste evening celebration for students and staff from India on the 13th October.

Planning is underway for an Edinburgh – Bangalore Life Science Symposium to be held at Indian Institute for Science Bangalore in January 2012. The focus will be on neuroscience and regenerative medicine. The Principal and Vice Principal International are scheduled to attend.

Australia

Vice Principal International visited the University of Melbourne on 7 October, a Universitas 21 partner ranked 37 in the world. Similarities in ethos and intent between the two institutions include a series of Global Research Institutes in line with UoE's Global Academies. The University of Melbourne Global Institutes emphasise multidisciplinary research while the UoE Global Academies focus mainly on PG teaching; both addressing common grand challenges. A potential Melbourne-Edinburgh Global Gateway partnership was discussed.

¹ Universidad Nacional Autónoma de México / National Autonomous University of Mexico

² Fundación Mexicana para la Educación, la Tecnología y la Ciencia / Mexican Foundation for Education Technology and Science

³ Consejo Nacional de Ciencia y Tecnología / National Advisory on Science and Technology

⁴ Universidade Estadual de Campinas / Campinas State University

⁵ Centro de Investigación y Docencia Económicas / Centre for Research and Teaching on Economics

China

A delegation of Chinese stem cell scientists, sponsored by the Medical Research Council (MRC), visited Cambridge and Edinburgh in October 2011, with the goal of encouraging UK - China collaborations. The MRC has committed to making funds available for these collaborations and Scottish Centre for Regenerative Medicine were keen to generate maximum possible interest from Chinese colleagues.

Following a request by the National Academy for Educational Administration (NAEA) in Beijing the University developed a one week University Leadership programme for 23 Principals and Vice-Principals from various Chinese universities. The programme, coordinated by the Confucius Institute for Scotland, saw the group meet senior staff through a programme of talks, discussions and meetings. NAEA have confirmed that the group found the week substantive, focused, and informative and they would like to run another leadership programme in 2012.

Tanzania

Vice Principal International represented the University at the 50th anniversary celebrations of the University of Dar es Salaam on 20th October. Julius Nyerere, the first President of Tanzania, studied at the UoE from 1949-1952.

Launch of the Global Directory

The Global Directory, a new resource to help develop and map international partnerships is now available. The Directory aims to provide staff with University-wide web-based access to information on current international activity allowing staff to search, display and maintain a directory of all international collaborations.

Global Academies

The Global Health Academy delivered an academic workshop and summer school on One Health approaches to neglected disease control in Laos with representatives of 15 countries. The University also hosted a conference on Emerging and Persistent Infectious Diseases with the US based think tank Institute on Science for Global Policy.

Visits to the University in included:

- MRC-China Regenerative Medicine delegation
- North China Electric Power University
- His Excellency Bernard Emié, Ambassador of France to the United Kingdom
- Western Australian Parliamentary Committee
- CNPq (Brazilian Science & Technology Agency)
- Yunnan Education Delegation, China
- Moroccan University Presidents led by the British Council

Related meetings

I welcomed The Honourable Louis B. Susman, Ambassador of the United States to the Court of St. James's to the University on 26 October. Following a meeting with myself and Vice Principal Hillier Ambassador Susman delivered a well received public lecture on the subject of "Meeting Our Responsibilities As Global Citizens"

Also at the end of October I participated in the British Spanish Tertulias event in Cardiff and established a number of new corporate contacts for the University which will be nurtured by D&A in conjunction with ERI.

UK

USS Pension Changes

The reforms to the University Superannuation Scheme (USS) came into force on the 1st October. A recent ballot on industrial action by the University and College Union (UCU) in relation to the changes resulted in votes in favour of strike action and 'action short of a strike'. UCU has called initially for action short of a strike which started on 10 October 2011, in the form of members working to contract.

At the USS Joint Negotiating Committee (JNC) meeting on the 27th October it was agreed that a working group would be formally established at the next Committee meeting in mid-December. The group will review the financial position of the USS following the outcome of the 2011 valuation and future annual and triennial valuations. The group will be chaired by Sir Andrew Cubie and will consist of employer and UCU representatives. As part of this agreement UCU has agreed that while the working group is established it will not escalate the current action.

National Pay Negotiations

National negotiations for the 2011-12 pay award have been underway through the Joint National Committee for Higher Education Staff (JNCHES) since April 2011.

A second dispute resolution meeting took place on 7 October with GMB, UNISON and Unite following the unions' rejection of the final pay offer from employers made on the 11 July.

At the October meeting the unions repeated their case for an increase in the employers' final offer and UCEA reiterated that the employers' offer of 11 July is final and asked the trade unions to consider their next steps. GMB have indicated that they wish to progress the dispute resolution procedure and Unite have issued a press release indicating their intention to ballot members for industrial action.

On the academic union consultations UCU held a consultative ballot with its members over the final pay offer which returned a majority in favour of acceptance but UCU have not yet confirmed their final position.

Scotland

Spending Review

The settlement for universities in the Scottish Government's 2012-2013 budget, which was announced on the 21st September, is very positive and will see funding increase by £76m (8.2%) in 2012-13. Subsequent planned allocations will see funding increase by a total of £135.5m by the final year of the Spending Review Period (an increase of 14.6% over the 2011-12 baseline). The cumulative overall additional planned investment in universities will total £326.8m over three years and is strong evidence of the Scottish Government's commitment to closing the funding gap.

Scottish Government Consultation Papers

The Scottish Government is currently consulting on three areas of significance to the sector and the University.

The University's response to the first consultation the Draft Student Fees (Specification)(Scotland) Order 2011 was submitted in the Summer. The Government have now published the consultation response and the relevant regulations are expected to be laid before parliament during this week.

The consultation responses to the Governance Review have also been published with as yet no further statement from the Scottish Government. Further clarification as to how governance arrangements operate in practice, using the example of the RUK fees decision making process, was sought by the review panel and supplied by the Vice Convener of Court.

The final consultation concerns the proposals that cover post 16 education "Putting Learners at the Centre: Delivering our Ambitions for Post-16 Education". The University response to this consultation is being co-ordinated by Dr Cornish.

Installation of the Chancellor

I know that many members of Court were able to join us for the very successful Installation of the Chancellor and the accompanying events which included the opening of the newly landscaped Old College quad and the formal opening of the new Royal (Dick) School of Veterinary Studies at Easter Bush. They were wonderful events that showcased the University in a marvellous way and my thanks go to all of those who contributed to making them such a success.

National Student Survey 2011

Court is aware that the University's response to the disappointing NSS results on Assessment and Feedback is being lead by Senior Vice Principal Brown and Vice Principal Hounsell. A significant change to the way that the University supports students through their academic work is being proposed and a process of consultation is currently being undertaken with Schools and students.

Merger MRC HGU

On the 1st October colleagues from the Medical Research Council's Human Genetics Unit and teams from the MRC Centre for Reproductive Health became part of the University following a successful merger of the organisations.

ELIR

The Review Team of the Enhancement-Led Institutional Review (ELIR), which manages how well the University maintains quality and standards, conducted their first visit during mid October. Feedback has been very positive and work continues on the preparation for the part two visit which will take place at the end of November.

THE World University Rankings 2011-12

Very positive news from the Times Higher Education World University Rankings 2011-12, which were announced in October 2011 and have rated the University of Edinburgh 36th in the world, 5th in the UK and 7th in Europe. This is an improvement on 2010 -11 when the University was ranked as 40th in the World.

Related meetings

In early October I was invited to give oral evidence in connection with the Scottish Government's 2012-13 Draft Budget and 2011 Spending Review at the Parliamentary Education Committee session at the Scottish Parliament.

I travelled with Professor Stuart Haszledene to Longannet Power Station to present on Carbon Capture and Storage at a meeting of the Iberdrola Thermal Imaging Board.

At the end of October I chaired a fringe event “Ambitious for Scotland” organised by Universities Scotland at the SNP Conference in Inverness with Cabinet Secretary Mike Russell.

University News

Rectorial Election 2012 The call for nominations for the next Rector of the University has now gone out with a deadline for nominations of the 9 January 2012. All staff and students of the University are entitled to vote at the elections which will be held online on the 8/9 February 2012.

The Olympic torch was welcomed to Edinburgh as part of a tour to raise awareness of the Olympic Torch Relay that will precede the London games next year. The event highlighted the key role that sport plays at the University. The University caters for 24 of the 26 Olympic sporting disciplines and has a long history of its athletes going on to conquer the sporting world. It is hoped that the torch coming to Edinburgh will help inspire the University’s sporting stars to win medals in the future.

Deal with Glaxosmithkline The University has formed a partnership with pharmaceutical company Glaxosmithkline to discover and develop drugs to treat severe acute pancreatitis. The collaboration will build on work carried out by University academics Mr Damian Mole and Dr Scott Webster, who are both based within the College of Medicine & Veterinary Medicine.

New York prize for fashion students A new competition will give one student the chance to work with top US design brand Michael Kors in New York next year. As part of this collaboration between Edinburgh College of Art and the brand, students studying fashion design will vie for an internship with fashion designer Michael Kors. To win, the students must create bags or luggage, all inspired by the Michael Kors brand. The winner will spend two weeks next semester working in the Michael Kors studio and workshop in New York.

Global Horizons festival launch The International Office has launched the Global Horizons festival for 2011-12. This festival is a recognition of how much the University and the local community are enriched by our diverse mix of people. This year the Global Horizons festival has expanded - for the first time international themed events will run in both autumn and spring.

Research in the News:

- Near-death experiences are not paranormal but triggered by a change in normal brain function, according to researchers. Psychologists who reviewed a range of phenomena such as out-of-body experiences, visions of tunnels of light or encounters with dead relatives, say they are tricks of the mind rather than a glimpse of the afterlife. Researchers at the Universities of Edinburgh and Cambridge say that most of the experiences can be explained by a reaction in the brain prompted by a traumatic and sometimes harmless event.
- A new approach to vaccinating cattle could help farmers worldwide, research suggests. Scientists have developed a technique using a harmless parasite, which lives in cows but has no effect on their health, to carry medicines into the animals’ bloodstream. The manipulated parasite is intended to be injected into cattle, where it would continue to thrive in their bloodstreams, releasing small amounts of vaccine slowly over time. The treatment could offer long-term protection against common conditions such as foot-and-mouth disease or bovine tuberculosis, as well as a range of other diseases. The research was carried out in collaboration with the Moredun Research Institute with funding from the Wellcome Trust and the Biotechnology and Biological Sciences Research Council.

- University researchers have identified genes - known as retrotransposons - responsible for thousands of tiny changes in the DNA of brain tissue. The scientists from The Roslin Institute found that the genes were particularly active in areas of the brain linked to cell renewal. Mapping the locations of these retrotransposons in the human genome could help identify mutations that impact on brain function and that may cause diseases to develop.
- A new malaria vaccine has been created to target different forms of the disease and help those most at risk. This new vaccine works by triggering a range of antibodies to fight the different malaria parasites. Many existing vaccines target only a limited part of the parasite population, making them less effective. Scientists at the University created the vaccine by combining multiple types of a key protein found in many different parasite types.
- Communities near old mine workings could benefit from moves to limit the harmful impact of slow-burning slagheap fires. Engineers from the Universities of Edinburgh and Strathclyde are studying piles of coal, shale or other minerals left over from industrial mining to assess how best to cope with hidden risks. Their research was presented at the Geological Society of America Annual Meeting in Minneapolis, Minnesota.

External Recognition:

- Dr Junichi Yamagishi of the School of Informatics has been awarded an Engineering and Physical Sciences Research Council Career Acceleration Fellowship worth more than £900,000 over five years. These highly sought-after awards provide funding to outstanding researchers who are at an early stage of their career. Dr Yamagishi is a member of the University's Centre for Speech Technology Research. His research interests are in speech information processing with a particular focus on statistical speech synthesis.

The University of Edinburgh

University Court

7 November 2011

Assistant Principal Designation for Directors of the Global Academies

Court is fully aware of the importance of the Internationalisation Strategy to the University. A key component of this Strategy are the Global Academies. We currently have three Global Academies, each led by a Director, that support the Strategy around three key themes:

Professor James Smith - Global Development Academy

Professor Sue Welburn - Global Health Academy

Professor Mark Rounsevell - Global Environment & Society Academy

The Director of each Academy is a charismatic and visionary leader capable of attracting support and driving forward developments. A recent review of current progress highlighted that although the Academies are currently performing well with further support they could dramatically increase their influence. I therefore propose to increase the level of commitment and encouragement to the Academies by designating each of the Directors an Assistant Principal on the basis of 0.2 FTE. This initiative will serve to fully realise the potential of the Global Academies by:

- Providing increased leadership to the Global Academies.
- Enable further engagement with Schools and Colleges to share and extend the Academies' ethos, internally and externally.
- Increasing support to the Vice-Principal International in implementing the Internationalisation Strategy.

I wish to make these appointments for an initial period of three years with immediate effect from the 1st November 2011 to 31st October 2014. Costs associated with supporting the Assistant Principals will be met from within the existing Internationalisation Strategy Fund.

I seek Court's approval for these changes.

TMMO'S

November 2011

The University of Edinburgh

The University Court

7 November 2011

**Report of the Finance and General Purposes Committee
(Comments on the Report of the Central Management Group's meeting of 11 October 2011)**

Brief description of the paper, including statement of relevance to the University's strategic plans and priorities where relevant

This paper comprises the Report to the Finance and General Purposes Committee at its meeting on 24 October 2011 from the Central Management Group of its meeting of 11 October 2011. Comments made by the F&GP Committee are incorporated in boxes within the report at relevant points.

Action requested

The Court is invited to approve the Equality & Diversity Strategy & Action Plan and note the remaining items with comments as it considers appropriate.

Resource implications

As outlined in the paper.

Risk Assessment

As outlined in the paper.

Equality and Diversity

As outlined where appropriate in the paper.

Freedom of information

Can this paper be included in open business? Yes except for those items marked closed.

Originators of the paper

Dr Alexis Cornish
Dr Katherine Novosel
October 2011

Central Management Group

11 October 2011

1 **EQUALITY & DIVERSITY STRATEGY & ACTION PLAN (Appendix 1)**

It was noted that this Strategy had been prepared in response to the Equality Act 2010 which brought together previously separate pieces of legislation and created a framework covering nine areas and with an expectation that bodies would go beyond compliance levels to advance equality. The action plan replaced the previous separate plans on race, disability and gender and should be regarded as a working document which would be amended as appropriate. It was also noted that there would be resource implications in taking forward the plan and that specific initiatives would be presented to CMG for consideration. CMG endorsed the Strategy and Action Plan subject to the caveat on resource implications.

The Committee endorsed the new Equality and Diversity Strategy and Action Plan which had been prepared in response to the Equality Act 2010. It was intimated in respect of the item on accessibility to buildings in the Equality Action Plan 2011/2012, that there were areas within the University's estate where it would not be possible to deliver beyond the legal requirements to provide reasonable access.

2 **PERFORMANCE & DEVELOPMENT REVIEW (Appendix 2)**

CMG approved, in principle, the Annual Review Policy Statement pending final agreement with the Combined Joint Consultative and Negotiating Committee (CJCNC). CMG welcomed the development of on-line reporting arrangements, guidance documentation and training that would be provided to cover all areas of the review process including interactions with other current HR policies. It was noted that there would be resource implications in taking all these aspects forward.

The Committee welcomed the initiative on performance and development reviews asking for additional verbal information to be provided at Court on areas of good practice.

3 **SECURITY ADVISORY GROUP – ANNUAL REPORT (CLOSED)**

4 **PROCUREMENT REPORT 2010-2011**

CMG noted the achievements outlined in the annual procurement report and endorsed the development plan for 2011/2012.

5 **REPORT FROM SUSTAINABILITY AND ENVIRONMENTAL ADVISORY GROUP (SEAG)**

The Social Responsibility and Sustainability (SRS) implementation plan for 2011/2012 was endorsed, noting the successful completion of the 2010/2011 plan. CMG further noted the University's responsibilities in respect of recent Scottish Government guidance on Public Bodies Climate Change Duties and welcomed the achievements recorded in the annual reports on waste management and on transport and parking.

6 **ENERGY BUDGET INCENTIVE SCHEME PROPOSAL**

CMG approved the proposed pilot scheme at KB including the rebate of the full value of saving achieved to participating Schools/Departments; the scheme would be rolled out to the rest of the

University in 2012/2013.

7 FEES STRATEGY GROUP (CLOSED)

8 NEW TRAVEL MANAGEMENT SERVICE AGREEMENT

The new travel management service agreement was noted.

Equality & Diversity Strategy and Action Plan

1. This paper seeks CMG's approval of the attached University Equality and Diversity (E&D) Strategy and Action Plan.

Background

2. The new E&D Strategy and Action plan have been developed in the context of significant changes to the legislation in this area. The Equality Act 2010 brought together over 116 separate pieces of legislation into a single Act. It created a single framework covering nine 'protected characteristics': age, disability, gender reassignment, marital status, pregnancy and maternity, race, religion and belief, sex, sexual orientation. The Act also set out a Public Sector Equality Duty, which requires the University to have due regard to the need to:
 - o Eliminate discrimination, harassment and victimisation
 - o Advance equality of opportunity
 - o Foster good relations between people who share a relevant protected characteristic and people who do not share it.
3. Further 'Specific Duties' will be introduced under the Act by the Scottish Government in due course. These are currently under consultation and are likely to include specific requirements to carry out Equality Impact Assessments and to report on equality outcomes.
4. Led by Professor Lorraine Waterhouse, Vice-Principal E&D, the Strategy and Action plan has been developed in consultation with a wide range of colleagues, including Staff Committee and the Principal's Strategy Group. It was recently approved by the E&D Committee, which includes representatives from EUSA, the Trade Unions, the three Colleges and colleagues working in specialist areas related to E&D.

Strategy and Action Plan

5. The E&D Strategy covers all of the protected characteristics and aims to support the University in meeting its Public Sector Equality Duty, promoting an inclusive culture in which all staff and students can develop and contribute to their full potential.
6. The Action Plan draws together and replaces the University's previous separate action plans on disability, race and gender. The plans for action have been extended to cover all of the protected characteristics and the actions have been reviewed to reflect current University priorities and legal requirements.
7. The Action Plan is intended to be a working document, setting out objectives that are practical and achievable and which promote equality, prevent discrimination and foster good relations between groups. The Action Plan will be reviewed regularly to track progress and revise priorities in light of changes in the University's needs and the legal context.

Resources

8. The implementation of the Action Plan has resource implications, in terms of both funding and staff time. It continues to be a core principle that E&D should be embedded in the University's functions and activities, and all managers have responsibility for E&D in their area. Leadership is therefore essential to ensure effective mainstreaming.
9. It is anticipated that most of the action set out in the Action Plan will be taken forward as part of the ongoing planning and management within the University's Colleges, Schools and functions, and many are already underway. However, some initiatives, such as mentoring and Equality Impact Assessment, will require dedicated resources at least initially. It is proposed that discussion of that should be taken forward with senior management, through Staff Committee and the individual senior managers concerned.

Conclusion

10. CMG is asked to approve the attached Equality and Diversity Strategy and to endorse the priorities and actions set out in the Action Plan, with the associated responsibilities.

Eilidh K Fraser
Deputy Director of HR



Equality & Diversity Draft Strategy

1. Introduction

- 1.1. This is a single equality strategy to ensure that equality and diversity are guiding principles in our pursuit of academic excellence. Its introduction coincides with the implementation of the Equality Act 2010 and builds on its principle of integrating equality and diversity in policy and practice. We are pleased to have brought together a Single Equality Action Plan (see Appendix 1) as part of the overall Strategy, which specifically aims to address equal of opportunity in relation to the Protected Characteristics under the Act and sets out the priorities for action for the University of Edinburgh. (A full version of the Equality Act can be viewed at: http://www.legislation.gov.uk/ukpga/2010/15/pdfs/ukpga_20100015_en.pdf)
- 1.2 The University has successfully integrated equality and diversity into the priorities of successive strategic plans, and built on that by setting new targets in the University of Edinburgh Strategic Plan 2008-2012.
- 1.3 We also see the importance of making the strategy open and accessible to all members of the University. This is why we have introduced a dedicated equality and diversity website. This website brings together information on our current policies, some aspects of law in these areas and updates on best practice and developments in government policy.

Our Vision

- 1.4 We aspire to be a place of first choice for some of the worlds most talented students and gifted staff. The University is committed to developing a positive culture, where all staff and students are able to develop to their full potential.
- 1.5 The University is committed to embedding Equality and Diversity across all its work, and believes this strategy reflects its commitment and contribution to its place as a world-leading centre of academic excellence.
- 1.6 We have set targets at University Strategic level as well developing a single

equality action plan to address our duties under the Equality Act 2010 encompassing all of its protected characteristics of age, disability, gender reassignment, race, religion or belief, sex, sexual orientation, marriage and civil partnership and pregnancy and maternity. We identify improvements in the student experience, the challenges faced by disabled staff and students in accessing higher education and gender issues that may affect the pursuit of scientific work as key to tackling real issues.

- 1.7 The University welcomes the challenges ahead and we are committed to working on the issues facing the higher education sector. It is also expected that this new integrated E&D Strategy will assist the University in working collaboratively with other UK and Scottish Universities and relevant public bodies; in working in partnership with the Trade Unions; in knowledge transfer, leadership development, monitoring and policy development.

2. Scope

- 2.1 This Equality and Diversity strategy covers the period to November 2012 in keeping with the [University of Edinburgh Strategic Plan \(2008-2012\)](#). It meets our responsibilities in relation to the Equality Act 2010 through publishing a single Equality Action Plan encompassing the protected characteristics under the Act. It is a Strategy for the whole University community of staff and students.

3. Principles

- 3.1 The University promotes a positive culture for working and studying to which every student and member of staff contributes and within which they are able to develop to their full potential.
- 3.2 It is central to the concept of a university that all members of that community treat each other with respect, regardless of their race, disability, ethnicity, gender (including transgender), age, sexual orientation, or beliefs.
- 3.3 The University will embed Equality and Diversity across all its work. To achieve this all staff and students have a part to play.
- 3.4 The University will simplify the key principles in law so that they may be easily accessible to everyone throughout the institution and to make this information widely available for all members of the University in a range of forms.

- 3.5 Freedom of expression within the law is central to the concept of a university. To this end, the University will foster a culture which permits freedom of thought and expression within a framework of mutual respect.
- 3.6 We will always have an Action Plan to meet the aims of the Strategy which will be reviewed regularly and address the following:
- (a) **Knowledge management:** to improve the availability and use of knowledge and information across the University, and to support knowledge exchange for improvement in policy and practice.
 - (b) **Equality monitoring:** to monitor equality data to identify changes over time and to carry out research in areas of particular significance.
 - (c) **Innovation and improvement:** to promote a positive equalities culture for all staff and students through self-evaluation and evidence based innovation in teaching, learning and services.
 - (d) **Collaboration of resources:** in the field of Equality and Diversity leading to more streamlined and efficient services.
- 3.7 The three previous Equality Action Groups (Race, Gender and Disability) who were overseeing the implementation of the three statutory action plans will be subsumed into in a Single Equality Action Group.

4. How the Law Applies to the University

- 4.1 The University of Edinburgh has legal responsibilities under the Equality Act 2010. The Act consolidated previous anti-discrimination legislation and also introduced new measures that have direct implications for higher education institutions.
- 4.2 The Equality Act provides a single legal framework with clear, streamlined law that will be more effective at tackling disadvantage and discrimination. It brings disability, sex, race and other grounds of discrimination within one piece of legislation which covers nine protected characteristics. (A full version of the Equality Act can be viewed at:
http://www.legislation.gov.uk/ukpga/2010/15/pdfs/ukpga_20100015_en.pdf)
- 4.3 The Equality Act introduced a new Public Sector General Equality Duty which requires the University to pay 'due regard' to the need to: eliminate unlawful discrimination, victimisation and harassment; advance equality of opportunity and foster good relations.

Definitions of Equality and Diversity and Discrimination

4.4 ¹**Equality** is about creating a fairer society where everyone can participate and has the same opportunity to fulfill their potential. Equality is backed by legislation designed to address unfair discrimination based on membership of a particular group

4.5 ²**Diversity** is about recognising that everyone is different in a variety of visible and non-visible ways. It is about creating a culture and practices that recognise, respect and value difference. It is about harnessing this potential to create a productive environment in which the equally diverse needs of the customer/client can be met in a creative environment. It is about creating a workforce who feel valued/respected and have their potential fully utilised in order to meet organisational goals. Diversity is not an 'initiative' or a 'project'; it is an ongoing core aim and a core process.

4.6 Discrimination

The areas of discrimination where the law offers protection are:

Direct discrimination is where a person is treated less favorably than another in a similar situation on a protected ground.

Specific forms of direct discrimination have also been defined:

- **Associative (transferred) discrimination** is now extended to cover age, disability, gender reassignment and sex. This is direct discrimination against someone because they associate with another person who possesses a protected characteristic.
- **Perceptive discrimination** is now extended to cover disability, gender reassignment and sex. This is direct discrimination against an individual because others think they possess a particular protected characteristic. It applies even if the person does not actually possess that characteristic
- **Disability related direct discrimination:** is where a person discriminates against a disabled person if, on the ground of that person's disability, he or she is treated less favourably than a person not having that particular disability has been or would have been treated.
- **Disability - reasonable adjustments:** is where employers are obliged to make reasonable adjustments to premises or working arrangements to

¹ www.lawscot.org.uk, accessed 11.08.11

² www.lawscot.org.uk, accessed 11.08.11

prevent a disabled person from being placed at a substantial disadvantage compared with persons who are not disabled.

Indirect Discrimination is where a rule or practice is applied across the board, but it operates to particularly disadvantage a protected group when compared to others outside the group, unless the rule is needed to achieve a legitimate aim, and the means of achieving that aim are appropriate and necessary.

Victimisation is where an individual who has sought to enforce their rights, or has helped another to do so, has as a result been treated less favorably than others who have not complained.

Harassment where an individual is subjected to unwanted conduct on a protected ground which has the purpose or effect of violating his or her dignity or of creating an intimidating, hostile, humiliating, or offensive environment.

4.7 Protected Characteristics

The nine protected characteristics on the grounds upon which discrimination is unlawful are:

Age - refers to a person belonging to a particular age (e.g. 32 year olds) or range of ages (e.g. 18 - 30 year olds).

Disability - a person has a disability if s/he has a physical or mental impairment which has a substantial and long-term adverse effect on that person's ability to carry out normal day-to-day activities.

Gender reassignment - the process of transitioning from one gender to another.

Marriage and civil partnership - marriage is defined as a 'union between a man and a woman'. Same-sex couples can have their relationships legally recognised as 'civil partnerships'. Civil partners must be treated the same as married couples on a wide range of legal matters. The public sector equality duty does not apply to this characteristic.

Pregnancy and maternity - pregnancy is the condition of being pregnant or expecting a baby. Maternity refers to the period after the birth, and is linked to maternity leave in the employment context. In the non-work context, protection against maternity discrimination is for 26 weeks after giving birth, and this includes treating a woman unfavourably because she is breastfeeding.

Race - refers to a group of people defined by their race, colour, and nationality (including citizenship) ethnic or national origins.

Religion or belief - Religion has the meaning usually given to it but belief includes religious and philosophical beliefs including lack of belief (e.g. Atheism). Generally, a belief should affect your life choices or the way you live for it to be included in the definition.

Sex - a reference to a man or to a woman

Sexual orientation - Whether a person's sexual attraction is towards their own sex, the opposite sex or to both sexes

6. Action Plan

Refer to **Appendix 1** for the Single Equality Action Plan and Aims.

7. References

[Equality and Diversity website](#)

[University's Strategic Plan 2008-12](#)

[EDMARC - Equality & Diversity Monitoring and Research Committee](#)

[Equality & Diversity Coordinators and their role descriptor](#)

[Equality Act 2010](#)

8. History and Review

This Equality and Diversity Strategy was reviewed in 2010/11 in line with the University's Strategic Plan and to incorporate legislative changes. It was approved by # on [date] and takes effect from the same date. It replaces the previous Equality and Diversity Strategy and Action Plan; the University's Disability, Gender and Race Equality Schemes and Action Plans; the Race Equality Policy and the Policy and Codes of Practice on Equal Opportunities in Employment and on Equality and Diversity for Students.

This Strategy and Action Plan will be reviewed in the event of any significant changes to the legal position on equality or diversity, or any other relevant factors. In the absence of such a change, they will be reviewed following publication of the University's next strategic plan in 2012/13.

9. Alternative Format

If you require this document in an alternative format please contact Equality and Diversity at: equalitydiversity@ed.ac.uk or telephone 0131 650 .8127



THE UNIVERSITY *of* EDINBURGH

Equality Action Plan 2011 - 2012

This Action Plan specifically aims to address equal opportunity in relation to the Protected Characteristics (PC) under the Equality Act 2010. It sets out the priorities for action for the University of Edinburgh (UoE) Equality & Diversity (E&D) Strategy.

Key - Protected Characteristics: All (All) Age (A) Disability (D) Sex (S) Nationality ³ (N) Race (R) Religion or Belief (RB) Sexual Orientation (SO) Gender Reassignment (T)

Review: This Action Plan will be reviewed annually and be reported to relevant University Committees and published on the relevant University websites.

³ Note: Nationality is part of Race, but is also specified separately here because it is of distinct significance in relation to the University's Internationalisation Strategy and can be separately identified and monitored in relation to the University's staff and student populations.

1. Structures and Communications

Priorities and Action	Why	PC	Timeline	Responsibility
<p>1.1 Embedding equality and diversity into Structures – 1.1.1 Review E&D Management, consultation and committee structures, including different Protected Groups, Edinburgh University Student Association (EUSA), Trade Unions (TUs), external bodies e.g. government bodies & local agencies. 1.1.2 Review School/Support Department E&D plans under the remit of Colleges/Support Groups and incorporate into UoE level Strategic/Action Plans.</p>	To promote diversity within memberships of key committees and across the University.	All	<p>1.1.1 By end 2011</p> <p>1.1.2 Annually each June</p>	<p>1.1.1 Vice-Principal Equality and Diversity.</p> <p>1.1.2 Vice-Principal Equality and Diversity. Heads of Schools and Colleges/Head of Support Depts and Support Groups.</p>
<p>1.2 Networks –Support and promote networks in achieving equality aims.</p>	To promote information exchange and support consultation.	Potentially All [staff and students] dependent on specific networks.	Ongoing.	Senior HR Employee Relations Partner
<p>1.3 Support & Induction - 1.3.1 Review the ‘pre-arrival guidance’ for new international students and review the provision of ongoing support. 1.3.2 Review the Information for New Staff Guide and review the provision of ongoing support.</p>	To improve support for staff and students from first point of contact with the University.	All (staff & students)	1.3.1 & 2 By 2012	<p>1.3.1 Director of International Office.</p> <p>1.3.2 Senior HR Partner – Resourcing</p>
<p>1.4 Publicising equality – promote equality and diversity in published documents and materials e.g. recruitment documentation, newsletters.</p>	To improve awareness of equality and diversity and promote good practice.	All	Ongoing	Vice-Principal Equality and Diversity, Deputy Director of HR, Heads of Colleges/Support Groups.

2. Policy and Good Practice

Priorities and Action	Why	PC	Timeline	Responsibility
<p>2.1 Equality Impact Assessment (EIA) -</p> <p>2.1.1 Develop EIA Policy and Forms.</p> <p>2.1.2 Ensure EIA is carried out as part of Internal Audits, Reviews and Major projects.</p>	<p>To fulfil legal obligations and more.</p> <p>To support continuous improvement.</p> <p>To further embed equality and diversity into structures and practice.</p>	<p>All (staff & students)</p>	<p>2.1.1 By end 2011</p> <p>2.1..2 By end 2011</p>	<p>2.1.1 Deputy Director of HR.</p> <p>2.1. 2 HR/Internal Audit/Vice-Principal Equality and Diversity/Heads of College and Support Groups/EUSA.</p>
<p>2.2 Flexible Working Policy – Disseminate a flexible working policy and provide guidance and good practice to managers and staff.</p>	<p>To introduce changes in the law on retirement.</p> <p>To fulfil legal obligations in supporting disabled staff and students.</p> <p>To support family friendly policies.</p>	<p>A/D/S/R/RB [staff and students]</p>	<p>By October 2011</p>	<p>Senior HR Employee Relations Partner</p>
<p>2.3 Accessibility - (physical & other)</p> <p>2.3.1 Review and implement the EIA process on estates projects in Estates & Buildings to take account of all PCs.</p> <p>2.3.2 Timely response to required equality adjustments to the estate.</p> <p>2.3.3 Review and implement the EIA process on estates projects in relation to Information Services infrastructure to take account of all PCs.</p>	<p>To fulfil legal obligations and more.</p> <p>To improve the student experience and working environment for staff.</p> <p>To disseminate good practice.</p>	<p>All [staff and students]</p>	<p>2.3.1 tbc</p> <p>2.3.2 Ongoing</p> <p>2.3.3 tbc</p>	<p>2.3.1 Director of Estates & Buildings.</p> <p>2.3.2 Director of Estates & Buildings.</p> <p>2.3.3 Vice Principal Knowledge Management, Chief Information Officer & Librarian, University of Edinburgh.</p>
<p>2.4 Code of Practice on the Selection of Staff - REF 2014 (COP REF) - Promote equality & diversity through preparation of COP REF. [Incorporating guidance on “equality analyses” which is the term used to refer to equality within REF processes.]</p>	<p>To fulfil legal obligations and more</p> <p>To disseminate good practice</p>	<p>All</p>	<p>By 2014</p>	<p>Via Research Policy Group [Code of Practice prepared by Director of HR]</p>

Priorities and Action	Why	PC	Timeline	Responsibility
<p>2.5 Procurement</p> <p>Develop specific University guidance on equality in procurement by:</p> <p>2.5.1 Ensuring providers are made aware of our equality procedures & Action Plan.</p> <p>2.5.2 Equality Impact Assess the University's Procurement process.</p>	<p>To fulfil legal obligations and more</p> <p>To disseminate good practice</p>	All	By 2012	Director of Procurement
<p>2.6 Higher Education Academy (HEA) 'Developing an Inclusive Culture' Project - Review current policy and practice on curriculum design by examining new course and programme approval processes.</p>	<p>To embed inclusive practice in line with the outcomes of the HEA project.</p>	All	By 2012	Assistant Principal Academic Standards and Quality Assurance
<p>2.7 Annual Review/equivalent processes -</p> <p>2.7.1 Carry out EIA on annual performance and development review/appraisal or equivalent processes.</p> <p>2.7.2 Review annual review/equivalent processes data statistics against Protected Characteristics in relation to new annual review/equivalent processes.</p> <p>2.7.3 Embed E&D in annual review/equivalent processes training and guidance.</p> <p>N.B. annual review processes currently being reviewed.</p>	<p>To fulfil legal obligations and more.</p> <p>To identify any potential discrimination and to take remedial action as required.</p>	S/R/D/A	<p>2.7.1 From Oct. 11 onward</p> <p>2.7.2 By 2012</p> <p>2.7.3 tbc.</p>	<p>2.7.1 Aggregate: within College/Support Groups via Heads of HR.</p> <p>2.7.2 Deputy Director of HR.</p> <p>2.7.3 tbc.</p>
<p>2.8 Mentoring – In the first instance develop plans for the introduction of expanded availability of mentoring for Academic & Research staff, including relevant training & support.</p>	<p>To promote equality in relation to career development.</p>	S/R	By 2012	Director of HR, Heads of School.
<p>2.9 Good Practice Hub - Develop and promote a good practice 'hub' on the Equality & Diversity website, ensuring all Protected Characteristics are clearly exemplified.</p>	<p>To disseminate good practice.</p>	All (staff & students)	By 2011	R Employee Relations Partner, EUSA.
<p>2.10 Dignity & Respect (D&R) - Develop a D&R Framework and disseminate the Policy.</p>		All (staff & students)	By mid 2012	Deputy Director of HR, EUSA.

Priorities and Action	Why	PC	Timeline	Responsibility
<p>2.11 Learning & Development -</p> <p>2.11.1 Publicise and promote e-Diversity in the Workplace online training.</p> <p>2.11.2 Roll-out Cultural Diversity training</p> <p>2.11.3 Ensure that those running L&D events have been E&D trained.</p>	<p>To fulfil legal obligations and more.</p> <p>To improve the student experience and working environment for staff.</p>	<p>All (staff & students)</p> <p>R</p>	<p>2.11.1 By June 2011</p> <p>2.11.2 By end 2011</p> <p>2.11.3 By July 2012</p>	<p>2.11.1 Deputy Director of HR</p> <p>2.11.2 Deputy Director of HR</p> <p>2.11.3 Deputy Director of HR/Director of Institute of Academic Development. Vice-Principal Knowledge Management.</p>
<p>2.12 Promotions -</p> <p>2.12.1 Review equality & diversity representation on promotions committees.</p> <p>2.12.2 Review Academic promotions processes.</p>	<p>To disseminate good practice.</p> <p>To fulfil legal obligations and more.</p> <p>To promote equality in relation to career development.</p>	<p>S/R</p>	<p>2.12.1 & 2 By 2012</p>	<p>2.12.1 /Snr HR Partner – Reward, local HR</p> <p>2.12.2 Director of HR/Snr HR Partner – Reward.</p>
3. Monitoring				
Priorities and Action	Why	PC	Timeline	Responsibility
<p>3.1 Monitoring -</p> <p>3.1.1 Improve data collection through staff recruitment processes.</p> <p>3.1.2 Review the number of appointments/ promotions:</p> <p>3.1.3 Produce annual Equality & Diversity Monitoring & Research Committee (EDMARC) Reports & keep the content under review.</p> <p>3.1.4 Follow up EDMARC findings, as appropriate.</p> <p>3.1.5 Carry out regular Equal Pay Audits.</p> <p>3.1.6 Continue to encourage disabled staff to disclose disability and provide support when they do.</p>	<p>To fulfil legal obligations and more.</p> <p>To improve recruitment & staff satisfaction, e.g. to improve student uptake.</p> <p>To promote diversity within memberships of key committees and across the University.</p>	<p>A/S/R/D (staff & students)</p>	<p>3.1.1 By end 2011</p> <p>3.1.2 through 3.1.6 all Ongoing</p>	<p>3.1.1 e-Recruitment Project.</p> <p>3.1.2 Snr. HR Partner - Reward</p> <p>3.1.3 Convener of EDMARC.</p> <p>3.1.4 University Secretary with advice from EDMARC</p> <p>3.1.5 Snr. HR Partner - Reward</p> <p>3.1.6 Deputy Director of</p>

				HR.
4. Additional Action on Specific Protected Characteristics				
Priorities and Action	Why	PC	Timeline	Responsibility
4.1 Age – Consider appropriate measures in relation to removal of the default retirement age [DRA].	To fulfil legal obligations and address the consequences of the removal of the DRA.	A	Spring 2012	Deputy Director of HR
4.2 Occupational Segregation - Review the Scottish Government reports on Occupational Segregation and identify any actions.	To fulfil legal obligations and more.	S	By end of 2011	Deputy Director of HR
4.3 Childcare – Review provision of childcare facilities across the University to ensure equality of access and the services to meet the needs of a wide variety of staff and students.	To support staff and students with childcare.	S	2011	Director of Corporate Services Group.
4.4 Athena SWAN Awards 4.4.1 Relevant schools/units in CSE and MVM apply for Awards. 4.4.2 Participate in the Equality Challenge Unit's 'advancing gender equality in higher education: good practice in employment recognition scheme' pilot.	4.4.1 To meet the University's strategic objectives. To promote women in science. 4.4.2 To promote a good practice recognition scheme to promote and advance gender equality in higher education	S	4.4.1 By 2012 4.4.2 During 2011/12	4.4.1 Vice-Principal Equality and Diversity + School leads. 4.4.2 Vice-Principal Equality and Diversity and Project team
4.5 Accessibility – Review the refurbishment of e.g. the John MacIntyre Conference Centre and other buildings.	To improve the student experience and working environment for staff. To adapt to suit the protected characteristics. To disseminate good practice.	All [staff and students]	tbc	Director of Corporate Services Group.

Priorities and Action	Why	PC	Timeline	Responsibility
<p>4.6 English as an additional language – Review provision of English as an additional language support for under/post graduate students and seek advice from the English Language Teaching Centre.</p>	<p>To ensure that undergraduate and postgraduate students are supported to the best of their ability in developing academics literacy in their subject area.</p>	<p>R</p>	<p>December 2011</p>	<p>Assistant Principal Academic Standards and Quality Assurance via Senatus Quality Assurance Committee (SQAC).</p>
<p>4.7 International Students -</p> <p>4.7.1 Consider the effects of the Christmas and New Year closure on international students.</p> <p>4.7.2 Provide good quality pre-arrival information.</p> <p>4.7.3 Participate in the Equality Challenge Unit project on Experiences of International Students.</p>	<p>To improve the experiences of International students.</p>	<p>All</p>	<p>All - tbc</p>	<p>4.7 Vice-Principal Equality and Diversity via :</p> <p>4.7.1&2 International Office</p> <p>4.7.3 Convener, Race Equality Action Group.</p>
<p>4.8 Qualitative research -</p> <p>4.8.1 Extend monitoring beyond 'hard data' by deploying qualitative research methods on agreed priority areas. Agree with the Chair of EDMARC an area of qualitative research study related to Black, Asian Minority Ethnic (BAME) students e.g. attainment and progression rates, poor conversion rates for BAME students from offer to acceptance.</p>	<p>To improve the experiences of BAME students and students from different faith/belief backgrounds.</p> <p>To improve the acceptance rates of BAME students into the UoE.</p>	<p>R/RB</p>	<p>December 2011</p>	<p>Vice-Principal Equality and Diversity with Chair of EDMARC.</p>
<p>4.9 Partnership with professional and community bodies -</p> <p>4.9.1 Heads of School to identify their Schools' needs and establish dialogue with professional bodies on equality issues.</p> <p>4.9.2 Undertake to make links with professional bodies on under-represented groups.</p>	<p>To ensure race equality matters from the sector are embedded into university programme content.</p> <p>To improve the numbers of BAME and disabled applicants into the sector.</p> <p>To play an active role as a civic university in taking forward equality in the area of race relations as well as religion and belief.</p>	<p>R/RB/S/D</p>	<p>4.9.1 April 2012</p> <p>4.9.2 tbc.</p>	<p>4.9.1 Heads of School of the specific professional programme areas.</p> <p>4.9.2 Centre for Education for Racial Equality in Scotland (CERES). Others tbc.</p>

Priorities and Action	Why	PC	Timeline	Responsibility
<p>4.10 Learning and Development -</p> <p>4.10.1 To roll-out differentiated inter-cultural and faith awareness courses for different categories of staff on MyEd.</p> <p>4.10.2 To provide seminars on topics addressing race and religious diversity matters e.g. promoting good relations in learning and teaching, service delivery, addressing inter-and intra-group tensions related to racial matters.</p>	To build staff awareness and confidence of working within racial, cultural, religious, and linguistic diversities.	R/RB	June 2012	<p>4.10.1 tbc.</p> <p>4.10.2 Student Disability Service, International Office, Chaplaincy, EUSA.</p>
<p>4.11 Sexual Orientation – Set up an LGBT Network.</p>	To promote equality and to support LGBT staff and students.	SO	Tbc	Senior HR Partner - Employee Relations.
<p>4.12 Transgender – Develop a Trans Equality Policy.</p>	To support trans equality staff and students.	T	By April 2011	Senior HR Partner - Resourcing.
<p>4.13 Disability – Staff</p> <p>4.13.1 Develop a Staff Disability Policy.</p> <p>4.13.2a Develop improved processes for staff and managers to access support for disabled staff.</p> <p>4.13.2b Develop and publicise information on the support for disabled staff, for both staff and managers.</p> <p>4.13.2c Develop health & wellbeing pages on the HR web on good practice e.g. flexible working, reasonable adjustments.</p> <p>4.13.3 Work with external bodies on initiatives such as Healthy Working Lives and 'See me' Scotland to develop a staff culture which promotes good mental health.</p> <p>4.13.4 Review the systems and processes for obtaining monitoring data on disability, with a view to improving data collection and improving statistical reporting.</p>	<p>To support disabled staff, and to recruit and retain staff.</p> <p>To fulfil legal obligations and more.</p>	D [staff]	All By 2012	<p>HR Partner - Employee Relations</p>

Priorities and Action	Why	PC	Timeline	Responsibility
<p>4.14 Disability - Students -</p> <p>4.14.1 Review satisfaction monitoring measures for disabled student support:</p> <p>4.14.2 By reviewing content of Student Disability Service evaluation, exploring other feedback mechanisms.</p> <p>4.14.2a Fully implement course adjustments for students.</p> <p>4.14.2b Revise and update guidance for all relevant stakeholders (e.g. Manual for the Management of Adjustments to Academic Processes for Disabled Students).</p> <p>4.14.2c Develop further awareness of issues relating to students with specific learning difficulties, including Aspergers Syndrome and dyslexia.</p> <p>4.14.3 Embed a culture of improved and necessary support for mental health issues, by:</p> <p>4.14.3a Work closely with relevant student bodies e.g. EUSA, to disseminate information and promote mental health awareness and support.</p> <p>4.14.3b Develop mental health support provided by the Student Disability Service via the mental health mentor service.</p> <p>4.14.4 Continue to work towards an inclusive environment for disabled students.</p>	<p>To fulfil our legal obligations.</p> <p>To improve the student experience and supporting the Widening Participation agenda.</p> <p>To support students to reach their full potential.</p> <p>To promote an inclusive environment.</p> <p>To enhance our student experience.</p>	<p>D [students]</p>	<p>4.14.1 Annually.</p> <p>4.14.2 Ongoing.</p> <p>4.14.2a/b/c tbc.</p> <p>4.14.3 Ongoing</p> <p>4.14.3a & b Ongoing</p> <p>4.14.4 Ongoing</p>	<p>4.14.1 Director of Student Disability Service.</p> <p>4.14.2 Student Disability Service Coordinators of adjustments/academic and support staff.</p> <p>4.14.2a & b Senatus Quality Assurance (SQAC) Accessible Learning [Teachability] Implementation Group.</p> <p>4.14.2c Student Disability Service.</p> <p>4.14.3 University Secretary with support form Student Disability Service.</p> <p>4.14.3a & b Disability Committee Mental Health sub-group.</p> <p>4.14.4 Student Disability Service.</p>

Priorities and Action	Why	PC	Timeline	Responsibility
<p>4.14.5 Develop University-wide communication on Accessible Learning (Teachability), including examples of good practice.</p> <p>4.14.5a Reduce overall number of specific adjustments recommended on students' learning profiles in favour of "mainstreamed" approach.</p> <p>4.14.6 To review and update the University's Disability Policy to reflect the new legislation.</p>			<p>4.14.5 & a Ongoing</p> <p>4.14.6 by January12</p>	<p>4.14.5 SQAC task group implementation plan</p> <p>4.14.5a Director Student Disability Services/SQA Teachability Task group/Colleges/Schools.</p> <p>4.14.6 Disability Committee.</p>

Performance and Development Review

This paper reports on progress with the development of University performance and development review policy and processes and seeks CMG's approval in principle to an Annual Review Policy Statement, pending final agreement through CJCNC.

At its meeting in June, following discussion by a one-off sub-committee, Staff Committee agreed a set of key principles and core processes that should apply to the review of staff's performance and development across the University. These proposals were then discussed with the Trade Unions as part of an ongoing informal consultation process.

It appeared, through the discussions with the unions, that there was accord on most of the broad principles. However, the unions remained opposed to the word 'performance' being part of the title of the process and it was apparent that discussion of some more detailed aspects was standing in the way of agreeing on the principles and core process. In order to ensure that ongoing reviews across the University are underpinned by a single set of principles, it was agreed with the unions that we should firstly seek to agree on a relatively brief Policy Statement and that development of fuller guidance and a standard format should follow.

The attached Annual Review Policy Statement has now been developed in consultation with the trade unions and members of Staff Committee. This includes the key principles and core processes identified by Staff Committee in June.

While Staff Committee had expressed a preference for the title of 'Performance and Development Review', it was agreed that the title 'Annual Review' could be used provided that the dual purpose - to review both performance and development – was explicit and clear. In order to agree a Policy Statement with the unions, it has proved necessary to take that approach.

The Annual Review Policy Statement is now brought to CMG for approval, subject to final agreement through CJCNC.

Following approval of the Policy Statement, the next steps will be:

The Annual Review Policy Statement will be put to CJCNC for agreement and then published on the HR website and publicised through Staff News and through managers.

The development of fuller guidance and a standard format for Annual Review is underway and will be taken forward as quickly as possible, involving managers, trade union representatives and HR colleagues from across the University.

A basic Annual Review recording system has been developed and is now available for use by all areas. Plans are being made to roll-out implementation. If this is used in all areas, it will enable ready collection of data on Annual Reviews through the Oracle HR system. A fuller on-line Annual Review 'work-flow' system has also been developed and is currently being piloted.

CMG is requested to approve the attached Annual Review Policy Statement, subject to final agreement through the Combined Joint Consultation and Negotiation Committee (CJCNC), and to note the plans for development of University guidance and a standard format for Annual Review.

Eilidh K Fraser
Deputy Director of HR



Annual Review Policy Statement

Purpose

This Policy Statement sets out the core principles of Annual Review in the University, to support a positive working culture which enables, encourages and recognises success and aligns with the University's mission and goals.

Annual Review aims to equip employees to realise their full potential; to focus their efforts as direct contributors to the success of the university; and to support individual professional and personal development. It involves reviewing every employee's performance and development each year, setting objectives and identifying development needs and opportunities for the future. It should ensure that employees are clear about what is expected of them, how their work is progressing and how they will be supported in their job and their development.

Scope

The principles for Annual Review set out in this Policy Statement apply University-wide, while enabling individual Schools/departments/units/employee groupings the flexibility to ensure the process recognises their particular context and needs.

1. This Policy Statement applies to all those employed by the University for a period of greater than 3 months irrespective of the nature of the contract.

Principles and Governance Processes

2. Annual review is mandatory for all employees. Where employees are absent at the time when the Annual Review would normally be held, either due to a significant period of absence (e.g. maternity leave) or shorter-term period of absence, arrangements will be made to ensure a Review is held before and/or after the period of absence.
3. Heads of Colleges and Support Groups will make arrangements for reviews to be carried out and recorded for all staff within each year, between 1 August and 31 July.
4. Some employees are required to have a review or appraisal of their work and development through an external process, as is the case with all clinical academic staff. In such cases the Annual Review may be carried out through that process and the timetable may differ, provided the process is consistent with the principles set out here.

5. Through the Annual Review, employees and their line managers should clearly identify how employees' roles contribute to the successful attainment of the school/department/unit goals and support the achievement of the University's goals.
6. As a minimum, through Annual Review the employee and their manager will:
 - Review the employee's achievements, and progress and performance in relation to objectives over the preceding year
 - Review the employee's development over the preceding year
 - Identify priorities and objectives for the coming year
 - Identify development and support requirements for the coming year
 - Identify longer term objectives and development needs, where appropriate
7. Annual Reviews will always involve a meeting between the employee and their manager (or other nominated reviewer). The extent, duration and nature of Annual Review discussions and processes should be proportionate and appropriate to the circumstances, e.g. taking into account the nature of the employee's job and the extent to which their objectives change from year to year, and any external requirements such as from professional or funding bodies.
8. Line managers are responsible for ensuring that Annual Reviews take place and will normally act as Reviewers. If not acting as Reviewers, line managers are responsible for nominating a suitable Reviewer to act on their behalf.
9. The purpose of Annual Review meetings is to review the employee's performance and development over the previous year and discuss and agree objectives for the next twelve months, and for the longer term where appropriate. Reviewer and reviewee are both responsible for participating fully in the Annual Review. They have joint responsibility for preparing fully for the Annual Review meeting, engaging in an honest, professional discussion around the reviewee's contributions and discussing and planning for the reviewee's future contributions and development.
10. During the Annual Review meeting there should be:
 - Honest, balanced, evidence-based feedback on the reviewee's strengths and areas for development or improvement
 - An opportunity to gain a clear understanding of the College/School/Support Groups' expectations of the employee and detailed discussion of the employee's contribution to the achievement of local goals, in the context of University goals
 - Detailed discussion of development needs and appropriate guidance, support and development towards the achievement of the employee's objectives and enhancement of their performance.
11. At the end of the meeting the reviewee should have clear objectives for the coming year and a development plan that allows them to take a proactive approach to their own development with the support of their line manager.

12. Both parties are responsible for the effectiveness of the Annual Review, including adhering to the following values:
- **Mutual trust and respect** - both parties are expected to approach the discussions with a mutual respect for the other person's skills, abilities, knowledge and experience in their respective roles
 - **Collaboration/partnership** - the review meeting should be a genuine, constructive two-way discussion: with both parties taking an active part to ensure that it is meaningful, relevant and productive for both
 - **Transparency** - a clear and shared understanding of the purpose and outcomes of the process
 - **Relevance** – the discussion should focus on work priorities and objectives that clearly link to University goals.
13. Annual Reviews will be carried out in a fair and equitable way, in line with the University's Equality and Diversity principles, and with a view to promoting a positive culture for working and studying, as required by the University's Dignity and Respect Policy.
14. Reviewers are required to have appropriate training and/or experience to carry out Annual Reviews. The University will provide a range of learning and development resources to support the skills and knowledge of all staff in relation to Annual Review. This will include written guidance and workshops.
15. The key points and outcomes of the Annual Review discussion must be documented and signed off by the employee, their line manager and the next level of manager.
16. On the rare occasion where disagreement arises through the Annual Review or in the documentation, this should be resolved between the line manager and the employee, wherever possible. Where unresolved, advice should be sought from HR.

Monitoring

17. Individual staff development needs will be identified through the Annual Review process, and will be collated to inform Learning and Development strategy, planning and provision.
18. Annual Review completion is an important Quality People indicator and strategic target for the University. Completion rates will be monitored at School/Service Area/College and University level.
19. Equality monitoring will be carried out on review completion, particularly in relation to age and sex.

History and review

This Policy Statement was endorsed by CJCNC and approved by CMG on [Date] and takes effect from [date]. It replaces the previous 'appraisal' framework and the Professional Development & Review scheme for new lecturers. If there is perceived to be any contradiction between this Policy

Statement and other University policies or guidance, advice should be sought from HR. It is intended that the principles set out in this Policy Statement should take precedence.

Further guidance on Annual Review is being developed in partnership with a range of stakeholders, including the recognised trade unions, which will provide some standard elements of processes and further advice on Annual Review and support in particular circumstances, such as during probation, for early career academic staff, for staff working on research grants and for staff working variable hours. Guidance will also be provided on the relationship between Annual Review and other University policies and processes and on how to resolve disputes. It is anticipated that the guidance and processes will continue to evolve in the light of good practice experience both in the University and elsewhere.

This Policy Statement will be reviewed by September 2012 and an initial evaluation of the Annual Review process will be undertaken in 2012-13.

Alternative Format

This document can be provided in alternative formats on request by email to UHRS@ed.ac.uk or by calling 0131 650 8127.

C1.2

The University of Edinburgh

The University Court

7 November 2011

**Report of the Finance and General Purposes Committee
(Report on Other Items)**

Brief description of the paper, including statement of relevance to the University's strategic plans and priorities where relevant

This paper reports on the meeting of the Finance and General Purposes Committee held on 24 October 2011 covering items other than the CMG report. Detailed papers not included in the appendices are available from Dr Novosel.

Action requested

The Court is invited to approve the Anti-Bribery and Corruption Policy and the proposals in respect of student debtors and to note the remaining items with comments as it considers appropriate.

Resource implications

If applicable, as noted in the report.

Risk Assessment

Where applicable, risk is covered in the report.

Equality and Diversity

No implications.

Freedom of Information

Can this paper be included in open business? Yes

Except for items 4 - 6

Its disclosure would substantially prejudice the commercial interests of any person or organisation

Originator of the paper

Dr Katherine Novosel
October 2011

University Court, Meeting on 7 November 2011

**Report of the Finance and General Purposes Committee
24 October 2011
(Report on Other Items)**

- 1 ANTI-BRIBERY AND CORRUPTION POLICY** **Appendix 1**

The Anti-Bribery and Corruption Policy was welcomed and fully endorsed by the Committee. There was discussion on the training and awareness raising sessions already undertaken and the need for all staff to be aware of the implications of the Act. Amendments to the guidance notes were suggested to improve clarity. The Committee further asked that an investigation be initiated into the circumstance of all donations of £2m and over accepted by the University in the last 10 years in order to provide a baseline report; the Ethical Fundraising Advisory Group was tasked with taking this forward and to considering future processes.
- 2 STUDENT DEBTORS** **Appendix 2**

The Committee endorsed the proposals and recommended approval to Court, noting that prior to legal action being initiated the University Secretary would consider each case.
- 3 SUBSIDIARY COMPANY BOARD MEMBERSHIP CHANGE**

The Finance and General Purposes Committee approved the proposed changes in membership of Edinburgh Research and Innovation Ltd, Old College Capital LP (Investment Committee), Old College Capital GP, University Limited Partner, and Edinburgh Technology Fund Ltd to ensure no conflicts of interests and thereby to promote good governance.
- 4 FINANCIAL UPDATE** **Appendix 3**
- 5 MANAGEMENT ACCOUNTS TWO MONTHS TO 30 SEPTEMBER 2011** **Appendix 4**
- 6 VOLUNTARY SEVERANCE**



THE UNIVERSITY *of* EDINBURGH

Anti-Bribery and Corruption Policy

1. Policy Statement

In accordance with the highest standards of professional practice and good governance, the University does not tolerate bribery or corruption of any kind.

All members of staff must adhere strictly to the UK legislation in relation to bribery and corruption and follow the procedures designed by the University to prevent bribery.

Staff must not offer, promise or pay bribes and they must not request or receive bribes. The University will also expect the highest standards of compliance in this area from other parties that provide services to the University or on its behalf.

2. Scope and Purpose

This policy applies to all employees and any other member of staff of the University, including any temporary or agency staff or unpaid members of staff and voluntary workers. It also applies to staff in subsidiary companies. The policy applies to all activities of the University, whether related to its research, teaching, commercial or other activities, and exists for the protection of members of staff and the University.

The University will expect any person or organisation performing services for it or on its behalf, to adhere to this policy or otherwise have equivalent procedures in place to prevent corruption. These third parties include agents and others who represent the University and suppliers, consultants and private sector partners who perform services for the University or on its behalf, wherever located in the world.

The policy sets out the University's approach to dealing with the relevant legislation, which can apply as follows:

Nature of Offence	Scope
Paying bribes	Members of staff and the University
Receiving bribes	Members of staff and the University
Bribery of a foreign public official	Members of staff and the University
Failure of a commercial organisation to prevent bribery	The University and its subsidiary companies

The policy also covers issues related to the following of other policies and Codes of the University, where reference should be made for guidance on procedures:

- [Disciplinary Policy](#)
- [Policy on Conflict of Interest](#)
- [Code of Practice on Reporting Malpractice and Raising Concerns under the Public Interest Disclosure Legislation \('Whistleblowing'\)](#)
- [Code of Practice for Staff on the Receipt of Gifts, Hospitality and Other Benefits](#)
- [Procurement Policy \(Scottish Procurement Policy Handbook\)](#)

A summary of the UK Bribery Act Legislation, as well as relevant definitions of the terms in the policy can be found at **Appendix A**. Further guidance on the application of this policy can be found at **Appendix B**.

3. Principles of the Policy

The University and members of staff are required to comply with the following principles:

- Bribes must not be offered, promised, paid, requested, agreed to or accepted.
- In line with its core values and constitution, the University does not make political donations (whether to individuals, political parties or other political organisations, either in the UK or overseas) and any donations made on behalf of the University by any member of staff will be deemed a violation of this policy.
- Facilitation payments must not be offered, promised, paid, requested, agreed or accepted (for a definition of these, refer to Appendix B, Paragraph 8).
- Disciplinary action will be taken by the University or its subsidiary companies against staff who breach this policy. This includes the sanction of summary dismissal in cases where staff pay or receive bribes. Similar action will also be taken against other parties performing services for the University who fail to abide by this policy or equivalent anti-corruption standards, which includes termination of the University's relationship with them.
- The University encourages all staff to report any corruption concerns immediately and will support staff that do so. All reporting will be handled sensitively and the University is committed to ensuring that no member of staff who reports a corruption concern in good faith suffers any detrimental effect for doing so.
- A deliberate failure to report suspicions of corruption or to conceal bribes by others will also be subject to disciplinary action.

- Third parties who have, or who are suspected of having, offered or accepted bribes should not be engaged to work for the University
- Any malicious, wilful or deliberate misreporting of a bribe or suspicion of a bribe may be treated as a disciplinary matter, and handled through the University's Disciplinary Policy.

4. Responsibilities

All members of staff must read and adhere strictly to the guidelines contained in this policy.

The University Court has ultimate responsibility for approval of this policy;

- Monitoring and receiving regular updates on the implementation of this policy

The Principal, Vice Principals, Heads of College, Support Groups, Schools and Support Departments have responsibility for the following, in conjunction with the University's Risk Management Committee:

- The implementation of this policy;
- Communication of the policy to staff and other stakeholders, and development of further anti-corruption compliance procedures for the University as appropriate;
- Conducting a regular risk assessment of corruption risks faced by the University;
- Commissioning regular audits and monitoring of this policy and related policies and procedures to ensure they are effectively implemented and are responsive to the University's potential corruption risks.

Line managers are responsible for ensuring that:

- All employees with whom they work are aware of this Policy and attend training as necessary on how it affects their work;
- They promote all other anti-corruption compliance measures within the parts of the University in which they work and that they lead by example.
- They inform their Head of School/Support Department immediately when they are notified of any corruption concerns

All employees are expected to:

- Adhere to the University's anti-corruption procedures, and other similar policies, as far as they are applicable to their roles within the University;
- Raise corruption concerns immediately with their line managers or their Head of School/Support Department;

- Follow University guidance and best practice when involved in activities relating to the procurement of goods, services or works, or using overseas or other agents and third parties

The University Secretary, Director of Corporate Services, Vice-Principals, Heads of College and each Head of School/Support Department has:

- Day-to-day responsibility for implementing this policy, checking its effectiveness and dealing with any queries in relation to it;
- Primary responsibility for monitoring compliance with the policy and for ensuring any instances of suspected corrupt activity are investigated appropriately.

5. Breaches of this Policy

Where an allegation is made to the effect that a member of staff has breached this policy, the matter will be dealt with under the University's Disciplinary Policy. Where, after an investigation and subsequent disciplinary hearing, allegations are upheld, the employee may be subject to formal action which could ultimately include dismissal.

Where third parties performing services or supplying good for, or on behalf of the University are in breach of this policy, action may be taken to bring to an end the relevant contractual relationship.

For clarity, breaches of this policy include:

- Paying bribes
- Receiving bribes
- Bribery of a foreign public official
- Failure of a commercial organisation to prevent bribery

6. Reporting and Whistle Blowing

The University encourages all staff to report any concerns about corruption that they encounter and make sure that suspicious behaviour does not go unchallenged.

It is important that if a member of staff suspects that someone else (e.g. a colleague, student, volunteer, supplier or consultant) may have or is about to engage in any corrupt conduct, or if a member of staff is offered a bribe, they should report it immediately to their line manager or Head of School / Support Department who in turn should report the matter to the University Secretary for expert advice and guidance.

The University will support anyone who raises concerns in good faith, and will give assurances that any concerns will be handled sensitively. This includes ensuring that no member of staff will suffer any detriment for refusing to accept or pay bribes, or if they report concerns they have about others' conduct.

Failure to report concerns can result in prohibited activity damaging the University - and may suggest that there has been complicity in this behaviour.

7. Record-keeping

The University maintains financial records and has appropriate internal controls in place through other policies and procedures to ensure all payments to third parties (such as payments to anyone who provides services for or on its behalf) are properly documented and authorised.

8. Training

The appropriate members of staff will receive regular, relevant training on how to implement and adhere to this policy.

9. Monitoring and Review

The University's Risk Management Committee will monitor the effectiveness of this policy on an annual basis. Any potential improvements identified by the Committee will be actioned by production of an updated policy as appropriate and subsequent training where necessary. Internal control systems and procedures will be subject to regular audits to provide assurance that they are effective in countering bribery and corruption.

10. Policy History and Review

This policy was approved by Central Management Group on 11 October 2011 and takes effect from 26 October 2011.

In the event of any significant change to the legal position on Bribery and Corruption, this policy will be subject to immediate review. In the absence of such a change, the policy will be reviewed by December 2012.

11. Alternative format

This document can be provided in alternative formats on request by email to UHRS@ed.ac.uk, or by calling 0131 650 8127.

Summary of UK Bribery Act Legislation

1. What Is Bribery and Corruption?

The Bribery Act defines corruption offences very widely. Most offences apply equally to private and public sector activities. This Appendix sets out further details of the offences and how they may apply to the University.

As a summary of the key provisions in the UK law, members of staff should follow these three principles:

- Do not make payments to someone (or favour them in any other way) if you know that this will involve someone in misuse of their position.
- Do not misuse your position in connection with payments (or other favours) for yourself or others.
- Do not deliberately use advantages to try to influence foreign public officials for business reasons. If you need to promote the University's business with a foreign public official, always check in advance with your Head of School/Support Department.

A bribe does not need to be a monetary sum. It can be any form of advantage: e.g. lavish hospitality or gifts; an offer of employment; or the provision of services free of charge or with a substantial discount. A person who is offered or agrees to accept a bribe does not need to benefit personally.

Actual payment of a bribe does not need to occur for there to be a criminal offence. An offer or request would be sufficient.

Sometimes offering or making a payment (or giving some other favour such as lavish hospitality) is an act of bribery in itself – i.e. where this is improper without the recipient needing to do anything else as a consequence.

2. How Does Corruption Affect The University?

Risks of corruption can arise in a wide range of the University's activities and its interaction with third parties. Some examples of these are as follows:

- International operations
- Recruitment of students and awards of degrees
- Gifts and donations to or from the University or its staff
- University Fundraising Activities
- Sponsorship and partnerships with private sector organisations in the UK or overseas and other commercial activities
- Procurement processes across the University and relationships involving estate and property management

- Appointment of agents or representatives in the UK or overseas who perform services for or on behalf of the University
- Relationships with other academic institutions, regulatory or funding bodies
- Field trips and overseas research in jurisdictions where there are particular corruption risks;

The University will undertake periodic risk assessments of its activities, including risks relating to: the sector in which it operates; its international business activities and presence in overseas countries; its existing processes for gifts and hospitality and donations; its relationships with a wide range of third parties in the UK and overseas who provide services to it or on its behalf; its procedures for procurement and other internal policies; and its other business structures, such as private sector joint ventures or joint international research collaborations.

3. What is the Law?

The offences under the Bribery Act are extensive in scope, broadly defined and, in some circumstances, also allow for crimes committed anywhere in the world to be prosecuted in UK courts. The University's standards therefore apply to conduct that occurs both in the UK and in any activity it undertakes abroad.

The UK law has serious consequences for anyone found guilty of an offence. For individuals, a maximum prison sentence of ten years and/or an unlimited fine can be imposed; for commercial organisations, an unlimited fine can be imposed. Other measures can include the ability to confiscate assets, where these are found to be the proceeds of criminal activity including corruption.

The Bribery Act includes a new offence of failure of commercial organisations to prevent bribery. In light of its various commercial activities, the University will be treated as a commercial organisation for this purpose even though it has primarily educational aims.

4. Offences under the Bribery Act

The Bribery Act contains four main offences:

- **Paying bribes** - Can apply to members of staff and the University
- **Receiving bribes** - Can apply to members of staff and the University
- **Bribery of a foreign public official** - Can apply to members of staff and the University
- **Failure of a commercial organisation to prevent bribery** - Can apply to the University and its subsidiary companies.

In addition, if a senior officer of a commercial organisation consents to or connives in an act of bribery by that organisation, they can be separately prosecuted.

As a reference guide, set out below are brief explanations of what each of the four main offences mean.

4.1 Paying bribes

It is an offence if a person offers, promises or gives a financial or other advantage with the intention of inducing another person to **perform a function or activity improperly** or to reward that person for doing so.

It is not necessary to prove that this person intended this consequence in all cases: it is also an offence if the person knows or believes that acceptance of the advantage by another is in itself an improper performance of their function or activity.

4.2 Receiving bribes

It is an offence if a person requests, or agrees to accept, or receives a financial or other advantage intending that a **function or activity** should be **performed improperly** as a result.

It is also an offence:

- Where the request or receipt of the advantage is in itself an improper performance of a function or activity;
- Where the request or receipt is a reward for the person's or someone else's improper performance in the past;
- Where their improper performance takes place in anticipation or as a consequence of a request or receipt of an advantage.

In these other scenarios, it does not matter whether the person knows or believes that the performance of a function or activity is improper.

With both of the above offences, it does not matter that no money changed hands, or that a person received no personal benefit or enrichment.

Both offences can also apply to acts of bribery that take place outside of the UK, where the person or organisation paying or receiving a bribe has a close connection to the UK. This includes all UK citizens, other persons ordinarily resident in the UK, and UK incorporated companies.

4.3 What activities do these offences apply to?

The offences could apply to any function or activity involving the University and any activities of its staff, connected with a business, performed in the course of employment, or on behalf of the University or a subsidiary company. Examples include the University's dealings with:

- private sector businesses, or third parties including subcontractors or agents
- other publicly funded organisations, grant giving bodies, and relevant public bodies.
- service providers or agents
- individuals, including students and prospective students, donors and other sponsors.

4.4 What does improper performance mean?

Whether an activity or function is **performed improperly** will be measured on an objective basis, not necessarily on a person's own perception of the circumstances of the activity. The test will be whether a function has been performed in breach of how a reasonable person in the UK would expect it should be performed. This means customary or historic practices will not necessarily be acceptable.

4.5 Bribery of a foreign public official

It is an offence if a person offers or gives a financial or other advantage to a foreign public official with the intention of influencing the foreign public official and to obtain or retain business or a business advantage. Foreign public officials include persons performing functions at state owned or controlled enterprises and agencies - and therefore could potentially include those working for public universities outside of the UK.

The University has identified that it has relevant international activities where it may have dealings with foreign public officials, including:

- In territories where the University has overseas offices
- In territories where it engages overseas agents for student recruitment
- In territories where companies or commercial enterprises owned or controlled by the University, or similar partnerships the University has with third parties in the private sector, operate
- In territories where it engages patent attorneys to protect its intellectual property rights
- In territories where members of the University undertake research or other academic activities from time to time

The Bribery Act contains no exemption for “facilitation payments” (see also the section of this Guidance Notes to the University Policy relating to Facilitation Payments).

If a member of staff of the University in the UK or overseas needs to promote the University's business with a foreign public official, the member of staff must contact their Head of School/Support Department in advance to confirm what steps are appropriate in any dealings they intend to have with the foreign public official.

4.6 Failure of commercial organisations to prevent bribery

It is an offence for the University in relation to its commercial activities if a person associated with the University bribes another person intending to:

- obtain or retain business for the University; or
- obtain or retain an advantage in the conduct of business for the University.

A person is associated with the University if they perform services for or on behalf of the University. This covers a wide category of people where the University has a potential liability for their acts. It does not matter in what capacity they are acting. Associated persons include all employees of the University as well as other persons outside of the University such as agents, joint ventures to which the University is party, and those with whom the University contracts to perform services.

Guidance Notes on the University of Edinburgh Anti-Bribery and Corruption Policy

These Guidance Notes supplement the University's Anti-Bribery and Corruption Policy. They are designed to assist staff on the practical application of the Policy. In addition, they include important obligations on specific areas, which staff must adhere to.

1. Frequently Asked Questions about the Bribery Act

1.1. ***It is customary to provide gifts in some countries outside of the UK when visiting or meeting with public officials. Can University staff offer gifts to their counterparts at an overseas university?***

The fact that something is a local custom is not a defence under the Bribery Act so a cautious approach is required to ensure any gift or other advantage that is offered overseas is not construed as a bribe based on UK standards of conduct. Secondly, in this scenario it is possible that a member of an overseas university will be classed as a "foreign public official" under the Bribery Act. If so, it is very easy to fall foul of the law. Any financial or other advantage offered to them will be seen as a bribe if the offeror intends to influence the official and intends to obtain or retain any business advantage.

This guidance does not however preclude the University or its staff from giving small, low value gifts seen as a 'mark of respect' to other public officials.

1.2. ***Can gifts and hospitality be accepted from private sector companies with whom the University has a business relationship or may do in future? What about sponsorship?***

Care has to be exercised that no gift or hospitality could be considered excessive or lavish. Normal business meals and modest entertainment is normally acceptable where there is a legitimate purpose for the hospitality - such as to foster cordial relations or for reasonable public relations. No hospitality should be accepted if it could be construed as intended to induce a member of staff to perform their functions improperly. [The University has introduced clear rules on gifts and hospitality by setting threshold amounts for each. Where a gift or hospitality is proposed that is above these threshold amounts, a member of staff must seek prior approval and, if granted, must register the gift or hospitality on the registers maintained by Heads of Schools/Support Departments]. ([Code on practice on receipt of gifts](#))

In relation to sponsorship, similar principles apply. Care should be exercised that the sponsorship does not improperly induce members of the University to perform their functions improperly. This could include where it compromises academic integrity or influences the outcome of a research project.

1.3. Can we engage agents to recruit international students to the University?

Yes but a number of compliance steps must be taken. The use of overseas agents involves high risks to an organisation, whether for recruitment or other purposes. The University will be liable for any corrupt acts by anyone performing services on its behalf. The risks of engaging an agent in a particular case must be assessed and enhanced due diligence undertaken about the suitability of the agent and the nature of the services they are providing to the University. Further guidance on these steps is set out below.

1.4. A University Department undertakes an annual research project in a jurisdiction outside of the UK with a poor reputation for corruption. The Department needs to transport equipment to the overseas location for the project, which will be checked by local customs officials. What steps should the Department consider?

The Department should consider in advance the risk that members of staff or others acting on behalf of the University will be vulnerable to demands for corrupt payments, such as facilitation payments. Staff will need guidance in advance on strategies to resist any such demands. The Department should also consider any preventative measures that can be taken in advance, such as allowing adequate time for delays in the delivery of equipment whilst any demand for a facilitation payment is resisted.

1.5. The family of a student who is applying to the University offers to provide the University with a substantial donation to its development fund in return for a place at the University being offered to the student. Is this caught by the Bribery Act?

Yes. This situation clearly involves a financial advantage being offered to the University, which is intended by the family to induce the admissions department to perform their functions improperly. It does not matter what decision is in fact reached over offering the student a place or not. The donation should be refused because of the basis on which it was offered. Donations can be bribes in other less obvious circumstances. The University's due diligence procedures should always be followed to ensure a donation does not involve someone misusing their position or being induced to do so.

2. Further Guidance on Gifts Entertainment and Hospitality

All members of staff should refer to the Code of Practice for Staff on the Receipt of Gifts, Hospitality and Other Benefits.

This Guidance Note is intended to supplement the provisions of the above Code of Practice. It applies to all gifts, hospitality and entertainment that members of staff give or receive in the context of their activities for the University. In cases where a member of staff pays for a gift, entertainment or hospitality, but it is not reimbursed by the University, this Guidance Note remains applicable in this context.

The following overarching principles in relation to Gifts Entertainment and Hospitality (whether given or received) are particularly important for staff to consider in the context of potential corruption risks:

- Expenditure should always be reasonable and proportionate (having regard in particular to the recipient)
- Expenditure should be in accordance with the Code of Practice for Staff on the Receipt of Gifts, Hospitality and Other Benefits; and any necessary approvals sought in accordance with that Code; and records kept in accordance with the Code.
- The recipient must always be entitled to receive the gift, entertainment or hospitality under the law of the recipient's country.

3. Charitable and Political Donations by the University

All charitable donations should be recorded accurately in the University's financial records and accounts.

Requests for charitable donations can sometimes mask corrupt activity by others. No charitable donations should be made if these could be construed as improperly influencing another party with whom the University has a business relationship. Should a member of staff have any ethical concerns about a proposed charitable donation, this should be reported immediately to their Head of School / Support Department.

The University does not under any circumstances make donations to political parties.

4. Philanthropic Giving

All donations made to the University by benefactors or others wishing to support the University's activities must be considered in the light of the Bribery Act.

Donations of this kind can sometimes mask corrupt activity. No donations should be accepted without due diligence procedures being followed in respect of the purpose of the donation and the background of the donor, amongst other steps. The level of due diligence required will be proportionate to any potential corruption risk identified.

No donation should be accepted if it could be construed as improperly influencing the University or another person. Should a member of staff have any ethical concerns about a proposed donation, this should be reported immediately to their Head of School / Support Department who should refer the matter to the Ethical Fundraising Advisory Group for further advice.

5. Honorary Degrees

Honorary Degrees are awarded by the University for one of the following reasons:

- Outstanding personal contributions to the work and development of the University - in the case of (normally former) members of staff, extending beyond their immediate area of responsibility;
- Outstanding social, economic or cultural contribution to the City of Edinburgh or Scotland;
- Outstanding work, public service or contribution to society more generally in areas of particular relevance to the University's values and mission;
- Outstanding achievement by an alumnus/a, especially combined with one of the above.

Under no circumstances may an honorary degree be awarded as an improper inducement to the individual recipient to provide additional services to the University. In addition, the University's 'Honorary Degree Committee' will oversee the award of Honorary Degrees and will ensure the guidance in this policy is taken into account when considering nominations for such degrees.

6. Agents, Other Third Parties, and Joint Ventures

In some parts of the University's commercial activities, it needs to engage agents and other intermediaries.

All appointments of agents and other parties who provide the University with services must follow risk-based due diligence procedures. This includes where the University enters in to any form of partnership with another organisation or a joint venture arrangement.

For the appointment of any overseas agents, a high level of due diligence is required. A non-exhaustive list of steps that must be considered is set out in Section 7 below.

Equivalent due diligence steps to those taken for overseas agents should be taken in relation to all Joint Venture Partners outside of the UK.

Advice should be sought from Heads of Schools/Support Departments on due diligence steps required for any joint venture, whether in the UK or overseas. All appointments of agents and joint venture partners must be monitored and reviewed on a periodic basis and ongoing due diligence procedures adopted, proportionate to any corruption risks that have been identified.

Any agents or other parties who are performing services for, or on behalf of the University, will be expected to agree to a contractual clause which confirms that they will comply with the University's Anti-Bribery and Corruption Policy or adhere to an equivalent policy, standard or other procedures they may have in place to prevent bribery. This clause will confirm that any breach of these anti-corruption obligations can lead to termination of the contractual relationship.

7. Due Diligence

Appropriate risk-based due diligence must be conducted in relation to any party outside of the University who is performing services for it or on its behalf. Enhanced

due diligence should be conducted in relation to overseas agents and joint venture partners of the University. The following guidance indicates the steps that should be considered in planning and conducting Due Diligence in these types of relationship.

- Require the party/agent to complete a Questionnaire (**currently under development**), which requests details of the party/agent's ownership; details of senior management of the party/agent; a copy of CVs of key personnel performing services for the University); details of referees for the party/agent and key personnel who will be providing services under the proposed agreement; details of other directorships held, existing partnerships, and third-party relationships, and any relevant judicial or regulatory findings about the party/agent or key personnel of the party/agent, and details of the jurisdictions in which the agent operates.
- Undertake research, including reasonable internet research (dependent on risk), on the party/agent and any individuals who have a degree of control if the agent is a corporate entity.
- Check independently that the party/agent does not appear on any applicable sanctions list, or have outstanding court actions or judgments against it
- Make enquiries with any relevant authorities, including contacting a commercial attaché at the embassy in the territory where the party/agent operates, to verify information obtained in the Questionnaire and seek any independent background information about the party/agent's reputation.
- Take up references and assess responses received
- Conduct any further enquiries of the party/agent to clarify any matters arising from the questionnaire, including arranging a face to face meeting if required. There may also be a need to meet with the party/agent in the territory
- Request and review copies of the party/agent's anti-bribery policies and any relevant procedures they operate to prevent bribery and corruption
- Assess relevant commercial considerations for the University's activities, e.g.:
 - is the appointment necessary?
 - does the party/agent have the required expertise to provide the services?
 - is the party/agent going to interact with a public official, or are there any other connections between an party/agent and a public official?
 - are the proposed payment terms of the party/agent reasonable and in accordance with the market rate?
 - have appropriate steps been taken to consider alternative appointments/competitors to this party/agent?

8. Facilitation Payments

Facilitation payments are typically small unofficial payments paid to speed up an administrative process or secure a routine government action by an official. They are more common in certain overseas jurisdictions in which the University conducts its activities, but it is possible that they could arise in the UK.

Facilitation payments are treated as bribes by the Bribery Act and are prohibited by this Policy.

Examples of when such payments may be requested include:

- To obtain or expedite a permit, licence or other official document or approval
- To facilitate provision of utilities, such as connecting water, electricity, gas or telephone services
- At border controls or crossings to allow safe or prompt entry or exit from a jurisdiction
- To avoid unwarranted delays when goods are held by a customs official
- To ensure personal security or preservation of property from law enforcement officials

Facilitation payments should be contrasted with official, lawful payments (typically to an organisation rather than an individual) to expedite certain functions (e.g. where there is an official system to choose a premium fast track service to obtain a passport). Sometimes demands for facilitation payments are forms of extortion (e.g. unless the demand is met, a person's safety or liberty is placed in jeopardy). However, identifying when a payment is a lawful, official payment and when it is a facilitation payment and a bribe is not always easy. In these cases, it is important for staff to seek confirmation wherever possible of the lawfulness of the payment from an independent source, and seek additional guidance from their Head of School/Support Department or the University Secretary immediately.

If it is not possible to undertake the above steps and if a member of staff is unsure as to the validity of an official's request for a payment, the steps below should be followed as far as they are applicable and as far as it is possible to do so:

The member of staff should:

- Contact their line manager
- Ask the official for proof of the validity of the fee
- Request that a receipt be provided confirming the validity of the payment
- If no proof of validity will be provided, politely decline to make the payment and explain they cannot make the payment because of the University's policy and anti-bribery laws
- If possible ask to see the official's supervisor
- Make a full note of the request, the circumstances and the parties involved
- At all times remain calm, respectful and polite

The University policy is that it strictly prohibits any kind of facilitation payments made by members of staff or third parties acting on its behalf. However, if a member of staff is in fear for their safety or at risk of loss of liberty, they should not refuse the demand for a payment. In all circumstances members of staff must report any demand for facilitation payments immediately to their Head of School/Support Department, who should in turn refer to matter to the University Secretary for expert advice and guidance where appropriate.

Student Debtors

Introduction

The University states in its Policy on Collection of Student Fees and Related Charges the following:

Action to enforce settlement of debt for outstanding fees and charges will be taken in respect of all current and former students who have failed to engage with the University to find a solution to any outstanding debt, or who have failed to honour agreements to pay

In practice, the steps taken across the University to recover outstanding money owed by students and former students varies. This paper seeks the opinion of F&GPC as to whether or not the University should instruct legal action against former students who owe money to the University for Tuition Fees, to ensure a uniform approach is being adopted across the University.

Current Practice

Tuition debt

The process for pursuing student debts is shown in Appendix A. Failure to pay Tuition Fees within the timescales agreed with Finance (depending on payment plan) will lead to the application of a £50 late payment fine and reminders sent at prescribed intervals. Continued failure to make arrangements to settle the debt will lead to the withdrawal of certain services (IT, Library and buildings access), followed by the potential de-matriculation of the student. Debts are passed to an external debt collection agency, and although the potential for legal action to be taken is explained, this is not progressed.

It should be noted that students who complete their studies and who have any significant debt to the university are not permitted to graduate. Their degree certificate is also withheld until the debt is paid.

Accommodation debt

Accommodation Services (AS) manage all debts relating to student accommodation. The same policy applies to this debt, but AS do instruct external agencies to advance to legal action where, on a case by case basis, this is deemed to be appropriate. Experience has shown that the initial step in the legal process is often sufficient to initiate contact and the agreement of a repayment plan. This action has proved largely uncontroversial and is resulting in recovery of debts which have in the past been written off. It should be noted that legal action is only taken by AS where students are no longer matriculated at the University.

Approach adopted by other HEIs

The use of legal action is widespread across the sector. Russell Group Institutions were contacted as were several Universities in Scotland. Of the Russell Group Universities that responded the following authorise legal action against former students: Birmingham, Bristol, Cardiff, Glasgow, Imperial, Kings, Leeds, Southampton and Warwick. The only Institution to declare that legal action is not pursued is UCL. In Scotland all respondents (Herriot-Watt, RGU, Strathclyde, Abertay and West of Scotland) indicated that legal action is initiated where certain conditions are met. All Institutions indicated that legal action is generally successful, with many passing the costs associated with collection on to the debtor.

In all cases legal action is only pursued against individuals who are no longer matriculated at the Institution.

Proposal

The pursuit of outstanding debt by legal means is a standard approach across the sector, and it is proposed that where the following conditions are met, that legal action be authorised to recover legitimate outstanding balances owed:

- i) That the debt is genuine and all facts surrounding the case are certain.
- ii) That all reasonable efforts have been made to resolve the situation.
- iii) That all relevant University policies have been followed and adhered to.
- iv) That the individual is no longer enrolled at the University.
- v) That there is a realistic opportunity to recover funds either now or in the future as legal judgement can last for several years for the individual concerned.
- vi) That the decision to proceed remains with the University in every case.
- vii) All decisions to proceed should be agreed by the University Secretary prior to any action being taken.

This approach will ensure that the policy is consistently applied across the University, and that as far as possible recovery rates will be maximised.

Impact

The University currently has 36 cases where sizeable debts have accrued and no arrangements have so far been made by the debtor to pay. These records have been passed to the University's debt collection agency, and where contact is made and the criteria above are satisfied the option to initiate legal action may provide further motivation for individuals to make payment arrangements. In all likelihood the number resulting in legal action will be small, but the impact on the remaining debtors may be positive.

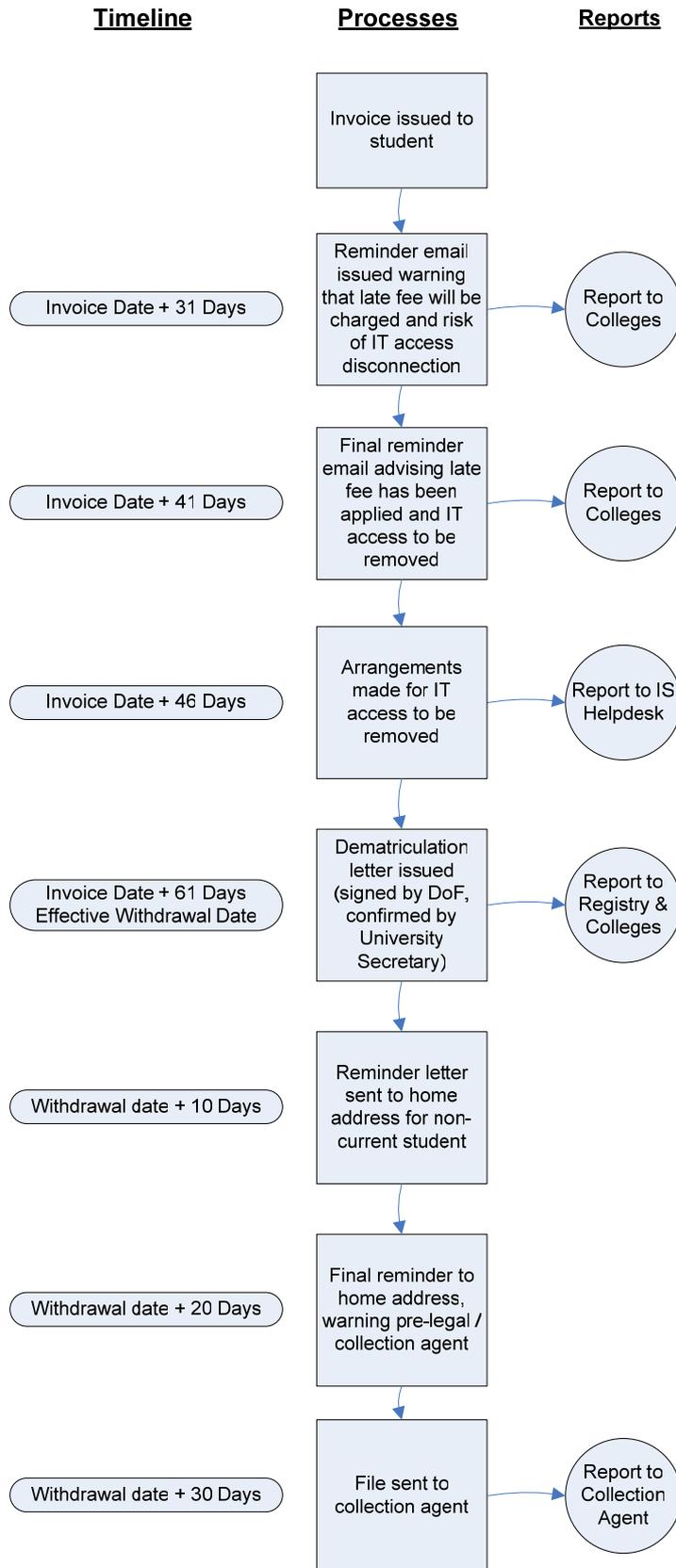
Action

F&GPC is requested to endorse the use of legal action to recover outstanding student debt where all other methods have been exhausted. The decision whether to proceed or not should rest with the University and will be assessed on a case by case basis.

Terry Fox
Assistant Director of Finance
October 2011

Student Reminder Schedule

APPENDIX A



The University of Edinburgh

University Court

7 November 2011

Merger with Edinburgh College of Art

Brief description of the paper, including statement of relevance to the University's strategic plans and priorities where relevant

This paper seeks Court's approval for the remit and membership of the working group that will conduct a review one year after the merger of Edinburgh College of Art with the University, and updates Court regarding progress to date on the merger.

Action requested

Court is invited to:

- Approve the remit and membership of the working group that will review progress on the merger one year after the merger date, and delegate to Senior Vice-Principal Brown to determine the detailed arrangements; and
- Note progress regarding the implementation of the merger.

Resource implications

Does the paper have resource implications? Yes

The papers submitted to the 27 September 2010 meeting of Court set out the main financial and estates implications of the proposed merger.

Risk assessment

Does the paper include a risk assessment? No

The merger proposal document submitted to the 27 September 2010 meeting of Court included an assessment of the risks to successful implementation of merger. The Merger Implementation Strategy Working Group submitted an updated assessment of these risks to the University's Risk Management Committee's meeting on 19 May 2011.

Equality and diversity

Does the paper have equality and diversity implications? Yes

The University is committed to equality and diversity for its staff and students, as is ECA. In the event of merger, all ECA staff and students will be covered by the University's E&D strategy and frameworks. In September 2010, the University and ECA commissioned an external consultant to conduct an overarching equality review of the merger proposals. The University subsequently commissioned an external consultant to assist heads of support services to conduct Equality Impact Assessments regarding their detailed implementation plans for merger.

Freedom of information

Can this paper be included in open business? Yes

Originator of the paper

Mr Tom Ward
Project Manager, ECA merger

To be presented by

Prof Chris Breward
Principal of Edinburgh College of Art

Mr Nigel Paul,
Director of Corporate Services

Merger with Edinburgh College of Art

This paper seeks Court's approval for the remit and membership of the working group that will conduct a review one year after the merger, and updates Court regarding progress to date on the merger.

1 Working Group to review progress on the merger

At its 20 June 2011 meeting, Court agreed to establish a working group to undertake a formal review on progress at the end of the first year following the merger date (1 August 2011). It agreed that the working Group would be convened by Senior Vice-Principal Prof Nigel Brown, and would be composed of Court lay members, relevant University staff, and at least one student representative.

Senior Vice-Principal Brown has now developed the following proposals for the remit and membership of the review group.

Remit

To undertake a formal review of progress on the merger of Edinburgh College of Art with the University of Edinburgh, with particular reference to:

- The aims and objectives, as set out in the Merger Proposal document;
- The operational integration of ECA into the University, with a particular emphasis on the extent to which:
 - the student experience is supported by the University's student support services;
 - the procedures relating to HR, finance, research and commercialisation and strategic planning are being implemented and supported;
- The governance, management and administration of the new ECA;
- The development of an external profile and brand identity for the new ECA;
- How the estate is supporting the objectives of merger.

Membership

Senior Vice-Principal Nigel Brown (Convener)

Prof Ann Smyth (Court lay member)

Prof Stuart Munro (Court lay member)

EUSA President

Professor Chris Breward (Principal of ECA)

Professor Jeff Haywood, Director of Information Services Group

Dr Kim Waldron, University Secretary

Professor Dorothy Miell, Head of the College of Humanities and Social Science

Nigel Paul, Head of Corporate Services Group and Convener of the University's Post-Merger Working Group
Frank Gribben, Registrar of College of Humanities and Social Science

Timing, methodology and outputs

In order that the working group is able to meet with academic staff and students, the review will either be held in June 2012 (prior to summer 2012) or September / early October 2012 (following the start of session 2012-13). Following the review, the working group would present its report to Court. The report would include an assessment of progress and recommendations for future developments.

Court is invited to approve these arrangements and to delegate to Senior Vice-Principal Brown, in consultation with Prof Chris Breward (Principal of ECA) and the University's Post-Merger Working Group, to determine the exact timescales for the review and the detailed methodology

2 Scottish Funding Council visit

As a condition of its merger funding, the Scottish Funding Council (SFC) indicated that it would undertake its own monitoring activities. As part of this it plans to send a subgroup to visit the University in late 2011 to discuss early progress in the merger, and will report to the Cabinet Secretary on the outcome of that visit. SFC have now confirmed that the visit will take place on the morning of Wednesday 7 December 2011, and that the SFC panel will consist of:

- Ali (Alison) Jarvis (SFC Council member; member of SFC Investment Committee)
- John Kemp (Director of Strategic Development, SFC)
- Linda McLeod (Assistant Director of Strategic Development, SFC)
- David Baudains (Policy Office, SFC)

During the visit, the panel will meet Principal O'Shea, Principal Breward and the new ECA Senior Management Team, CHSS and University senior managers involved in merger process, and groups of staff and students from the new ECA.

In advance of this visit, SFC has asked the University to provide it with a "detailed plan for maintaining and developing the distinctive identity of the new ECA, which takes forward the intentions... identified in the merger proposal document". The Post-Merger Working Group is leading on the preparation of this document.

3 Progress in establishing the management and support structures of the new ECA

While the academic management and governance arrangements for the new ECA are still in the process of bedding down, and not all committees have met yet, early feedback from staff has been broadly positive. The new ECA Management Group has met regularly since the summer, and has played a key role in steering ECA through this initial period of change.

The process of change involved in moving to the new ECA's support structures has proved challenging, since it has involved many staff adapting to changes to their own roles at the same as managing changes in procedures and practices, and physical moves in accommodation, associated with the merger. Any such change process is bound to be unsettling and labour intensive. By October 2011, the new ECA had successfully completed a series of strategic estates moves, co-locating each of the key sections of the administration (the ECA Office, the Graduate School, and the Research, Knowledge Exchange and Outreach Office) (see 6 below). The conclusion of these moves, combined with some recent key administrations appointments, will enable the support structures to make further progress.

4 Progress in integrating of ECA into the University's support structures

The Post-Merger Working Group is responsible for monitoring progress in implementing the merger. The Group has met twice to date, focussing in particular on the operational integration of ECA into the University's support structures and systems. Since 1 August 2011, normal University processes and procedures (eg finance, HR) have applied to ECA, and University and CHSS support services (eg HR, Finance, Registry) have been responsible for supporting ECA. At its most recent meeting (1 November 2011), the Group considered detailed reports from University and CHSS support services regarding these arrangements. These reports indicated that the main merger implementation actions have now been completed, and as a result staff and students in the new ECA are able to conduct their business within the University's normal support structures, processes and systems. In some respects, the process of implementation has proved more complex than had been anticipated and as a result there have been some delays in implementation and / or support areas have been required to commit higher levels of staffing resources than they had anticipated. However, given the scale of the change involved in the merger, the Post-Merger Working Group is content with progress to date, and is satisfied that the relevant parts of the University are making the resolution of outstanding issues a high priority.

The main aspects of integration that have proved more complex than anticipated are:

- Some aspects of financial and procurement system integration, particularly the process of training ECA staff in understanding University financial systems and processes, and assignment of permissions;
- Dimensions of the integration of ECA student and curriculum records into the University's EUCLID system;
- Some specific elements of the IT integration work (eg some aspects of the staff email migration, and the mini-portfolio system for admissions);
- Incorporation of ECA programmes into UCAS and the University's online prospectuses while maximising ECA's visibility;
- Arrangements for Hours To Be Notified staffing (see 7 below).

Initial feedback from students suggests that, in general, the process of integration has not disrupted core aspects of the student experience in ECA. However, some individual students will have encountered difficulties as a result of the student record system issues, and it is also likely that some students will have experienced delays in administration as staff learned to operate within new systems.

5 Preparation of ECA accounts

Finance has prepared the ECA final accounts. The draft governance statements are submitted as a separate paper (Substantive Item 6). Finance will present the final accounts to Audit Committee on 22 November 2011 and Court 12 December 2011. The accounts for the Andrew Grant Scholarship Fund will follow the same timescales and procedures.

6 Estates matters

Estates & Buildings presented an initial outline 2 year maintenance and compliance work programme for years 2011-12 and 2012-13 to the University Estates Committee's 8 September 2011 meeting. E&B / ECA have now established an Estates Strategy Board to formulate a strategic estate plan to align with the University's estates strategy to 2020 and to oversee the implementation of the maintenance and compliance work programme. It has also established an Estate Maintenance and Compliance / Business Continuity Sub Group. The Strategy Board is planning to hold its first meeting in December 2011, and the Sub Group plans to meet in early November then monthly thereafter.

Where staff have been assigned to roles in University / CHSS support services as a result of merger, they have in almost all cases now moved from Lauriston Place to their new locations. Since the merger, a significant number of support and academic staff (approx 70 staff), and students (approx 40 PG students), have relocated within the ECA accommodation, in order to make most effective use of space vacated by support staff decanted from Lauriston Place and to meet the needs of the new ECA. The main strategic moves have now been completed. These include the temporary location of the ECA Office / Principal's Office to offices in the Hunter Building, the establishment of the ECA Graduate School Office in Evolution House, the establishment of the ECA Research, KE and Outreach Office in Minto House, the move of OpenSpace staff to the Hunter Building, the move of various Design staff to Evolution House, the relocation of various Art staff to the Main Building, and the move of some PG students to Forrest Hill. The plan is to move the ECA Office / Principal's Office to its long-term home in the Link Building by early March 2012.

7 Human Resources issues

CHSS HR are continuing to work on Hours To Be Notified staffing arrangements in the new ECA, ensuring fairness and equity in terms of assigning staff to points on pay scales, confirming Right To Work, and resolving questions of continuation of service. This is the single biggest area of outstanding HR work.

CHSS and Corporate HR are considering requests for ER / VS from academic and support staff in ECA (and former ECA staff now working elsewhere in the University) on a case by case basis.

Corporate HR has continued to liaise with the Educational Institute of Scotland (EIS) regarding the planned recognition agreement, and is now close to finalising the agreement. EIS has accepted that this agreement will be on a limited recognition basis, combined with regulation consultation meetings between HSS HR and EIS representatives in ECA.

8 Student Association matters

The post-merger arrangements for student representation are operating. The main developments are:

- Two ECA School representatives have been elected through the EUSA elections;
- Student representatives have been identified for all areas of the new ECA;
- The ECA Student Forum held its first meeting on 12 October 2011;
- The ECA Student President has been meeting regularly with the ECA Principal.

In July 2011, the University entered into a Minute of Agreement with the ECA Student Union regarding the arrangements for transferring ECASU's assets and liabilities to the University at the point of merger, and the subsequent steps towards the formal dissolution of the ECASU. Progress is being made in winding down the ECASU, with the liquor licence for the Wee Red Bar and Lounge having transferred from ECASU to the University, and the audit of ECASU's final accounts is underway.

9 Risk assessment

The Merger Proposal document includes an assessment of the risks to implementation of merger. The Post-Merger Working Group has updated that assessment to reflect the current risks to successful implementation on the merger. The Group will submit its assessment to the University's Risk Committee and Audit Committee, and will also make it available to the SFC panel that is due to visit in December 2011.

10 Future reporting arrangements

Now that the operational aspects of merger implementation are substantially complete, reports to Court will concentrate on matters that require Court's formal approval (for example, the approval of Accounts). Other matters will be reported via the normal channels (for example, finance matters via Finance and General Purposes Committee, and staffing matters via Staffing Committee), or direct to Court on an exceptions basis where necessary.

The Post-Merger Working Group will continue to monitor the progress of academic and operational integration and manage any emerging issues. As part of this it will monitor ECA students' experience of the post-merger student support arrangements, and ECA staff's experiences of operating within University systems and support structures.

Tom Ward
1 November 2011

The University of Edinburgh

The University Court

7 November 2011

Report of the Nominations Committee

The Nominations Committee at its meeting on 17 October 2011 considered a number of matters and wishes to make recommendations for approval to Court as detailed below:

Terms of Office

The Committee wishes to recommend a standard approach be adopted for all future periods of appointments to Court and also therefore to Court Committees of the academic/financial year i.e. all appointments to commence on the 1 August and cease on 31 July; this approach to be phased in by initially confirming that all current and future appointments will now cease at 31 July except in particular circumstances where the current date for the period of appointment to finish is other than 31 August. In anticipation of Court approval this approach has been adopted below.

Membership of Court

Mr Peter Budd to be appointed for a further three year term of office until 31 July 2015.

Membership of Committees

Audit Committee

Mr Martin Sinclair and Mr Peter Budd both to be appointed for a further three year term of office until 31 July 2015.

Estates Committee

Mr Peter Budd to be appointed for a further three year term of office until 31 July 2015 and Dr Chris Masters to be appointed from the start of the 2012/2013 academic year until 31 July 2014.

Finance and General Purposes Committee

Confirm the appointment of Senior Vice-Principal Professor Nigel Brown as CMG representative with effect from the start of the 2011/2012 academic year for as long as the Senior Vice-Principal has responsibility for planning, resources and research policy.

Mr David Bentley to be appointed from the start of the 2012/2013 academic year for three years until 31 July 2015.

Nominations Committee

Professor Jake Ansell to be appointed with immediate effect until 31 July 2012.

Dr Robert Black to be appointed from the start of the 2012/2013 academic year until 31 July 2015.

Remuneration Committee

Ms Anne Richards' appointment to be extended until 31 July 2013.

Mr Alan Johnston to be appointed from the start of the 2012/2013 academic year until 31 July 2015.

Staff Committee

Professor Anthony Harmar to be appointed with immediate effect until 31 July 2014.

Employment Related Appeals

Court requires to appoint external individuals to form a group from which, as required, the Principal can identify a Convenor to hold an appeal against dismissal in accordance with the new Employment Related Appeals Procedure.

Mrs Elaine Noad to be appointed with immediate effect for as long as she remains a member of Court.
Dr Robert Black to be appointed from the start of the 2012/2013 academic year for as long as he remains a member of Court.

Scrutinising Committee

As previously intimated Court requires to appoint a Scrutinising Committee in terms of the Regulations agreed by Court for the 2012 Rectorial Election.

Professor Jake Ansell, Mr Brian Martin, Convenor of the Joint Unions Liaison Committee and Mr Matt McPherson to be appointed members of the 2012 Rectorial Election Scrutinising Committee.

Code of Practice in Reporting Malpractice and Raising Concerns under the Public Interest Disclosure Legislation

Dr Chris Masters to be the designated member of Court in terms of the above Code from the start of the 2012/2013 academic year until 31 July 2014.

Dr Katherine Novosel
November 2011

The University of Edinburgh

University Court

7 November 2011

Audit Committee Report

Brief description of the paper, including statement of relevance to the University's strategic plans and priorities where relevant

Attached is the draft Minute of the Audit Committee meeting held on 29 September 2011.

Action requested

The Court is invited to note the draft Minute, particularly the satisfactory outcome of the internal audit appraisal 2010/2011.

Resource implications

The resource implications are detailed in the paper.

Risk assessment

Internal Audit reports are prepared using a risk-based approach.

Equality and diversity issues

There are none.

Freedom of Information

Can the paper be included in open business? Yes.

Originator of the paper

Dr Katherine Novosel
October 2011

**Minute of the Meeting of the Audit Committee
held at 5.30 pm on 29 September 2011
in the Lord Provost Elder Room, Old College**

Present: Ms A Richards (Convener)
Mr A Johnston
Mrs E Noad
Mr M Sinclair
Mr A Trotter

Apologies: Mr P Budd

In attendance: Mr J Gorringe, Director of Finance
Mr N Paul, Director of Corporate Services
Dr K Waldron, University Secretary
Ms L Welch, Assistant Director of Finance
Mr H McKay, Chief Internal Auditor
Mr B Wood, Internal Auditor
Mr M Rowley, KPMG, External Auditor Director
Mr S Reid, KPMG, External Director (UoE and ECA)
Ms S Macpherson, Convenor, ECA Audit and Risk Committee (for items 11 to 17 only)
Ms K Sinclair, Acting Director of Finance, ECA (for items 11 to 17 only)
Mr P McGinty, Deloitte, ECA Internal Audit (for items 11 to 17 only)
Dr K Novosel, Head of Court Services

1 MINUTE OF THE MEETING HELD ON 2 JUNE 2011

Paper A

The Minute of the meeting held on 2 June 2011 was approved as a correct record.

The Committee welcomed Mr Alan Johnston and Mrs Elaine Noad to this their first meeting of the Audit Committee and further welcomed Ms Anne Richards to her new position as Convener of the Committee.

2 MATTERS ARISING

2.1 Arrangements for non-standard severance

The Committee noted that this matter had now been addressed and that Court at its meeting on 19 September 2011 had approved amendments to the Delegated Authorisation Schedule in regards to payments imposed by Employment Tribunals, Courts and other legal authorities.

2.2 Dormant and partially inoperative endowments

It had previously been reported that Ordinance 209: Regulation of Foundations, Mortifications, Gifts, Endowments and Bursaries, Use of Surplus Revenue and Alteration of Endowments had been approved by the Privy Council. The Committee welcomed confirmation that a process had now been agreed by Court to identify dormant or partially dormant endowments and to present proposals to Court for changes in the terms of these endowments.

FOR DISCUSSION

3 DRAFT CORPORATE GOVERNANCE STATEMENT UOE Paper B

The Committee suggested changes to the draft Corporate Governance Statement and noted and approved the proposed format for disclosing attendance at Court and its main Committees which would be included for the first time in the 2010/2011 Reports and Financial Statements. A further draft Statement incorporating appropriate amendments and any additional required information would be considered by the Finance and General Purposes Committee and Court.

4 CHANGE TO ACCOUNTING PRACTICE - HERITAGE ASSETS Paper C

As previously intimated, new accounting practice requires the University to include further information in its 2010/2011 Reports and Financial Statements in respect of heritage assets. The Committee endorsed the proposed approach, noting the reliance being placed on work initially undertaken in 2006 and thereafter annually reviewed and updated and suggested that it would be helpful to include a note defining 'heritage assets' in the 2010/2011 Reports and Financial Statements. The Committee also asked for a list of the University's most notable assets. It was further noted that limited information on heritage assets would be included in the Edinburgh College of Art Accounts.

5 US GAAP - UPDATE Paper D

The Committee noted the current position and agreed to the establishment of a sub-Committee of the Audit Committee to review the audited US GAAP accounts prior to consideration and approval of these accounts by Court. Mr Martin Sinclair and Mr Alan Trotter agreed to be members of this sub-Committee noting that the audited US GAAP accounts would be available in the week commencing 16 January 2012.

INTERNAL AUDIT

6 INTERNAL AUDIT ANNUAL REPORT UOE Paper E

The Committee formally noted and welcomed the Internal Audit Annual Report and endorsed its onward transmission to Court as an appendix to this Committee's Annual Report to Court. In particular the Committee noted and endorsed the internal audit opinion on the adequacy and effectiveness of the University's arrangements for risk management, control, and governance as set out in the Report. Satisfactory additional information was provided to clarify some areas within the report.

7 INTERNAL AUDIT REPORTS Paper F

The Audit Committee considered the reports on ten Internal Audit assignments completed since its last meeting.

Control Account reconciliations and Bank reconciliations

The Committee expressed concern on the findings of this audit assignment and was reassured that the recommendations were being actively addressed by finance and by external audit's view on the level of materiality of this issue.

Equipment asset management and insurance

The allocation of strategic responsibility for the oversight of arrangements for the management of the University's equipment portfolio to the Vice Principal for Planning, Resource and Research Policy was welcomed.

The Audit Committee noted the findings of the other audit reports, particularly those on HESA data and the Business School, which had recorded no significant areas of concern.

8 INTERNAL AUDIT FOLLOW UP REVIEWS Paper G

The Committee noted those recommendations of the eleven follow up reviews which had been fully actioned and was content with the explanations provided for those recommendations which were still on-going.

9 INTERNAL AUDIT PROGRESS REPORT Paper H

It was noted that the final assignment in respect of the 2009/2010 plan had now been completed with eight assignments still outstanding from the 2010/2011 plan; two of these assignments being additional to the original plan. The Committee further noted the satisfactory progress in respect of the 2011/2012 plan which was now 16% advanced after seven weeks.

10 INTERNAL AUDIT PERFORMANCE REVIEW

10.1 Internal Audit Performance Evaluation Questionnaires Paper I

The Committee noted and welcomed the satisfactory outcome of the evaluation questionnaires exercise. It was noted that questionnaires were returned anonymously to the University Secretary in the belief that this encouraged a high return rate and that in addition to the questionnaires there was considerable discussion and feedback from managers during the process of drafting and finalising reports.

10.2 Appraisal of Internal Audit Service Paper J

In accordance with the agreed process, the Committee confirmed it was content and concurred with the comments as set out in the paper prepared by the University Secretary, the Director of Corporate Services and the Director of Finance on the effectiveness of the Internal Audit Service during 2010/2011. The Committee further confirmed that given the rapidly changing environment in which the University now operated it wished the yearly appraisal process of the Internal Audit Service to continue. It was also noted that the new Convener of the Audit Committee may wish the opportunity of discussion with Internal Audit on its current approach; that value for money continued to be an area in which further dedicated work could perhaps be undertaken; and that there needed to be continuing emphasis placed on auditing the fundamental financial processes of the University.

In summary, the Audit Committee remained very satisfied with the overall performance of the Internal Audit Service as demonstrated by the two papers considered at this meeting.

EDINBURGH COLLEGE OF ART

Ms Macpherson, Ms Sinclair and Mr McGinty were present at the discussion below.

11 INTERNAL AUDIT ANNUAL REPORT 2009/2010 Paper K

The Committee noted the report which was helpful in understanding the activities undertaken during 2010/2011 and the difficulties in the sign off process for the 2009/2010 Accounts.

12 OUTSTANDING INTERNAL AUDIT REPORTS INCLUDING FOLLOW UP REPORT Paper L

The Committee noted the reports.

13 EXTERNAL AUDIT INTERIM MANAGEMENT REPORT (INCLUDING ANDREW GRANT SCHOLARSHIP FUND) Paper M

It was noted that the external audit was progressing satisfactory and there was clear evidence of improvements in financial management. The Committee further noted the key areas identified to date including the treatment of merger funding, staff expenditure matters and research and investment income. Clarification was sought on some of these items and satisfactory information was provided to the Committee. This included issues around the Andrew Grant Scholarship Fund and the Committee noted that the Trustees had reviewed and approved all award payments to be included in the 2010/2011 statements. It was noted that the recommendations from the 2009/2010 external audit had either been resolved by the College or were no longer relevant as a result of the merger. There were no other issues requiring to be brought to the attention of this Committee as a result of the interim external audit work.

14 INTERNAL AUDIT ANNUAL REPORT 2010/2011 Paper N

The Committee welcomed the report which confirmed the substantial improvements achieved during 2010/2011, clearly evidenced by the materiality of the recommendations arising from internal audit assignments during 2010/2011 and the level of implementation of the recommendations from 2009/2010 internal audit work. The Annual Internal Audit opinion however remained that as these improvements were not operating for the whole financial year that the College did not have in place, in all areas, an adequate control framework during the year. The Committee further noted that the reconstituted Edinburgh College of Art within the University was now operating in accordance with the University's policies and procedures particularly in respect of financial procedures and further that the Post Merger Working Group would continue to monitor the implementation plans and report thereon to the University.

15 AUDIT AND RISK COMMITTEE ANNUAL REPORT 2010/2011 - ECA Paper O

A revised paper would be presented to the next meeting of the Audit Committee along with a separate report in respect of the Andrew Grant Scholarship Fund.

16 ECA DRAFT CORPORATE GOVERNANCE STATEMENT Paper P

The Committee noted the draft Corporate Governance Statement for the Edinburgh

College of Art. In particular it was noted that the statement intimated how the College had applied the principles of good governance in line with the UK Corporate Governance Code 2010.

17 ANDREW GRANT SCHOLARSHIP FUND DRAFT TRUSTEES' REPORT Paper Q

The Committee noted the draft Trustees Report of the Andrew Grant Scholarship Fund and that the Accounts for this Fund would be prepared in accordance with Charities SORP 2005.

EXTERNAL AUDIT

18 EXTERNAL AUDIT PROGRESS REPORT UOE

External Audit confirmed that there were no matters which required to be brought to the attention of this Audit Committee.

FOR INFORMATION/FORMAL APPROVAL

19 AUDIT COMMITTEE SCHEDULE Paper R

The 2011/2012 Audit Committee Schedule was approved. It was noted that other items could and would be brought to meetings of the Committee as required.

20 DATE OF NEXT MEETING

The next meeting of the Audit Committee will be held on Tuesday, 22 November 2011 at 5.00 pm in the Lord Provost Elder Room, Old College.

The University of Edinburgh

University Court

7 November 2011

Report from Estates Committee held on 8 September 2011

Brief description of the paper, including statement of relevance to the University's strategic plans and priorities where relevant

The paper reports on key discussions and recommendations made at the meeting of EC, held on 8 September 2011.

The issues in this report relate to the Strategic Plan enabler '*Quality Infrastructure*' in terms of achievement of core strategic goals contained in the University's Strategic plan 2008-2012.

In pursuing **quality infrastructure** we need to provide an estate which is capable of supporting world class academic activity in order to meet our business needs. The strategy for achieving this is set out in the Estate Strategy 2010-20 and our target is to implement this over the period of the plan.

Court is reminded to note that copies of the EC papers and the minutes of the meeting are available to Court members on request from Angela Lewthwaite (Tel: 651 4384, email: angela.lewthwaite@ed.ac.uk) or online via the EC web-site at <http://www.ec.estates.ed.ac.uk/index.cfm>

Action requested

Court is invited to note the report and endorse the recommendations contained in the paper.

Court to note that CMG and FGPC noted and endorsed EC report at its meetings on 11 and 24 October respectively.

All the recommendations within the paper were **endorsed** by Finance and General Purposes Committee on 24 October. The position in respect of the Edinburgh College of Art estate, the proposed refurbishment of Potterrow following confirmation there would be no re-alignment of the roads around Potterrow in the short to medium-term and developments at the Roslin Institute at Easter Bush were particularly noted and that further information would be available at the next meeting of the Finance and General Purposes Committee on the Roslin Institute.

Cramond

Finance and General Purposes Committee on 24 October **noted** the present position on the long term legal dispute on the disposal of the Cramond campus. After detailed debate and consideration including cognisance of the University's strong legal argument, the potential on-going defence costs and commentary from senior counsel on the risks involved with litigation, the Committee agreed to approve pursuance of an out of Court settlement of up to £200k in cash with the preferred payment being £150k, without prejudice, with no costs and with the clause on future clawback provision for planning gain remaining in place.

Resource implications

Does the paper have resource implications? Yes, detailed throughout the paper.

£5.035m of requests are recommended for approval. The Estates Committee sub group met following the EC meeting as the Director of Finance was not present at the Estates Committee and the Capital Projections Plan had not been fully updated post year-end.

The ECSG met on the 28th September and concluded that the £5.035m was all affordable without compromising the University's approved speculative priority programme and would be funded from the University's CAC.

Risk Assessment

Does the paper include a risk analysis? No. It should be noted that EC papers contain, where applicable, separate risk assessments.

General:

Legislation Non-Compliance/Business Continuity – mitigated by regular assessment and update of priorities, risk register and implementation of annual major replacements/compliance programme

Capital Commitments – mitigated by tracking via the Capital Projections Plan and regular updating in consultation with Finance and reporting to EC, CMG and FGPC, through to Court.

Project Management – mitigated by on going monitoring of Design Team, Contractor, Risk Register and meetings of Project Boards who in turn report significant programme/cost issues to EC etc.

Equality and Diversity

Does the paper have equality and diversity implications? No

None of the proposals in this paper raise issues beyond those that are routinely handled in all Estates Developments. It should be noted that EC papers contain, where applicable, separate E&D assessments.

Any other relevant information

The Senior Vice-Principal Planning, Resources and Research Policy will present the paper.

Freedom of information

Can this paper be included in open business? The paper is **closed**.
Its disclosure would substantially prejudice the commercial interests of any person or organisation

All EC papers contain FOI information including reasons for closing papers.

Originator of the paper

Paul Cruickshank - Estates Programme Administrator
Angela Lewthwaite - Secretary to EC
28 October 2011

The University of Edinburgh

The University Court

7 November 2011

C6.1

Draft Corporate Governance Statement for 2010/11

Brief description of the paper, including statement of relevance to the University's strategic plans and priorities where relevant

The Scottish Further and Higher Education Funding Council (SFC) requires the University to make a statement of corporate governance in its Annual Reports and Financial Statements – this is included in its 'Accounts Direction', a standing document supplemented annually by guidance notes. Relevant extracts from the SFC document are at Appendix 1, and the British Universities Finance Directors Group's guidance, to which it refers, is at Appendix 2. In respect of the Corporate Governance Statement, the guidance is unchanged from last year other than that SFC refers to the application of the principles in the UK Corporate Governance Code, June 2010: previously we had been referred to the 2008 Combined Code. There is no significant practical difference between the principles in the two Codes as they relate to the University. However as previously intimated and agreed by the Audit Committee and Court in accordance with section A.1.2 of the Code, members' attendance at Court and its main Committees will be published in the 2010/2011 Financial Statements.

The attached paper therefore consists of the proposed draft Corporate Governance Statement; Responsibilities of Court; and Membership of Court and Committees sections to be included in the 2010/2011 Reports and Financial Statements. The draft Corporate Governance Statement is based on the version approved by the Court for 2009/2010 and the Responsibilities of Court is the version approved by Court in June 2010 as a result of the Court effectiveness review. Previously only the membership of Court and Committees had been included in the Reports and Financial Statements and the attached revised section now includes disclosure of actual attendance against possible attendance at meetings of members; this is to reflect members leaving or joining Court or a Committee part way through the year. Although membership of Court and Committees is recorded up until the 2010/2011 Reports and Financial Statements are signed off by Court in December, attendance is only recorded for the financial year 2010/2011. Significant changes to the text are *shown in italics*.

It should be noted that the Statement has been drafted as if it were being adopted at the December meeting of the Court, at which time the Court will be asked to agree the University's Financial Reports and Statements for 2010/2011, which will include the corporate governance statement.

The attached paper incorporates as appropriate comments made by the Audit Committee at its meeting on 29 September 2011 and the Finance and General Purposes Committee at its meeting on 24 October 2011.

Action requested

Court is invited to consider and comment on the draft Corporate Governance Statement and the format of the revised Membership of Court and Committees with regard to compliance for 2010/2011.

Resource implications

Does the paper have resource implications? No.

Risk Assessment

Does the paper include a risk analysis? No

Equality and Diversity

Does the paper have equality and diversity implications? No.

Freedom of Information

Can the paper be included in open business? Yes.

Originator of the paper

Dr Kim Waldron
University Secretary
October 2011

DRAFT CORPORATE GOVERNANCE STATEMENT 2010-11

Introduction and Statement of Compliance

The University of Edinburgh is committed to achieving the highest possible standards of corporate governance relevant to the higher education sector. This summary describes the manner in which the University has applied the principles set out in the *UK Corporate Governance Code, June 2010*, in so far as it applies to the higher education sector, and has taken due regard to the Turnbull Committee guidance on internal control as amended by the British Universities Finance Directors Group in its 2006 guidance. Its purpose is to help the reader of the financial statements understand how the principles have been applied, and to set out the basis for the Court's opinion that **the University has fully complied with that Code throughout the year ended 31 July 2011.**

University Governance

The University of Edinburgh is constituted by the Universities (Scotland) Acts 1858 to 1966.

The Universities (Scotland) Acts make specific provision for three major bodies in the Governance of the University – The Court, The Senate and The General Council.

The University Court

The University Court, the University's governing body, is a body corporate, with perpetual succession and a common seal. The present powers of the Court are defined in the Universities (Scotland) Act (1966) and include, inter alia, the amendment of the composition, powers and functions of bodies in the University and the creation of new bodies, the administration and management of the whole revenue and property of the University, internal arrangements of the University, staff appointments and, on the recommendation of Senate, the regulation of degrees, admission and discipline of students: it is responsible for ensuring that the Senate has in place effective arrangements for academic quality assurance and enhancement. The Court is responsible for the strategic development of the University, advised by the Principal in consultation with the Central Management Group.

The University Court has 22 members and is chaired by the Rector. It has a majority of lay members, including assessors appointed by the Chancellor and the City of Edinburgh Council and elected by the General Council: there are also staff and student members, with the Principal being an ex-officio member. The Principal acts as the Chief Executive Officer of the University. He is directly accountable to Court for the proper conduct of the institution's affairs. The Principal is also directly accountable to the Chief Executive Officer of the Scottish Funding Council for the University's proper use of funds deriving from Scottish Ministers and compliance with the Financial Memorandum between the Scottish Funding Council and the University. *New co-opted members of Court and external members of Court Committees were appointed during 2010-11 through a process of open advertisement and interview; this robust transparent process has been very successful.*

*Court met six times during 2010-11 as agreed following the 2009-10 review of the effectiveness of Court and its Committee. Court also considered between meetings by correspondence or through electronic means any urgent matters which required Court approval and members were kept informed by electronic means of any significant issues affecting the University. Court consults with the Senate and the General Council as required by statute. The Court is committed to the Nolan Committee Principles regarding standards to be adopted in public life. It maintains a register of interest of its members and senior University officers which is publicly available for inspection; *the interests of members of**

Court are published on the University's web site at: <http://www.ed.ac.uk/schools-departments/governance-strategic-planning/governance/university-court/overview>.

The Court has taken full account of the Guide for Members of Governing Bodies issued by the Committee of University Chairmen in November 2004 and revised in March 2009. It notes that compliance with this Guidance is not a formal requirement of the Scottish Funding Council. The Court believes that in all significant respects its operations are compliant with this Guidance. *During 2010-11 the Court completed aspects of its review of its effectiveness which commenced in 2009-10 and has taken forward and implemented actions arising from this review in particular agreement to the introduction of an improved induction process for new members of Court and a mentoring scheme.* Court approved a revised statement of its responsibilities in June 2010 which it believes to be of a high standard. The statement and information on other governance arrangements within the University are available as part of the University's Freedom of Information publication scheme on <http://www.ed.ac.uk/schools-departments/governance-strategic-planning/governance/university-governance/overview>.

The Court has overall responsibility for the University's strategic development. It is actively engaged in the University's strategic planning processes and in monitoring progress against the strategic plan. The strategic plan operative during 2010-11 was adopted by the University Court at its June 2008 meeting: it covers the period 2008-12. *During 2011-12, the University will take forward a review of the current plan to ascertain how best to articulate its future strategic vision and this process was initiated at a Court seminar in September 2011.* The strategic planning process is led by the Principal with support from the Senior Vice Principal (with responsibility for Planning, Resources and Research Policy) and the Director of Planning.

The Court's Committee Structure

The Court has established several Committees, including a Finance and General Purposes Committee, an Audit Committee, a Nominations Committee, a Remuneration Committee an Investment Committee, a Staff Committee, a Risk Management Committee, an Estates Committee, and a Health and Safety Committee. Each of these Committees is formally constituted with terms of reference and includes lay members of the Court, and conducts business both through regular meetings and by correspondence or through electronic communication when appropriate. There is also a Central Management Group that consists of senior academic and administrative managers who advise the Principal on senior management decisions and the allocation of budgets to Colleges and Support Services.

The **Finance and General Purposes Committee** oversees the University's financial affairs on behalf of the Court. This includes the design of the planning and budgeting process, approval of the resulting plan and budget in the context of the University's overall strategy, and ensuring adequate monitoring thereafter. It is chaired by the Vice Convener of the Court and includes a majority of lay members. It normally meets six times a year.

The **Audit Committee**, which is chaired by a lay member of the Court and consists of lay members of the Court and some external individuals, meets four times a year, with the University's Internal and External Auditors in attendance. It is responsible for reviewing the University's annual reports and financial statements and any changes to accounting policies and advising the Court accordingly. In addition, the Committee considers detailed reports from the Internal Audit service together with recommendations for the improvement of the University's systems of internal control and management's responses and implementation plans. It has explicit responsibility for advising on the effectiveness of the University's risk management arrangements. The Committee also receives and considers reports from the Funding Council as they affect the University's business and monitors adherence to regulatory requirements. It has authority to investigate any matters within its terms of reference. Some senior University officers routinely attend meetings of the Audit Committee,

but they are not members of the Committee and once a year the Committee meets the Internal and External Auditors on their own for independent discussions.

The Audit Committee also receives regular reports from the Internal and External Auditors which include recommendations for improvements in internal control. The Audit Committee's role in this area is confined to a high level review of the arrangements for internal control. The emphasis is on obtaining the relevant degree of assurance and not merely reports of exceptions. The Court receives the minutes of each Audit Committee meeting and an annual report of its proceedings.

The **Nominations Committee** considers nominations for co-opted membership of Court, nominations for membership of Court Committees and for Court's nominations on the Curators of Patronage. *The arrangements to take forward the open advertisement and interview process for co-opted members of Court and external members of Court Committees are managed by the Nominations Committee.* It is chaired by the Vice Convener of the Court, has a majority of lay members *and normally meets three times a year.*

The **Remuneration Committee** advises the Principal with regard to his responsibilities for setting professorial and equivalent academic and academic-related salaries. The lay members also consider the salary of the Principal and advise the Court as appropriate. It is chaired by the Vice Convener of the Court, has a majority of lay members and includes an external advisor. It meets as necessary, at least once a year.

The **Investment Committee** of the Court has responsibility for overseeing of the University's Endowment Funds, other investment funds and deposit balances. It reports to Court via Finance and General Purposes Committee and normally meets twice a year.

The **Staff Committee** provides advice and guidance on the University's strategic human resources policies and objectives, and provides assurance that the University is monitoring its performance and managing its HR issues effectively. The Committee is chaired by a Vice Principal and its membership includes two members of the Court. The Committee normally meets *three* times a year.

The **Risk Management Committee** supports and advises the Central Management Group, and through it the University Court, on the implementation and monitoring of the University's risk management policy and strategy. It ensures that the identification and evaluation of key risks that threaten achievement of the University's objectives is carried out; that a register of these risks is maintained; that risks are being actively managed, with the appropriate strategies in place and working effectively; and contributes to raising awareness of risk generally across the University and to maintaining the profile of risk management. It is chaired by the Director of Corporate Services and normally meets four times a year.

The **Estates Committee** oversees the preparation, periodic review and implementation of the University's Estate Strategy and its links to corporate and other business plans. It advises on property portfolio transactions (acquisitions and disposals), matters relating to strategic and major capital developments, significant items related to the amount and deployment of Estates and Buildings recurrent budget, and operational matters for which the Director of Estates wishes advice or support including allocation of a previously agreed budgets (e.g. Maintenance Programmes, Small Capital Projects) across Colleges and Support Groups. The Committee has introduced the 'gateway' methodology for the approval and management of major projects. It is chaired by the Senior Vice Principal (Planning, Resources and Research Policy) and normally meets four times a year.

The **Health and Safety Committee** provides oversight and guidance to the University's

Health and Safety Services department (which also includes Occupational Health, Occupational Hygiene Unit, Fire Safety and Radiation Protection functions) and advises the Court in regard to compliance with its statutory responsibilities in this area. It is chaired by the Director of Corporate Services, meets at least twice a year.

The **Central Management Group**, whilst formally advisory to the Principal, is the senior body for consideration of management issues. Its members are, between them, responsible and accountable for all components of the University's budget, both income and expenditure. As such it plays an important part in the internal governance and academic operations of the University, and brings together the academic, financial, human resources and accommodation aspects of planning. It is advised by the Risk Management Committee in regard to formulation and implementation of risk management policy. It reports through the Finance and General Purposes Committee to Court. The Central Management Group is chaired by the Principal; it normally meets eight times each year.

The Senate

The Senate is the academic authority of the University and draws its membership from the academic staff and students of the University. Its role is to superintend and regulate the teaching and discipline of the University and to promote research.

The General Council

The General Council consists of graduates and academic staff. It has a statutory right to comment on matters which affect the well-being and prosperity of the University.

The University's System of Internal Control

The University Court is responsible for the University's system of internal control and for reviewing its effectiveness. Such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material mis-statement or loss.

The internal control environment includes delegated authorities, policies, procedural and system controls, planning and budgetary processes, professional capability in specialist areas, governance structures and management reporting. *The revised Delegated Authorisation Schedule approved by Court in June 2010 continues to be reviewed and appropriately amended to ensure it remains fit for purpose.* The senior management team receives regular reports on the University's performance, including appropriate performance indicators, and considers any control issues brought to its attention by early warning mechanisms which are embedded within the operational units and reinforced by risk awareness training. The senior management team and the Audit Committee also receive regular reports from internal audit which include recommendations for improvement.

The University operates processes for the identification, evaluation and management of significant risks. The risk management framework established in the University includes a Risk Management Committee as a formal Court Committee which oversees implementation of the Risk Management Policy adopted in 2002. In June 2011, Court considered and approved the University's Risk Policy Statement. The University Risk Register focuses primarily on risks related to the attainment of the University's strategic objectives and identifies responsibility for the overall management of each risk. *The Register is annually reviewed by the Risk Management Committee and considered by the Central Management Group, the Audit Committee, and the Finance and General Purposes Committee prior to consideration and approval by Court; the most recent update was adopted by Court on 20 June 2011 and aligns to the University Strategic Plan 2008-12.*

College, Support Group and subsidiary company risk registers ensure key operational risks are identified and managed by the relevant sub-organisation within the University. All major projects have risk registers and risk assessment is incorporated into planning and decision making processes: risk assessment training and awareness are promoted through the management structure. The University's major risks are regularly reviewed and there are year end processes to obtain further assurances on the adequacy of the management of key risks and to document the sources of assurances for each major risk.

Internal Audit undertake an independent review of the operation of the overall risk management process, having regard to best practice as recommended by professional institutes and other relevant organisations. The Audit Committee considered the Internal Audit report on this matter at its meeting on 29 September 2011 and expressed itself satisfied with the outcome.

By its 12 December 2011 meeting, the Court had received the Audit Committee and Risk Management Committee reports for the year ended 31 July 2011; it also had taken account of relevant events since 31 July 2011. The Audit Committee in particular is responsible for advising Court on the effectiveness of policies and procedures for risk assessment and risk management. The Court considers, on the recommendation of the Audit Committee that a risk management process wholly compliant with the guidance provided by the *UK Corporate Governance Code*, in so far as its provisions apply to the higher education sector, has been in place throughout the year ended 31 July 2011.

In reaching this view, the Court's confirmation of the effectiveness of the system of internal control has also been informed by the following:

- a) the Internal Audit Service's annual report to the Audit Committee on the adequacy and effectiveness of systems of internal control including governance and risk management, together with recommendations for improvement, along with the Principal's expression of satisfaction with the performance of the Internal Audit service in his capacity as Accountable Officer;
- b) the Risk Management Committee's Annual Report to the Audit Committee regarding its operation;
- c) comments made by the External Auditors in their Highlights Memorandum and other reports; and
- d) the work of managers within the institution, who have responsibility for the development and maintenance of the internal control framework, and by any relevant comments made by other external agencies (e.g. the Quality Assurance Agency for Higher Education, SFC).

Charitable Status

The University had charitable status (No. SC005336) under the legislative framework operative throughout the 2010-11 financial year. The University Court considers that the University meets the 'Charity Test' set out in Section 7 of the Charities and Trustee Investment (Scotland) Act 2005. It will take such actions as are necessary to ensure continued full compliance with the legislation and retention of charitable status.

The University's endowments are administered as the University of Edinburgh Endowment Fund, overseen by the Investment Committee. Professional fund managers are employed by that Committee on behalf of the University Court. Investment income is applied for the

specific purposes of the relevant endowments, or in the case of other investment funds, for the University's general purposes. All of those purposes are charitable for the purposes of the legislation.

Income derived from philanthropic donations and benefactions arising from the University's Development activities is disbursed by a Trust with separate charitable status: The University of Edinburgh Development Trust. The Board of Trustees includes individuals external to the University. The Convener is a former member of the Court. The Trustees meet twice a year. All disbursements are applied for the specific purposes of the relevant donations and benefactions, or in the case of general donations and benefactions, for the University's general purposes. All of those purposes are charitable for the purposes of the legislation.

Going concern

The University Court considers that the University has adequate resources to continue in operational existence for the foreseeable future.

Responsibilities of the Court

On 21 June 2010 the Court adopted a revised Statement of Primary Responsibilities, as set out below.

The Court's primary responsibilities are:

I. Strategic Direction

- 1. To determine the mission and vision of the University and its major priorities as expressed in strategic plans, long term academic and business plans.*
- 2. To ensure that the mission and strategic vision of the University takes proper account of the interests of stakeholders, including students, staff, alumni, the wider community and funding bodies.*
- 3. To approve financial, estates, and human resources strategies in support of institutional objectives and priorities.*
- 4. To ensure strategies are in place to enhance the student experience.*
- 5. To ensure processes are in place to monitor and evaluate the performance and effectiveness of the University against the plans and approved key performance indicators, which should where possible, be benchmarked against other comparable Universities.*
- 6. To promote and safeguard the reputation and values of the University.*

II. Governance: responsibilities in relation to Management and Senate

- 1. To appoint the Principal as chief executive, including the terms and conditions of such an appointment, and to put in place suitable arrangements for monitoring his/her performance.*
- 2. To delegate authority to the Principal {as chief executive} for the academic, corporate, financial, estate and HR Management of the University subject to reserving such matters to itself as the Court thinks appropriate.*
- 3. To establish and keep under regular review the policies, procedures and limits within which such management functions shall be undertaken by and under the authority of the Principal.*
- 4. To appoint a Secretary to the Court and to ensure that if the person appointed has managerial responsibilities in the University, there is an appropriate separation in the lines of accountability.*
- 5. To review decisions made by the Senate as prescribed in statute.*
- 6. To ensure that the Senate has processes in place for monitoring and reporting the quality of education provision and to monitor quality enhancement arrangements.*

III. Governance: Exercise of Controls

- 1. To ensure the establishment and monitoring of systems of control and accountability, including financial and operational controls and risk*

assessment, arrangements for internal and external audit and regularly reviewed schedules of delegated authority.

2. *To be the principal financial and business authority of the University, to ensure that proper books of account are kept, to approve the annual budget and financial statements and to have overall responsibility for the University's assets, property and estates.*
3. *To ensure that appropriate arrangements are in place for the management of health, safety and security in respect of students, staff and other persons affected by the University's operations.*
4. *To ensure that appropriate arrangements are in place for promoting equality of opportunity in respect of students, staff and other persons making use of University services or facilities.*

IV. Governance: Corporate responsibilities

1. *To be the University's legal authority and as such, to ensure that systems are in place for meeting all the University's legal obligations, including those arising from contracts and other legal commitments made in the University's name.*
2. *To be the employing authority for all staff in the University and to ensure that obligations thereto are met including with regard to the welfare, development and reward of employees.*
3. *To put in place appropriate arrangements for determining and regular review of the performance, remuneration and conditions of service of senior staff.*
4. *To make provision for the general welfare of students, in consultation with the Senate and EUSA.*
5. *To act as trustee for, or make appropriate alternative arrangements for the trusteeship of, any property, legacy, endowment, bequest or gift in support of the work and welfare of the University.*
6. *To make appropriate arrangements compliant with relevant legislation for the trusteeship of any pensions scheme established by the Court for University employees and to employ the employer-nominated trustees.*
7. *To ensure that at all times it operates within the terms of the Universities (Scotland) Acts 1858-1966, Ordinances and Resolutions made under those Acts and any other relevant legislation; and that appropriate advice is available to enable this to happen.*
8. *To ensure that the University acts ethically, responsibly and with respect for society at large and the sustainability of the environment.*

V. Effectiveness and transparency

1. *To conduct its business in accordance with best practice in higher education corporate governance and with the principles of public life drawn up by the Committee on Standards in Public Life.*

2. *To ensure that procedures are in place in the University for handling internal grievances, conflicts of interest and public interest disclosure.*
3. *To put in place arrangements for the appointment of co-opted members of the Court so as to maintain a broad balance of expertise taking account of the principles of equal opportunity.*
4. *To establish processes to monitor and evaluate the performance and effectiveness of the Court itself and that of its committees.*

These primary responsibilities include those pertaining to financial matters as stated above. The detailed requirements relating to financial matters are governed by law, agreements and regulations as decreed by various bodies, and are stated as follows:

The Court is responsible for keeping proper accounting records, which disclose, with reasonable accuracy, the financial position of the University at any time and enable it to ensure that the financial statements are prepared in accordance with the Universities (Scotland) Acts 1858-1966, the Statement of Recommended Practice: Accounting for Further and Higher Education and other relevant accounting standards. In addition, within the terms and conditions of a Financial Memorandum agreed between the Scottish Funding Council and the Court of the University of Edinburgh, the University Court, through its designated office holder, is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the University and of the surplus or deficit and cash flows for that year.

In causing the financial statements to be prepared, the Court has to ensure that:

- suitable accounting policies are selected and applied consistently;
- judgements and estimates are made that are reasonable and prudent;
- applicable accounting standards have been followed; and
- financial statements are prepared on the going concern basis.

The Court has taken reasonable steps to:

- ensure that funds from the Scottish Funding Council are used only for the purposes for which they have been given and in accordance with the Financial Memorandum with the Funding Council and any other conditions which the Funding Council may from time to time prescribe;
- ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources;
- safeguard the assets of the University and hence to take reasonable steps to prevent and detect fraud; and
- secure the economical, efficient and effective management of the University's resources and expenditure.

Membership of Court and Committees

Members of the University Court during the year ended 31 July 2011, and their attendance at the meetings held during their membership in that year, together with members serving in the period after 31 July 2011 and up to the date on which the financial statements were approved, were as follows:

Court Membership

The Rector (Convener), Mr I Macwhirter (5/6)
The Principal and Vice-Chancellor, Professor Sir Timothy O'Shea (6/6)
The Chancellor's Assessor, Lord Cameron of Lochbroom (2/2) (until 17 December 2010), Sheriff Principal E F Bowen QC (from 17 October 2011)

General Council Assessors

Mr D A Connell (3/6) (until 31 July 2011)
Mr A Johnston (from 1 August 2011)
Professor A M Smyth (6/6)
Mrs M Tait (5/6)

Senatus Academicus Assessors

Professor L Yellowlees (4/6) (until 31 July 2011)
Professor D J Finnegan (5/6)
Dr M Aliotta (3/6)
Professor J Ansell (6/6)
Professor A Harmar (from 1 September 2011)

City of Edinburgh Council Assessor

Rt Hon G Grubb, Lord Provost (2/6)

Co-opted Members

Dr J A Markland (Vice-Convener) (6/6) (until 31 August 2011)
Professor S Monro (6/6) (Vice-Convener from 1 September 2011)
Professor J Barbour (2/6)
Mr P Budd (3/6)
Dr C Masters (from 1 September 2011)
Mr G M Murray (6/6)
Mrs E Noad (from 1 September 2011)
Ms A Richards (5/6)
Ms G M Stewart (5/6) (until 31 August 2011)
Mr D Workman (0/6)¹

Non-Teaching Staff Assessor

Mr D Brook (4/6)

Student Members

Ms L Rawlings (5/5) (until 12 June 2011)
Ms S Wise (3/5) (until 12 June 2011)
Mr M McPherson (1/1) (from 13 June 2011)
Mr M Williamson (1/1) (from 13 June 2011)

¹ Conflict of Interest: Mr Workman was also Chairman of the Board of Governors of The Edinburgh College of Art

Members of the Finance and General Purposes Committee, the Audit Committee, the Nominations Committee and the Remuneration Committee during the year ended 31 July 2011 and their attendance at the meetings held during their membership in that year, together with members serving in the period after 31 July 2011 and up to the date on which the financial statements were approved were as follows:

Finance and General Purposes Committee

Convener: Dr J A Markland (7/7) (until 31 August 2011)
Professor S Monro (6/7) (Convener from 1 September 2011)
The Principal and Vice-Chancellor, Professor Sir Timothy O'Shea (7/7)
Vice-Principal, Professor A McMahon (7/7) (until 31 July 2011)
Senior Vice-Principal, Professor N Brown (from 1 August 2011)
Dr K Waldron, University Secretary (5/7)
Mr J Gorringe, Director of Finance (6/7)
Ms L Rawlings, President of the Students' Association (5/7) (until 12 June 2011)
Mr M McPherson, President of the Students' Association (from 13 June 2011)
Professor J Barbour (2/7)
Mr D A Connell (6/7) (until 31 July 2011)
Professor A M Smyth (from 1 September 2011)
Dr M Aliotta (2/7)
Mr G M Murray (7/7)
Dr C Masters (from 1 September 2011)

Audit Committee

Convener: Ms G M Stewart (4/4) (until 31 August 2011)
Ms A Richards (4/4) (Convener from 1 September 2011)
Mr D Bentley (2/2) (until 31 December 2010)
Mr P Budd (3/4)
Mr M Sinclair (4/4)
Professor A M Smyth (4/4) (until 31 August 2011)
Mr A Johnston (from 1 September 2011)
Mr A Trotter (2/2) (from 21 February 2011)
Mrs E Noad (from 1 September 2011)

Nominations Committee

Convener: Dr J A Markland (3/4) (until 31 August 2011)
Professor S Monro (1/1) (from 28 March 2011) (Convener from 1 September 2011)
The Principal and Vice-Chancellor, Professor Sir Timothy O'Shea (4/4)
Lord Cameron of Lochbroom (1/1) (until 17 December 2010)
Mrs E Noad (from 1 September 2011)
Professor A M Smyth (3/4)
Ms G M Stewart (2/4) (until 31 August 2011)
Dr K Waldron, University Secretary (4/4)
Professor L Yellowlees (1/4) (until 31 July 2011)

Remuneration Committee

Convener: Dr J A Markland (2/3) (until 31 August 2011)
Professor S Monro (3/3) (Convener from 1 September 2011)
The Principal and Vice-Chancellor, Professor Sir Timothy O'Shea (3/3)
Ms G M Stewart (2/3) (until 31 August 2011)
Mr D Workman (2/3)
Dr C Masters (from 1 September 2011)
Ms A Richards (from 1 September 2011)

Extract from Current SFC Accounts Direction

Corporate Governance Disclosures

1 Colleges and universities are required to include in their financial statements a statement covering the responsibilities of their governing body in relation to corporate governance. This statement is required to indicate how the college or university has complied with good practice in this area and, in particular, whether it complies with the internal control guidance published by the Turnbull Committee (Turnbull guidance).

2 In line with earlier guidance, we expect that all colleges and universities will be able to make a full compliance statement with the requirements of the Combined Code on Corporate Governance, in so far as they apply to the college and university sectors, in their financial statements.

3 Colleges and universities should set out in their corporate governance statement the manner in which they have applied the principles of the Combined Code on Corporate Governance. There is no prescribed form for the statement but colleges and universities are encouraged to explain their own governance policies in the light of the Combined Code principles.

4 The statement should also indicate the extent to which the college or university complies with the provisions of the Combined Code, insofar as they apply to the further or higher education sector. Where colleges and universities cannot or do not comply with one or more provisions of the Combined Code, they are encouraged to provide an explanation.

5 In its narrative statement on how the college or university has applied Code principle C2, the governing body should, as a minimum, disclose that there is an ongoing process for identifying, evaluating and managing the significant risks faced by the college or university, that it has been in place for the year under review and, that up to the date of approval of the financial statements, it is regularly reviewed by the governing body and accords with the guidance in this document.

6 In relation to Code provision C.2.1, the governing body should summarise the process it has applied in reviewing the effectiveness of the system of internal control. It should also disclose the process it has applied to deal with material internal control aspects of any significant problems disclosed in the annual financial statements.

7 We recognise that each college and university will have its own system of corporate governance, reflecting its particular objectives and management processes, and the corporate governance disclosures in the annual report will differ accordingly. It is expected that each college and university will tailor its corporate governance statement to reflect its own individual circumstances. However, good practice suggests that a corporate governance statement should include the following sections:

- **Introduction**, which shows the context and purpose of the corporate governance statement, and the statement of full, partial or non-compliance with the provisions of the Combined Code;
- **Governing body**, outlining the governance structure and the role of college or university committees;
- **Corporate strategy**, outlining the arrangements for strategic development;

- **Risk management and internal control**, setting out the arrangements for identifying, evaluating and managing risks and the arrangements for monitoring internal controls. This should also include a statement to the effect that there is an ongoing risk management process which accords with the Turnbull guidance;
- **Going concern**, confirming that the college or university is a going concern, with supporting assumptions and qualifications as necessary as described in the Code section C.1.2. This disclosure provides support for the use of the going concern accounting policy and should not be inconsistent with the disclosures regarding going concern either in the financial statements or the auditors' report thereon; and
- **Conclusion**, providing any concluding observations or messages.

8 In assessing their own corporate governance practices, universities may also wish to make reference to the BUFDDG guidance on corporate governance as well as their compliance with the provisions of the *Guide for Members of Higher Education Governing Bodies in the UK* issued by the Committee of University Chairmen.

9 Colleges may also wish to refer to the *Guide for College Board Members* issued by the Association of Scotland's Colleges.

BUFDG Guidance on Corporate Governance and Statement of Responsibilities of the Governing Body, including internal controls for Higher Education

August 2006

Introduction

All institutions are required to include a corporate governance statement and statement of responsibilities, including reference to the institution's systems of internal control and risk management, within their financial statements. This guidance is intended to provide institutions with a framework for their corporate governance and responsibilities statement and replaces the previous BUFDG guidance '*Corporate Governance in Higher Education*'. This guidance is effective from August 2006.

Funding Councils

In preparing their corporate governance statement institutions should consider the best practice guidance and mandatory requirements issued by their funding council.

The Funding Councils issue an annual Accounts Direction specifying minimum requirements; (HEFCE, HEFCW, Scottish Funding Council, Funding Council for Northern Ireland follows HEFCE)

Internal Control and Risk Management

Institutions are required to publish details of their systems of internal control and how such a system is linked to institutional objectives and implemented across the organisation. Specifically it is the responsibility of the governing body to maintain a sound system of internal control and to review the effectiveness every year.

Further, institutions must provide a statement that their risk management arrangements have been operating effectively for the financial year and up to the approval date of the financial statements. Institutions should provide information consistent with Turnbull guidance issued by the Financial Reporting Council.

Voluntary Codes for Governing Bodies

Institutions should also consider the detailed code of practice from the Committee of University Chairmen issued in November 2004 '*Guide for members of Higher Education Governing Bodies in the UK*'. Institutions are required to state they have had regard to the code and whether their practices are consistent with the code. This detailed guidance provides detailed principles on the operation of the governing body.

Furthermore institutions should have regard to the Combined Code on corporate governance issued by the Financial Reporting Council, which although intended for the private sector, forms the basis of good practice guidance for institutions.

Framework for Responsibilities and Corporate Governance Statement

Responsibilities of the Governing Body	<p>Explain where the responsibility rests for the administration and management of the institution's financial affairs, including preparation of financial statements.</p> <p>Explain the governing body's responsibilities in this regard. Consider responsibilities in respect of; maintaining proper accounting records, compliance with institution's charter or statutes, compliance with the SORP and funding council financial memorandum, safeguarding assets and prevention and detection of fraud</p> <p>Explain institution's responsibilities in terms of corporate governance, refer to codes of practice (funding councils, CUC, Turnbull and Combined Code</p>
Principles and ethos of institution	Relevance of Nolan Committee Standards in Public Life to the institution and general principles adopted for decision making and accountability. Consider reference to any register of interests
Institution constitution and structural organisation	<p>Explain legal constitution of governing body, key committees and their terms of reference. Explain who the trustees of the institution are. Consider the position of the de facto chief executive and reporting framework for decision making.</p> <p>Consider the membership and attendance, and the effectiveness of the governing body and its key committees.</p>
Statement on Internal Control	Explain responsibilities of the governing body in this regard. Consider the principles of such an internal control and risk management process. Explain what system is in place, how it is linked to organisational objectives and embedded across the institution. Consider how such a system is reviewed.

The University of Edinburgh

The University Court

7 November 2011

ECA Corporate Governance Statement for 2010/11

Brief description of the paper, including statement of relevance to the University's strategic plans and priorities where relevant

The ECA Report and Financial Statements for the year ended 31 July 2011 will be presented to the December meetings of the Court for approval.

With the dissolution of the ECA and its governing body, the Audit Committee of the University has overseen the planning process for completion of these accounts and at its last meeting considered the non financial elements of these documents, primarily the Corporate Governance Statement for ECA.

The ECA Corporate Governance Statement for 2010/11 is attached. This has been updated since Audit Committee consideration and subsequently reviewed by Finance and General Purposes Committee. In addition, the documents are being reviewed by external audit and their comments will be included in the final documents.

It should be noted that the documents have been drafted as if being adopted at the December meeting of the Court.

Action requested

Court is invited to consider and comment on these documents which will be incorporated into the Reports and Financial Statements presented to them in December 2011.

Resource implications

Does the paper have resource implications? No.

Risk Assessment

Does the paper include a risk analysis? No

Equality and Diversity

Does the paper have equality and diversity implications? No.

Freedom of Information

Can the paper be included in open business? Yes.

Originator of the paper

K. Sinclair Acting Director of Finance, ECA
E. Welch Assistant Director of Finance

CORPORATE GOVERNANCE STATEMENT: Edinburgh College of Art

The following statement is given to provide an understanding of the governance procedures applied by the College's Governing body (hereinafter referred to as the Board). The College was committed to exhibiting best practice in all areas of corporate governance. This summary describes the manner in which the College has applied the principles in line with the UK Corporate Governance Code published in May 2010, in so far as it applies to the higher education sector. Its purpose is to help the readers of the financial statements understand how the principles have been applied in the year ending 31st July 2011. Following merger with the University of Edinburgh on 1st August 2011, these responsibilities transferred to the Court of the University of Edinburgh who hold office at the time of signing the report and financial statements for the year ended 31 July 2011.

Responsibilities of the Board

The Board comprised lay and academic persons appointed under the Edinburgh College of Art (Scotland) Order of Council 1995, the majority of whom are non-executive. The Board was responsible for the College's strategic direction, reputation and financial wellbeing, the wellbeing of the staff and students and for establishing and maintaining high standards of academic conduct and probity.

The matters specially reserved to the Board for decision were set out in the Statutes of the College, by custom and under the Financial Memorandum with SFC. The Board held to itself the responsibilities for ongoing strategic direction of the College, approval of major developments and the receipt of regular reports from executive officers on the day to day operation of its activities.

The Board was responsible for the College's system of internal controls and for reviewing its effectiveness. Such a system was designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board discharged its responsibilities as follows:

The Board met at least four times a year, one meeting being for the specific purpose of approving the College's strategic and operational plans. The Board considered strategic plans, annual budgets, monitors staffing, student estates and finance issues, sets and approved performance measures and ensured that there was a clear definition of delegated powers and lines of accountability. (During 2010-11 there were six meetings).

The Board had the following committees: Policy and Resources (with Finance, Estates and Health and Safety sub-committees), Audit and Risk and Chairman's (which also acted as the Remuneration and Nomination Committees). All of these committees were constituted with terms of reference and comprised mainly lay Governors.

The Audit and Risk Committee was responsible for meeting four times annually with the external and internal auditors to discuss audit findings and to consider detailed audit reports and recommendations for the improvement of the College's systems of internal control, together with management responses and action plans. Whilst senior management attended meetings of the Audit and Risk Committee, as necessary, they were not members of the committee and the committee met with the internal and external auditors on their own for independent discussions (Three Audit and Risk Committee meetings were held in 2010-11 with an additional five meetings conducted jointly with the Finance Sub-Committee). Three meetings of the University of Edinburgh Audit Committee also considered College matters in 2010/11 and 2011/12.

The Finance sub-committee recommended to the Board the College's financial plans and annual budgets and monitored performance in relation to the approved budgets. (Three meetings of this committee were held in 2010-11 in addition to the joint meetings referred to above).

A Redundancy Committee was established in 2010-11, with a Board approved remit and membership. (Ten meetings of this committee were held in 2010-11).

CORPORATE GOVERNANCE STATEMENT

Risk Management and Internal Control *(continued)*

The Board was of the view that there was an ongoing process for identifying, evaluating and managing the College's significant risks that has been in place for the year ended 31 July 2011. From December 2002, when the Board adopted a risk management strategy for the College, significant risks have been kept under review by the College's internal auditors who prepared an annual needs assessment report which was considered and approved by the Board. The remit of the Audit Committee was also been extended to include the review of risk and particular attention was paid to the risks associated of merger with the University of Edinburgh. Through these processes, the Board aimed to embed a culture of risk management throughout the institution, to encourage staff to take ownership of risks and to control the risk management programme through monitoring techniques.

In their Annual Internal Audit Statement the internal auditors noted that in the current year there were improved control and management arrangements across several areas, particularly in the second half of 2010-11. However these improvements could not be considered to have been embedded and established throughout 2010-11. As such the College did not have an adequate framework of control in place in a number of areas and systems during 2010-11. Improvements are however in place following the merger between the College and the University of Edinburgh and the application of the University of Edinburgh's corporate governance and financial management frameworks.

Conclusion

The review of the effectiveness of the overall system of internal control is therefore informed by:

- the organisation's risk management framework;
- the work of Internal Audit and the Audit and Risk Committee which oversees this activity;
- the internal control assessment framework, including the annual report of the Audit and Risk Committee to the Board;
- matters raised by external auditors in their management letter and other reports and
- the results of the hand over process, following merger on 1st August 2011, between the College and the University of Edinburgh Audit Committee and the reports considered during and after the accounting period.

In summary, there has been an improvement in the quality of management information provided to the Governors and greater engagement with committees of the Board throughout 2010/11. Given the number of vacancies arising on the Board during 2010/11 swift action was taken to engage, train and develop new Board members. Preparing for merger also increased the review and challenge in respect of corporate governance and enhanced reporting has been provided to internal and external stakeholders. Transition arrangements in place in respect of the merger with the University of Edinburgh give further assurance as to the improvements in place at the time of signing the Financial Statements.

**BOARD OF GOVERNORS MEMBERSHIP: Edinburgh College of Art
Board of Governors as at 31 July 2011**

Details of the membership of the Board of Governors of the College at 31 July 2011 are given below. Following the merger of the College with the University of Edinburgh, details are also given of the members of the Court of the University of Edinburgh at the date of signing the Report and Financial Statements for the year ended 31st July 2011.

Membership of Board and Committees

Chairman

Mr Donald Workman, MA (Oxon)

Convenor of Chairman's Committee. Convenor of Chairman's Committee Acting as Remuneration Committee. Convenor of Chairman's Committee Acting as Nominations Committee. Convenor of Policy & Resources Committee. Member of Finance Sub-Committee

Ex Officio

Principal

Professor Ian G. Howard, MA, RSA

Convenor of Health & Safety Committee. Member of Policy & Resources Committee. Member of Finance Sub-Committee. Member of Estates Sub-Committee. Member of Chairman's Committee. Member of Chairman's Committee Acting as Remuneration Committee. Member of Chairman's Committee Acting as Nominations Committee

Chief Operating Officer

Dr P W A West DL, MA, DUniv, DPhil
(Appointed October 2010)

Member of Finance Sub-Committee. Member of Estates Sub-Committee. Member of Chairman's Committee. Member of Chairman's Committee Acting as Remuneration Committee. Member of Chairman's Committee Acting as Nominations Committee. Member of Redundancy Committee

Appointed by the Students' Association

President, Student Representation Council

Ms Francesca Miller
(Retired June 2011)

Member of Health & Safety Sub-Committee

BOARD OF GOVERNORS MEMBERSHIP: Edinburgh College of Art ((continued)

President, Student Representation Council

Ms Abigail Barr
(Appointed July 2011)

Member of Health & Safety Sub-Committee

Co-opted

Professor Richard Coyne PhD MLArch BArch/ (Hons)
ARAI RIBA (University of Edinburgh Representative)

Professor D. Gareth Owen MA, PhD, CEng,
FICE FSUT (Retired December 2010)

Member of Audit and Risk Committee

Appointed

Ms Ginnie Atkinson

Member of Estates Sub-Committee, Audit and
Risk Committee and Awards and Bequests Sub-
Committee

Professor Stephen Blackmore CBE, FRSE
(Resigned November 2010)

Member of Audit and Risk Committee

Professor Christine Hawley, CBE, RIBA, FRSA

Mr Donald MacDonald, CBE, MA, LLB, CA

Member of Finance Sub-Committee. Member of
Redundancy Committee.

Mr Alastair Mackenzie, CBE, RIBA, MRTPI

(Resigned December 2010)

Member of Policy & Resources Committee and
Audit
and Risk Committee. Convener of Estates Sub
Committee

Ms Shonaig Macpherson, CBE, FRSE, DUniv
of Chairman's Committee

Convener of Audit and Risk Committee, Member

Professor Ian F.Y. Marrian, MA, CA

Member of Policy & Resources Committee.
Convener of Finance Sub-Committee. Member of
Chairman's Committee. Member of Chairman's
Committee Acting as Remuneration Committee,
Member of Awards and Bequests Sub Committee

Lady Mathewson, DA (Edin)
(Resigned December 2010)

Convener of Awards and Bequests Sub-Committee

Mr Robert B. Robertson, BSc, MSc, ARICS
(Resigned December 2010)

Member of Awards and Bequests Sub-Committee.
Member of Estates Sub-Committee. Member of
Audit and Risk Committee,

Ms Lesley Watt, LLB Dip LB, CA
(Appointed January 2011)

Member of Audit & Risk Committee

BOARD OF GOVERNORS MEMBERSHIP: Edinburgh College of Art ((continued)

Ms Jocelyn Cunliffe MA (Hons), RIBA, RIAS,
MaPS, FRSA
(Appointed January 2011)

Convenor of Estates Sub Committee, Member of
Awards and Bequests Sub Committee

Mr Eddie Frizzell BE, MA (Hons), FRSA
(Appointed January 2011)

Member of Audit and Risk Committee

Ms Tessa Jackson OBE BA (Hons) MA
(Appointed January 2011)

Convener of Awards and Bequests Sub-Committee

Elected by Staff from Academic Staff

Academic Council Governor
Professor Noemie Mendelle, MA BA (Hons)

Academic Staff Governor
Ms Geraldine Prince, BA (Hons), MLitt, MPhil, FHEA
(Retired January 2011)

Dr Juliette MacDonald, MA (Hons), FSA (Scot), PhD
(Appointed March 2011)

Elected by Staff from Academic Support Staff

Non-Academic Staff Governor
Ms Sylvia Nicholson

BOARD OF GOVERNORS MEMBERSHIP: Edinburgh College of Art ((continued)

COURT OF THE UNIVERSITY OF EDINBURGH MEMBERSHIP

Details of the membership of the Court of the University of Edinburgh at 12 December 2011 are given below. (Further information on the membership of the Court of the University of Edinburgh, along with members' attendance is detailed in University of Edinburgh Report and Financial Statement for the year ended 31 July 2011).

Membership of Court and Key Committees

The Rector

Mr I Macwhirter

Convener of Court

Principal and Vice Chancellor

Professor Sir Timothy O'Shea

Member of Finance and General Purposes Committee, Member of Nominations Committee, Member of Remuneration Committee

The Chancellor's Assessor

Sheriff Principal E F Bowen QC

General Council Assessors

Mr A Johnston

Professor A M Smyth

Member of Audit Committee
Member of Finance and General Purposes Committee, Member of Nominations Committee

Mrs M Tait

Senatus Academicus Assessors

Professor D J Finnegan

Dr M Aliotta

Member of Finance and General Purposes Committee

Professor J Ansell

Professor A Harmar

City of Edinburgh Council Assessor

Rt Hon G Grubb, Lord Provost

Co-opted

Professor S Monro

Vice-Convener of Court, Convener of Finance and General Purposes Committee, Convener of Nominations Committee, Convener of Remuneration Committee

Professor J Barbour

Member of Finance and General Purposes Committee

Mr P Budd

Member of Audit Committee

Dr C Masters

Member of Finance and General Purposes Committee, Member of Remuneration Committee

Mr G M Murray

Member of Finance and General Purposes Committee

Mrs E Noad

Member of Audit Committee

Ms A Richards

Convener Audit Committee, Member of Remuneration Committee

Mr D Workman

Member of Remuneration Committee

Non- Teaching Staff Assessor

Mr D Brook

Student Members

Mr M McPherson

Member of Finance and General Purposes Committee

Mr M Williamson

STATEMENT OF THE RESPONSIBILITIES OF THE BOARD OF GOVERNORS: Edinburgh College of Art

In accordance with the Edinburgh College of Art (Scotland) Order of Council 1995 and the Further and Higher Education (Scotland) Acts 1992 and 2005, the College's Board of Governors was responsible for the administration and management of the College's affairs, including ensuring an effective system of internal control, and was required to present audited financial statements for each financial year.

The Board of Governors was responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the College and enable it to ensure that the financial statements are prepared in accordance with the Statement of Recommended Practice: Accounting for Further and Higher Education and other relevant accounting standards. In addition, within the terms and conditions of a Financial Memorandum agreed between the Scottish Funding Council and the College's Board of Governors, the Board of Governors, through its designated office holder, was required to prepare financial statements for each financial year which give a true and fair view of the College's state of affairs and of the surplus or deficit and cash flows for that year.

In preparing the financial statements, the Board of Governors has ensured that:

- suitable accounting policies were selected and applied consistently;
- judgements and estimates were made that were reasonable and prudent;
- applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- financial statements were prepared on the going concern basis unless it is inappropriate to presume that the College will continue in operation.

The Board of Governors has taken reasonable steps to:

- ensure that funds from the Scottish Funding Council are used only for the purposes for which they have been given and in accordance with the Financial Memorandum with the Scottish Funding Council and any other conditions which the Scottish Funding Council may from time to time prescribe;
- ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources;
- safeguard the assets of the College and prevent and detect fraud; and
- secure the economical, efficient and effective management of the College's resources and expenditure.

Following merger with the University of Edinburgh on 1st August 2011, these responsibilities transferred to the Court of the University of Edinburgh who hold office at the time of signing the report and financial statements for the year ended 31 July 2011.

The University of Edinburgh

The University Court

7 November 2011

ECA-Andrew Grant Scholarship Fund Trustees' Report for 2010/11

Brief description of the paper, including statement of relevance to the University's strategic plans and priorities where relevant

The Andrew Grant Scholarship Fund (AGSF) Trustees' Report and Financial Statements for the year ended 31 July 2011 will be presented to the December meetings of the Court and the Trustee of the Andrew Grant Bequest for approval. As the AGSF charity contains both the Andrew Grant Bequest and other ECA endowments which have now transferred to the University, the Report and Financial Statements will need to be approved by both the Trustee of the Andrew Grant Bequest and Court as the holder of the other ECA endowments.

With the dissolution of the ECA and its governing body, the Audit Committee of the University has overseen the planning process for completion of these accounts and at its last meeting considered the non financial elements of these documents, primarily the Trustees' report for AGSF.

The Trustees' Report together with the Statement of Trustees' responsibilities in respect of the Trustees' Report in the financial statements for the ASGF is attached. This has been updated since Audit Committee consideration and subsequently reviewed by Finance and General Purposes Committee. In addition, the documents are being reviewed by external audit and their comments will be included in the final documents presented to both the Trustee of the Andrew Grant Bequest and Court in December. It is anticipated that new sections will be requested by audit including sections on financial review, investment policies and future arrangements.

It should be noted that the documents have been drafted as if being adopted at the December meetings of the Trustee of the Andrew Grant Bequest and Court.

Action requested

Court is invited to consider and comment on these documents which will be incorporated into the Reports and Financial Statements presented to them in December 2011.

Resource implications

Does the paper have resource implications? No.

Risk Assessment

Does the paper include a risk analysis? No

Equality and Diversity

Does the paper have equality and diversity implications? No.

Freedom of Information

Can the paper be included in open business? Yes.

Originator of the paper

K. Sinclair Acting Director of Finance, ECA
E. Welch Assistant Director of Finance

Reference and administrative information: Andrew Grant Scholarship Fund

Charity name: Edinburgh College of Art - Andrew Grant Scholarship Fund
Charity number: SC001097

Trustees for year ended 31 July 2011:

- Mr D Workman
- Professor I G Howard
- Professor R Coyne
- Mr D MacDonald
- Ms S Macpherson
- Professor C Hawley
- Ms G Atkinson
- Professor I F Y Marrian
- Ms S Nicholson
- Dr P W A West (appointed October 2011)
- Professor N Mendelle
- Dr J MacDonald, (appointed March 2011)
- Ms F Miller (retired June 2011)
- Professor S Blackmore (resigned November 2010)
- Mr A Mackenzie (resigned December 2010)
- Lady Mathewson (resigned December 2010)
- Professor D G Owen (retired December 2010)
- Mr R B Robertson (resigned December 2010)
- Ms G Prince (retired January 2011)
- Ms L Watt (appointed January 2011)
- Ms J Cunliffe (appointed January 2011)
- Mr E Frizzell (appointed January 2011)
- Ms A Barr (appointed July 2011)

The University Court as from 1 August 2011 is the single corporate Trustee of the Andrew Grant Bequest and the holder of the other Edinburgh College of Art endowments.

Members of the University Court at date of signing accounts:

- Mr I Macwhirter
- Professor Sir Timothy O'Shea
- Sheriff Principal E F Bowen QC
- Mr A Johnston
- Professor A M Smyth
- Mrs M Tait
- Professor D J Finnegan
- Dr M Aliotta
- Professor J Ansell
- Professor A Harmar
- Rt Hon G Grubb
- Professor S Monro
- Professor J Barbour
- Mr P Budd
- Dr C Masters
- Mr G M Murray
- Mrs E Noad
- Ms A Richards
- Mr D Workman
- Mr D Brook
- Mr M McPherson
- Mr M Williamson

Principal office: 74 Lauriston Place, Edinburgh, EH3 9DF

Bankers: Bank of Scotland, 3 Earl Grey Street, Edinburgh, EH3 9BN until 31 July 2011. Royal Bank of Scotland, 36 St Andrew Square, Edinburgh, EH2 2YB from 1 August 2011.

Solicitors: Anderson Strathern, LLP, 1 Rutland Court, Edinburgh, EH3 8E until 31 July 2011.
Morton Fraser, LLP, 30/31 Queen Street, Edinburgh, EH2 1JX until 31 July 2011.

Auditors: KPMG LLP, Saltire Court, 20 Castle Terrace, Edinburgh, EH1 2EG

Investment advisors: Baillie Gifford Investment Managers Limited, Calton Square, 1 Greenside Row, Edinburgh, EH1 3AN

Trustees' report: Andrew Grant Scholarship Fund

The Trustee presents its annual report and audited financial statements for the year ended 31 July 2011. Reference and administrative information is shown on page one. With the Edinburgh College of Art's merger with the University of Edinburgh on 1st August 2011, under Scottish Statutory Instrument No 42, the University Court became the single corporate Trustee of the Andrew Grant Bequest and the holder of the other Edinburgh College of Art endowments as at that date.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 and comply with the Edinburgh College of Art (Scotland) Order of Council 1995, the Charities and Trustee Investment (Scotland) Act 2005, regulation 8 of the Charities Accounts (Scotland) Regulations 2006 and the Statement of Recommended Practice: Accounting and Reporting by Charities published in 2005.

Structure, governance and management

Edinburgh College of Art - Andrew Grant Scholarship Fund ("the Fund") holds a variety of bequests and endowments. The Andrew Grant bequest was created and directed by a codicil dated 12 September 1911 to a trust disposition and settlement dated 24 October 1894, of the late Andrew Grant. It was subsequently held and administered by the City of Edinburgh Council, transferring to Edinburgh College of Art in accordance with the provisions of The Edinburgh College of Art (Scotland) Order of Council 1959. In addition to the Andrew Grant bequest there are a number of other donations and bequests, from a variety of donors, including the Edinburgh College of Art Prize Fund, held within the Fund. The Fund does not actively fundraise and seeks to continue the charitable work desired by the donors through the careful stewardship of its existing resources.

The Trustees of the Fund in the year ending 31 July 2011 were also Governors of Edinburgh College of Art. The composition of the Trustees comprised lay and academic persons appointed under Edinburgh College of Art (Scotland) Order of Council 1955. The composition of the Board of Trustees ("the Board") of the Fund comprised the following:

- no more than 13 and no less than 9 Trustees;
- the Principal of Edinburgh College of Art;
- the Vice-Principal of Edinburgh College of Art;
- the president of the Students' Representative Council of Edinburgh College of Art;
- three staff representatives - one appointed by the Academic Council of Edinburgh College of Art, one elected by the full-time academic staff of the Edinburgh College of Art and one who shall be elected by the full-time non-academic staff of the Edinburgh College of Art; and
- no more than six and no less than two co-opted at least one person having experience of local government and at least one person from the full-time academic staff of another establishment of further or higher education.

In line with statutory requirements the Board appointed a Chairman from amongst the Trustees. A person was not appointed or co-opted to the Board where their term of office, if aggregated with any previous terms of office, would result in serving for more than 12 years as a Trustee.

The Board delegated certain duties, responsibilities and powers to the Awards and Bequests Sub-Committee of Edinburgh College of Art. The day to day processing and handling of applications was delegated to the Secretary of Edinburgh College of Art. Following the resignation of the College Secretary in October 2010 this delegation transferred to the Chief Operating Officer of Edinburgh College of Art.

The Awards and Bequests Sub-Committee meets at least once a year to consider the broad strategy and areas of activity for the Fund, review the applications received (based on their consideration of the application and whether it fits with their grants policy) and determine the awards to be made from the Fund. Membership of this Sub-Committee as at 31st July 2011 was Ms Tessa Jackson (Convener); Professor Ian Marrian; Professor Christine Hawley; Mrs Jocelyn Cunliffe; and Ms Ginnie Atkinson.

As noted in the reference and administrative information there were changes in the Trustees' membership and an induction process for newly-appointed Trustees was conducted on an individual basis, with meetings with the Chairman of the Trustees, the Principal of Edinburgh College of Art, and the Chief Operating Officer. A Governors/Trustees' Handbook, which includes the College's Order in Council and Regulations governing the Fund amongst other governance documents, was given to all new Trustees. The Trustees were also assisted by the Finance Sub-Committee of Edinburgh College of Art who considered the annual budget of the Fund and regularly received reports from externally appointed investment managers on the financial performance of the Fund.

Trustees' report: Andrew Grant Scholarship Fund *(continued)*

All Trustees gave of their time freely and no Trustee remuneration was paid in the year. Trustees were required to disclose all relevant interests and register them with the Principal of Edinburgh College of Art and, in accordance with Edinburgh College of Art procedures, withdraw from decisions should a conflict of interest arise.

Risk assessment

The Trustees considered the major risks to which the charity is exposed and reviewed those risks and during 2010-11, introduced improvements to systems and procedures to manage those risks. The key elements of the Fund's system of internal financial control, which was designed to discharge the responsibilities of the Board, included:

- comprehensive financial regulations, detailing financial controls and procedures, approved by the Audit and Risk Committee of Edinburgh College of Art, and the Board;
- thorough review to ensure that awards were made in line with the donors wishes; and
- internal audit provision whose annual programme was approved by the Audit and Risk Committee of Edinburgh College of Art.

In their Annual Internal Audit Statement the internal auditors noted that in the current year there were improved control and management arrangements across several areas, particularly in the second half of 2010-11. However these improvements could not be considered to have been embedded and established throughout 2010-11. As such the College did not have an adequate framework of control in place in a number of areas and systems during 2010-11. Improvements are however in place following the merger between the College and the University of Edinburgh and the application of the University of Edinburgh's corporate governance and financial management frameworks.

Disclosure of information to auditors

The University Court as the single corporate Trustee of the Andrew Grant Bequest and the holder of the other Edinburgh College of Art endowments at the date of approval of this Trustees' report confirms that, so far as it is aware, there is no relevant audit information of which the Fund's auditors are unaware; and the University Court as the single corporate Trustee of the Andrew Grant Bequest and the holder of the other Edinburgh College of Art endowments has taken all the steps that it ought to have taken to make itself aware of any relevant audit information and to establish that the Fund's auditors are aware of that information.

Objectives and activities

The Fund's objective is the advancement of education of existing and previous students of the Edinburgh College of Art. These objectives are met through a variety of routes, primarily the provision of scholarships and travel awards, in line with the terms of the original benefaction from Andrew Grant. Prizes and Scholarships provided by benefactors other than Andrew Grant are awarded in line with relevant benefactors wishes, as far as these are known by the Trustees.

These objectives were achieved through the consideration of all grant applications received by the Fund at the periodic meetings of the trustees. The grants are funded from the investment returns of the Fund's investment portfolio.

Achievements and performance

As it is a particular condition of the Andrew Grant Bequest that only students of merit should receive awards, each year Heads of Schools nominate students of the highest academic merit against the various categories of award. All awards were made at the discretion of the Trustees after careful consideration of eligible nominations including consideration of the student work presented at the annual Degree show in June each academic year.

During the financial year 48 Scholarships, and 119 prizes and awards were made to students, ranging from £50 to £5,100.

Trustees' report: Andrew Grant Scholarship Fund *(continued)*

Grant making policy

The Fund was founded to support students at Edinburgh College of Art in any way deemed suitable by the Trustees and predominantly by means of scholarships and travel bursaries awarded to students of particular merit. The main policy governing the operation of the Fund relates to the requirements of the Andrew Grant bequest and the variety of requirements of the various other benefactors. Details of each are provided below.

The original Andrew Grant bequest is subject to Regulations (as affirmed on 6 July 1981 by the Board of the Edinburgh College of Art as Trustees for the Andrew Grant Scholarship in terms of Section 29 of the Edinburgh College of Art Order of Council (Scotland) 1995). The purpose of the Regulations is to administer the provision of scholarships or bursaries to deserving students or former students of Edinburgh College of Art by the way of travelling scholarships or otherwise, in terms of the original bequest. The details of the original bequest are summarised below.

After paying all expenses of management properly chargeable against the income of the bequest and any taxes or other burdens affecting the bequest the Trustees:

- (a) will apply not less than four-fifths of the free income of the bequest in each year in providing scholarships or bursaries to deserving students of either sex of Edinburgh College of Art either during their course or in the way of travelling scholarships or otherwise after their course is finished, and
- (b) may apply so much of the remainder of the free annual income of the bequest in each year as is not applied in providing scholarships or bursaries as aforesaid:
 - (i) in defraying or assisting to defray the expenses of organised educational excursions for the benefit of students of Edinburgh College of Art including attendance at exhibitions of works of art or the expenses of arranging for exhibitions of works of art to be held at Edinburgh College of Art;
 - (ii) in providing or assisting in providing equipment and facilities for special study at Edinburgh College of Art;
 - (iii) in assisting the provision and development of sports activities at or in connection with Edinburgh College of Art; and
 - (iv) in assisting in the formation, maintenance and encouragement of clubs, societies and other organisations conducted for the benefit of students of Edinburgh College of Art.

In the event of there being any balance of income of the bequest at the end of any financial year of Edinburgh College of Art, such balance may at the discretion of the Board be carried forward and added to or accumulated with the income of the next financial year or years or may be added to the capital of the bequest or may be applied partly in one and partly in the other of such ways. As noted before, the Fund also comprises a number of other awards and bequests of various sizes. The most significant are the John L Paterson Design Award, Helen A Rose Bequest, T Bowhill-Gibson Bequest and the John Florent Stone Bequest. The details governing each award are held within Edinburgh College of Art. Compliance with the donors' wishes is checked when awards are made.

Statement of Trustees' responsibilities in respect of the Trustees' Report and the financial statements: Andrew Grant Scholarship Fund

Under charity law, the trustees are responsible for preparing the Trustees' Report and the financial statements for each financial year which show a true and fair view of the state of affairs of the charity and of the excess of income over expenditure for that period.

In preparing these financial statements, generally accepted accounting practice entails that the trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the recommendations of the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the Edinburgh College of Art (Scotland) Order of Council 1995, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities.

The trustees are required to act in accordance with the Edinburgh College of Art (Scotland) Order of Council 1995, within the framework of trust law. They are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time and to enable the trustees to ensure that, where any statements of accounts are prepared by them under Section 44 of the Charities and Trustees Investment (Scotland) Act 2005, regulation 8 of the Charities Accounts (Scotland) Regulations 2006 and the Edinburgh College of Art (Scotland) Order of Council 1995, those statements of accounts comply with the requirements of regulation under that provision. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

The University of Edinburgh

The University Court

7 November 2011

**Bursaries/Support to attract Scottish
Domiciled Students to Edinburgh
who may be dissuaded for financial or other reasons**

- a proposal to form an Investment Fund to fund an ongoing programme

Brief description of the paper, including statement of relevance to the University's strategic plans and priorities where relevant

The paper proposes the forming of a Capital Fund to fund bursaries to Scottish domiciled students. It proposes how these funds are used in 2012/13.

Action requested

The Court is asked to approve the proposal in the paper that is recommended to it, by the Finance & General Purposes Committee.

Resource implications

Does the paper have resource implications? Yes

This paper allocates over £9 million to a new student Bursaries Fund. The University will forgo £345,000 on Investment Income it currently uses for other purposes.

Risk assessment

Does the paper include a risk assessment? No

Equality and diversity

Does the paper have equality and diversity implications? Yes

The proposed, aims to encourage Scottish domiciled students from low income backgrounds to study at this University

Freedom of information

Can this paper be included in open business? Yes

Originator of the paper

Jon Gorringer, Director of Finance
31 October 2011

**Bursaries/Support to attract Scottish
Domiciled Students to Edinburgh
who may be dissuaded for financial or other reasons**

- a proposal to form an Investment Fund to fund an ongoing programme

Introduction

At the time of the discussions on rest of UK fees it was recognised that although Scottish domiciled students pay no fees, there was a need to further expand support to improve the attractiveness of the University to well qualified students from lower income households.

The University management have considered the best approach to funding this provision and how it is to be spent. This paper makes a firm proposal on funding and some initial ideas on how the money should be spent against a background of the Scottish Government announcing a plan for a £7000 Income Support Scheme which is planned to be introduced in 2013/14.

Proposal to set up fund to support Scottish Domiciled students

Back in 2007 it was decided to invest in equity and bonds, mirroring our endowment investments, about £20 million of the University's cash balances. The investment recognised that for the next 5 years the funds would not be required by the University and so it was a way of controlling the risk of adverse movements in short-term interest notes undermining the University interest income and more positively looking for some capital appreciation and a growing income stream.

In 2010 it was agreed that with the severe announced reductions in public funds for capital about half the funds which at that point had declined in capital value, should be made available in 2012 and 2013 to support the capital building programme. These funds are now held in short-term bonds and cash investments maturing in 2012 and 2013. It is now proposed that the balance of the general fund investments which were valued at the end of July, in the order of £10 million should be designated as a fund to support student support. This will deliver an initial annual income of about £340,000. Therefore, the University would be forgoing the use of this income and the capital for other University purposes.

The University might wish to use this fund as a recipient of further donations for bursaries for Scottish domiciled students.

Proposed additional student support

As the amount of support to students from low income households will not be enhanced until 2013/14, anything new the University is offering has to be assessed for 2012/2013 against the current support system. To do this it is best to ignore the loans element and concentrate on the existing bursaries. For Scottish domiciled students whose household income is below £19300, who go to a Scottish institution, the Young Student Bursary is currently £2640, £2150 if they study in the rest of the UK. For this group of students under the new English fees, the difference in cost in going to the best English universities with their very generous bursary schemes, as against coming to Edinburgh, is modest without getting into complicated calculations as to how much or little students actually have to repay on the £9000 loan.

In discussion with the Vice-Principal – External Engagement and the Head of Scholarships and Student Funding, it is proposed that for the first year a £1000 per year access bursary for four years should be offered to those students meeting the eligibility criteria and £1000

accommodation bursaries should be offered in the first year of study. A £350,000 budget would allow a further 72 Access bursaries and 62 additional accommodation bursaries. These would be in addition to the 734 Access bursaries and 88 accommodation bursaries awarded in the current year to students from all parts of the UK, of which a number will be freed up for Scottish students by the introduction of the rest of UK Bursary Scheme.

Conclusion

Court is asked to approve the proposal, which is recommended to it by the Finance & General Purposes Committee, to create a dedicated Scottish Bursaries Investment using the general fund reserves to enhance the bursary scheme to Scottish domiciled students.

Jon Gorringe, *Director of Finance*
31 October 2011

European Investment Bank Loan Funding

Brief description of the paper, including statement of relevance to the University's strategic plans and priorities where relevant

This paper makes the case for taking on new debt and explains the attractiveness of the offer currently available from the European Investment Bank (EIB).

Action requested

As detailed in paper.

Resource implications

Does the paper have resource implications? Yes

As detailed in paper.

Risk assessment

Does the paper include a risk assessment? No

Equality and diversity

Does the paper have equality and diversity implications? No

Freedom of information

Can this paper be included in open business? No

Its disclosure would substantially prejudice the commercial interests of any person or organisation

Originator of the paper

Terry Fox
Assistant Director of Finance.
28 October 2011

The University of Edinburgh

The University Court

7 November 2011

Annual Review 2010-11

Brief description of the paper, including statement of relevance to the University's strategic plans and priorities where relevant

The paper includes eight articles to be published in the 2010-11 Annual Review.

Action requested

Court is requested to approve the articles for publication.

Resource implications

Does the paper have resource implications? No

Risk assessment

Does the paper include a risk assessment? No

Equality and diversity

Does the paper have equality and diversity implications? No

Freedom of information

Can this paper be included in open business? Yes

Originator of the paper

Dr Ian Conn
Director of Communications and Marketing
1 November 2011

Annual Review 2010/11 Main Articles

Going the distance: broadening access to first-class education

Within the next decade, the University aims to host a postgraduate community of around 10,000 online learners – approximately half of its total projected taught masters student population.

To fulfil this ambition, the Distance Education Initiative (DEI) was launched in 2010 to encourage each of the University's 22 academic schools to offer at least one postgraduate programme or CPD course online. Growth in this area will enhance further the University's existing online portfolio, which already offers successful postgraduate opportunities in education, law and medical training.

“There are clear examples that the University can deliver academically challenging material that can be assessed at a high level,” comments Professor Jeff Haywood, the University's Vice-Principal Knowledge Management and Chief Information Officer. “The University has run online postgraduate programmes for several years. The student satisfaction rate is high and the drop-out rate is low.”

High-quality distance education is central to Edinburgh's strategy of widening access to postgraduate opportunities worldwide. The tightening of UK entry visa restrictions, heightened environmental awareness and global economic pressures are among the many external factors that have the potential to inhibit market demands for traditional campus-based postgraduate education.

“The primary driver behind the Distance Education Initiative is to reach out to working professionals, many of whom will be unable to come to Edinburgh or take a year off from their careers,” says Professor Haywood. “The question is: how do you make the leap from using technology as a supplement to, or component of traditional campus-based education to never seeing your students on the campus at all?”

The DEI provides £4.5 million in funding over a four-and-a-half-year period to support the launch of new online programmes. Schools that wish to be awarded a share of this money must prove that they have a solid academic and financial business case for the postgraduate degree they plan to establish.

One online programme to grow from the DEI is the MSc in Global Challenges. James Smith, Professor of African and Development Studies, proposed the degree after identifying a large demand for postgraduate education in his subject area from applicants who were unable to attend traditional campus-based teaching.

“We were attracting hundreds of qualified applicants but we weren't able to get them here,” he explains. “A large number of those who don't come are from developing countries, and for them it's simply an issue of cost. Also, many of our potential students are mid-career professionals, who can't take a year out of their life to come here.”

The MSc in Global Challenges draws upon expertise spread across the University's three Colleges in Medicine & Veterinary Medicine, Science & Engineering and

Humanities & Social Sciences to offer students a multidisciplinary grounding in the complex factors contributing to worldwide issues, such as climate change, disease and poverty. The flexible “anywhere, any time” approach that distance education offers is particularly suited to the content of the Global Challenges programme, which cuts across a broad range of internal expertise.

“This model can capture a broader sense of Edinburgh’s expertise into lectures,” Professor Smith explains. “If you’re teaching students to think about international development or global health or environmental issues, they need to learn from a whole range of different disciplines. Distance education allows us to do that because we can call on medics and engineers and social scientists to contribute to teaching, so in some ways students are getting a far greater connection to the wealth of expertise in Edinburgh.”

While online learning may be relatively new territory in the field of Development Studies, it has already successfully contributed to creating a demand for masters-level professional development in Surgery. The MSc in Surgical Sciences (also known as the Edinburgh Surgical Sciences Qualification), was launched in 2007, and has since won a UK E-learning Gold Award for ‘best online distance learning programme’. Its success has prompted the creation of a second online surgical qualification, the ChM in General Surgery (the Edinburgh Specialist Surgical Qualification), which was rolled out in 2011.

James Garden, Regius Professor of Clinical Surgery, has been instrumental in setting up both programmes in collaboration with the Royal College of Surgeons, Edinburgh, and believes the benefits of delivering online programmes are immense.

“The last few years have seen major changes in the time allocated for surgical training,” he explains. “A reduction in working hours enforced under European law means that the time junior trainees spend training with senior consultants is cut considerably. Distance learning with mentoring delivered by senior consultants allows those gaps in training to be filled successfully and for simulated case scenarios to reinforce the experience in the workplace.”

The distance-learning model is also popular among overseas surgeons, and students of the ESSQ are recruited from 40 countries. The Royal Australasian College of Surgeons is quality assuring both surgical programmes with the intent of recommending these to trainees in Australia.

Says Professor Garden: “The feedback has been extremely positive. It’s gratifying that the small Edinburgh-based core team and programme now enjoys the support and approval of many colleagues around the world, from Australasia to Africa.”

Making an impact: Roslin research rises to the challenge

Researchers are addressing global challenges such as food security and the spread of infectious diseases at a new state-of-the-art facility, based at the University of Edinburgh's Easter Bush campus.

The £60 million building, which received significant funding from the Biotechnology and Biological Sciences Research Council (BSRC), will provide a new home for the Roslin Institute at the University of Edinburgh, replacing the world-renowned institute's former site – near the village of Roslin – where Dolly the sheep was famously cloned.

The facility offers a collaborative hub for 500 scientists, including researchers from the Scottish Agricultural College (SAC), whose work will primarily focus on improving the welfare of livestock animals and the sustainability of the livestock production. A further area of Institute research will be comparative medicine, where findings can be applied to improve both animal and human health.

“The new building is designed to maximise cooperation among our experts,” says Professor David Hume, the Director of the Roslin Institute. “Our new home will help us tackle complex problems, ranging from fertility and reproduction through to the threats of diseases such as avian flu and tuberculosis to animal welfare and greenhouse gas emissions.”

The three-storey facility at Easter Bush in Midlothian, six miles from the centre of Edinburgh, covers 14,000 square metres and includes laboratories, office spaces, and an auditorium. The building's award-winning design aims to change the way in which science has traditionally been carried out. Instead of researchers working in isolated areas, the open-plan layout encourages collaboration between scientists from different disciplines.

“The kinds of research that are needed to address today's ‘grand challenges’ span the range, from new fundamental understanding of biology to practical innovation,” says Professor Bill McKelvey, Chief Executive of SAC. “That is what is so appealing about the combination of scientists from SAC and the University cheek-by-jowl in the same building.”

Partnership working is key, and this new facility unites Roslin researchers with colleagues from SAC to collaborate on research that includes identifying genes that would enable cattle to be bred with greater resistance to bovine tuberculosis.

“Working alongside the SAC is a logical step. This collaboration means that we can share our expertise, and by doing so are better able to ensure that the discoveries we make can be translated with direct applications for use by livestock farmers,” comments Professor David Hume.

The Roslin Institute, which joined the University in 2008, holds a long tradition of generating impactful research. Its specific areas of expertise include immunology and infectious disease, clinical sciences, genetics and genomics, developmental biology and diseases affecting the nervous system.

Recent headline-hitting research has included the development of genetically modified chickens that are unable to spread bird flu to other poultry. This breakthrough not only has the potential to prevent an avian flu pandemic, but could also have major implications for the global poultry industry, which produces some 55 billion chickens each year.

The Roslin Institute also hosts expertise in developmental biology – how an animal develops from a bundle of cells. While the Institute, famed for the birth of Dolly the sheep, no longer carries out cloning, Dolly’s birth has had major implications in understanding how an animal develops. This includes looking at embryonic stem cells, which have the potential to become any cell type in the body. Investigations in this area have opened up avenues of research into treatments for a range of diseases.

University of Edinburgh veterinary medicine students can expect greater access to this world-leading research, as the Institute’s new location at the Easter Bush campus – which has undergone a £100 million development that also includes a new teaching facility for the Vet School – will serve to strengthen research and teaching links with the University’s Royal (Dick) School of Veterinary Studies.

“By working with the Vet School we can address many problems, such as trying to prevent outbreaks of viruses that affect both humans and animals as well as how we can use comparative medicine, looking at similarities between animals and humans, to improve treatments for both,” explains Professor Hume. “We are also able to offer opportunities and experience to veterinary students and graduates interested in going into research.”

In this respect, the Roslin Institute, which hosts around 100 PhD students, takes pride in training the next generation of researchers to ensure a strong foundation of expertise for the future. Since joining with the University, the Roslin Institute has also doubled its number of researchers.

“The Roslin Institute is very much focused on looking forward, but we are equally proud of our past,” says Professor Hume. “What is important is taking what we have learnt and building on this for the future.”

Broadening horizons: boosting graduate job prospects

Innovative work led by the University's Careers Service has helped Edinburgh achieve the best graduate employment record of the 19 comprehensive universities in the Russell Group, a collective of 20 of the UK's leading research-intensive universities.

A report, published in July 2011 by the Higher Education Statistics Agency, revealed that 94.5 per cent of 2009/10 students leaving the University of Edinburgh were either in employment or further study six months after graduating.

The Careers Service, which relocated in 2011 to new purpose-built premises based within the University's Main Library, offers guidance and assistance on the whole job search process, from helping students explore their career options to offering access to vacancies, through to supporting job application and interview preparation.

For Shelagh Green, the Director of the Careers Service, the team's new office at the centre of campus life will help place careers development at the forefront of the student experience.

"Our focus is always on enhancing employability, and being at the heart of the student community in our new home can only help that process," she says. "We want to build employability into the teaching and learning experience. We want to see students become curious about careers early in their university life – not just when they graduate."

The Service, which has been accredited with the sector's quality award, the matrix Standard, has been at the helm of a number of recent initiatives designed to embed employability into the student experience. Among these is an online toolkit called Taking Advantage of Time Away. Developed initially for modern languages students who regularly undertake long periods of study or employment off campus, this resource helps its users to keep track of the skills they develop when on placement.

The Insight into Management scheme, too, provides the chance for business students to work alongside leading companies to develop their group work, project management, presentation and negotiation skills.

Social media has also been incorporated into supporting students with their career development. The 'top tips' videos that appear on the Careers Service's Facebook page have been noticed across the sector.

Edinburgh alumni, who can be found in a broad range of professions and industries worldwide, also play an important role in a number of Careers Service schemes. Science and Engineering graduates are invited to mentor current students through the Focus on your Future seminar series, and many former Edinburgh students have shared their career stories through a series of online Day in the Life profiles.

One of the key benefits that students derive from using the University's Careers Service is essential access to major recruiters, and despite negative media reports of

cutbacks to graduate opportunities, Ms Green remains confident that employers from a wide range of sectors value Edinburgh students.

“Employers still want graduates, but they are being increasingly selective,” Ms Green states. “Our students have to be more proactive and flexible than ever before, but employers are telling us that they have found our graduates to be more focused in that respect.”

Nearly 5,000 graduate vacancies were advertised through the Careers Service in 2010/11 – up 15 per cent on the previous year – with engineering, finance, marketing and IT performing particularly well.

This upward trend reflects well on Careers staff efforts to strengthen the University’s ties with a diverse range of graduate recruiters. This year’s Careers Fair, which attracted more than 120 companies, is further testament to the team’s dedication and hard work.

International students are also well catered for. The Careers Services’ new Virtual Careers Fair, a web-based event, features employers in Greater China and South-East Asia, and there has been an 85.9 per cent increase in the number of international vacancies advertised.

Developing and maintaining strong relationships with small and medium enterprises (SMEs) is also important. Recent Focus on IT and Focus on Technology events provided the ideal opportunity for students and SMEs from these key economic sectors to meet.

“We can’t influence which companies are recruiting, but we can influence that they recruit at Edinburgh,” says Ms Green. “Employers will only come to Edinburgh if we continue to equip our students with the high-level skills that they will need for a wide range of job contexts.

Supporting students to find valuable work experience to complement their studies is another vital element of the team’s work. The Careers Service – which also has a presence at the University’s King’s Buildings campus – helps students access a wide variety of jobs to support their studies, including website design, tutoring and translation.

Edinburgh’s students have been widely recognised for their contribution to the workplace. In the 2011 Student Employee of the Year competition, recent Physics graduate David McDwyer picked up an award for his student tutoring scheme, while second-year Physics student Eimear O’Carroll was commended for helping to promote entrepreneurship among students.

Says Ms Green: “Our students offer an amazing talent pool for local businesses whether employers are looking for part-time staff to meet peaks in demand or graduate talent to help organisations grow.”

Investing in talent: financial initiatives to support excellence

Throughout the 2010–2011 academic year, the University provided more than £10 million to support students, attract the brightest researchers, and enable individuals from less advantaged backgrounds to study at Edinburgh.

With the introduction of tuition fees for non-Scottish domiciled students from the rest of the UK (RUK), the University will make available an additional £6 million in financial support for RUK students. Plans are also in place to provide between £350,000 and £400,000 a year to help support a further 300 Scottish students.

“Bursaries and scholarships bring two benefits,” says Jon Gorringe, the University’s Director of Finance. “Firstly, they enable us to attract high-quality postgraduate students. If we didn’t offer bursaries they would go to other universities that do. Secondly, they enable this university to have a better mix of students.

“Without a real push on widening participation we would have very few students from comprehensive schools in Glasgow or the West of Scotland. It is a way of balancing our student body. We want to be elite in terms of quality, but not in terms of access.”

For more than a decade, the University of Edinburgh has offered bursaries to undergraduate students to help ensure that access is open to students from a wide range of backgrounds. The number of bursaries and scholarships available grows steadily year on year.

During the 2000–2001 academic year, the University created 53 new Access Bursaries, grants worth a minimum of £1,000 for UK undergraduate students in significant financial need. Five years later, in 2005–2006, a further 127 were awarded. In 2010–2011 this figure more than doubled again to 261, which brought the total number of Access Bursaries awarded by the University to 700.

First-year UK undergraduates staying in University of Edinburgh housing can also apply for Accommodation Bursaries. One such recipient is Meghan Ellis, who received the award during her first year at Edinburgh. The 20-year-old student is from a single-parent family in Paisley. Her mother is seriously ill and unable to work.

After gaining exceptional SQA Higher results at St Andrews Academy, Paisley, Miss Ellis applied to three Russell Group universities, including Edinburgh. With no family income, she needed financial support, and Edinburgh was the only institution able to provide the assistance she needed.

“To be honest, without the bursary I wouldn’t have been able to go to university,” says Miss Ellis. “I really wanted to come to Edinburgh but if I hadn’t been notified I was going to get a bursary, I wouldn’t have come. It’s been very helpful. It’s been amazing, actually.”

Now in her third year, she receives an Access Bursary worth £2,500 a year. It helps her buy the books she needs for her English Literature degree, cover living costs, and prevents her from working in part-time employment in excess of the University's recommended maximum of 15 hours a week.

With the introduction of fees for RUK students in the academic year 2012–2013, a new form of bursaries will be rolled out to support students from England, Northern Ireland and Wales.

Worth more than £6 million in its first year, the Edinburgh RUK Bursary is the most generous bursary package of any UK university for those with a family income of less than £16,000. Bursaries of between £500 and £7,000 are being offered to RUK undergraduate students who are liable for the £9,000 tuition fee.

“In the light of the extra tax RUK students will pay upon graduating, they won't want to build up debt beforehand,” says Mr Gorringer. “These bursaries will help people not have to build up debt for their living expenses. With the rising cost of living it is something that is even more important than ever.”

Other scholarships available to undergraduates include the Poyry Engineering Scholarship worth £20,000, and four KEYCOM Industrial Scholarships of £1,000 each.

For international students there are two main schemes. Between 15 and 20 Edinburgh Global Scholarships are awarded annually, and each are worth £2,000 per year of study. Also on offer are several Coca-Cola Scholarships, which cover the tuition fees and provide an annual maintenance allowance of £5,000 per year of study.

“We have been successful in building an environment to support these bursaries,” says Mr Gorringer, who in April 2011 was named the Finance Director of the Year for the public/not-for-profit sector in Scotland in recognition of his management of University finances in the recession.

“There has been huge support from people who have made their own fortune giving substantial amounts of money to the university, wanting to give a chance like they got from Edinburgh. For example, one fund manager and major donor who started out on a council estate in the west of Scotland said that coming here changed his life. Now he wants to help change the lives of others.”

A formula for change: Chemistry celebrates a landmark year

From unearthing historical artefacts to rewarding progressive scientific research, the University's School of Chemistry had much to celebrate in 2011 – a year that was fittingly designated UNESCO's International Year of Chemistry.

“Chemistry is an exciting subject to explore, and has incredible relevance today,” says Lesley Yellowlees, Professor of Inorganic Electrochemistry. “There are so many opportunities for chemists to make a difference to society – for example, people want secure fuel supplies; they want to see progress in the fight against climate change.”

The scientist, a former Head of the School of Chemistry, was this year appointed as the University's Head of the College of Science & Engineering, and also named President Elect of the Royal Society of Chemistry. She is the first woman to assume both these roles.

“We take great pride in the School and its achievements,” she adds. “Celebrating the International Year of Chemistry is a wonderful opportunity to focus on how chemists can tackle the many challenges facing society, such as clean water supply, food security and drug discovery,” she adds.

“Here at Edinburgh we're in a very strong position to make a significant contribution in meeting these challenges. Attracting the best students helps us to attract the best staff – those two go hand in hand. But also you need core expertise. What sets Edinburgh apart is having good labs, good infrastructure and, because there's so much cross-disciplinary work taking place today, very strong abilities in other science disciplines and in medicine.”

The School fully embraced UNESCO's international campaign to raise awareness of chemistry's worldwide contribution with a series of events to engage students, staff and the local Edinburgh community.

Among the scheduled activities was a screening of the 1943 Marie Curie biopic *Madame Curie* at the city's Filmhouse Theatre – also marking the centenary of Curie's second Nobel Prize for Chemistry. Other events included an interactive showcase of chemistry research during the Edinburgh International Science Festival, and an art exhibition of chemistry-related images, held as part of the Edinburgh Festival Fringe.

It was also a year of individual achievements for the School. The University's new Chancellor, HRH The Princess Royal, gave her inaugural Chancellor's Award for Research to Mark Bradley, Professor of High-Throughput Chemical Biology. The award recognises Professor Bradley's work in developing polymer microarrays – a technique that allows rapid screening of thousands of compounds to identify those of interest for particular applications, such as drug discovery.

Praise for the School also came from students in the form of two EUSA Teaching Awards. Run by the Students' Association, these awards celebrate teaching excellence and are voted for by students. Chemistry received the prize for Best Department,

which was complemented by the award for Best Director of Studies, given to the School's Dr Murray Low.

Chemistry has been taught and practised at Edinburgh since 1713. Among the School's notable alumni is Professor Joseph Black, who first identified carbon dioxide. The famous scientist, who was a key figure in the Scottish Enlightenment, was a student at Edinburgh from 1752–54 and went on to become Professor of Chemistry in 1766.

Professor Black's connection to the University was reaffirmed following a number of discoveries made during an archaeological dig at the Old College Quadrangle. Among these were scientific apparatus and chemicals, thought to have once belonged to the pioneering chemist, and are estimated to date from the 18th century. Samples of mercury, arsenic and cobalt were found together with glass tubes and other vessels, bottle stoppers and thermometers, storage jars and ceramic distillation apparatus. The scientific items will be added to the University's Special Collections.

“It's a wonderful coincidence that Joseph Black's laboratory equipment was uncovered as we celebrate all that Chemistry has achieved and the contribution chemists will make in solving the many challenges facing society,” comments Professor Yellowlees.

“There's a direct link between one of the University's great pioneers discovering carbon dioxide and the cutting-edge research being done in our labs today, as our scientists work to capture CO₂ from the atmosphere and recover the carbon for use in new compounds. It is wonderful that we can trace this expertise in a direct link going back hundreds of years.”

Although it treasures its links to the past, the School of Chemistry is very much focussed on the future.

“It's important that we look beyond this year of celebration, to consider not just those accomplishments already realised, but to anticipate what we might achieve in the future,” says Professor Yellowlees. “We're looking forward to continuing our celebrations into 2013, when it will be the 300th anniversary of Chemistry at Edinburgh.”

On the right path: sowing the seeds of aspiration

In 2011, the University's Pathways to the Professions scheme celebrated a decade of giving invaluable support to thousands of under-represented local school students. The dynamic project, designed by Kathleen Hood, the University's Widening Participation Manager, seeks to encourage state school pupils to work towards undertaking degrees in law, medicine, veterinary medicine and architecture. Many of the youngsters will be the first members of their families to attend university.

"There's a great thread of social justice which runs through education at Edinburgh," says Ms Hood. "The University was created in 1583 as the 'Town's College', for the people of Edinburgh. Although we are now an international university, that spirit of serving our community lives on.

"We run schemes like Pathways not only because we think it's the right thing to do, but because we see the impact it has on the school students who come through our projects. What we're really interested in is the whole student journey – the whole pathway."

Pathways was made possible by funding from education charity the Sutton Trust. It currently works with 46 local secondary schools in Edinburgh and the Lothians as well as a number of primary schools, thanks to a recent donation from the Henry Docker Memorial Fund.

To date, more than 3,000 school students have benefitted from its wide range of services and more than 500 pupils, ranging in school age from S4 to S6, are currently registered with the scheme. Young people can register for more than one subject simultaneously.

"One of our main roles is to sow the seeds of aspiration," Ms Hood explains. "Time and time again, we meet teenagers and parents who say, 'The University of Edinburgh isn't for the likes of us.'

"Our job is to challenge this perception and to empower a student or a family to get the most out of their talent. We want students and their families to invest in their future because we know that if they study at Edinburgh, it's going to be transformational. It's one of the challenges of the job but when you see students coming through and succeeding, it's hugely rewarding."

Pathways provides a variety of activities and support, including career days, subject-specific workshops, science study support, parents' information sessions, individual pre-application support, mentoring and post-application sessions and information on access bursaries. Staff also organise work placements for school pupils.

"We run an eight-week summer school, like a virtual reality term," explains Ms Hood. "By running these summer schools, we've found that the better students are prepared for university, the more likely they are going to do well when they start. In Pathways we retain students very well and this is due to our summer schools but also our Mentor Scheme. We also have peer-assisted learning, which started in law and which has been replicated in other courses also."

Mark Tait, 20, is a Pathways mentor. Himself a beneficiary of the scheme, Mr Tait is now in his third year of medical studies, having just completed an intercalated BSc degree in pharmacology.

“Pathways has given me so much that I wanted to give back to it,” he says. “I want to help students from schools like the one I attended to have the confidence to apply to Edinburgh, succeed in getting a place and then enjoy all it has to offer.”

The Pathways project has the commitment and support of many Edinburgh staff, as well as students who have not actually gone through the programme themselves. Members of the University football team, for instance, have become role models to pupils from local schools, who regularly attend training sessions.

“We’re incredibly fortunate at Edinburgh that widening participation is embedded in our Strategic Plan and that senior management is absolutely committed to it,” says Ms Hood. “We have the support of a huge number of colleagues across the support groups and in Colleges and Admissions.”

A significant part of Ms Hood’s job is to win more hearts and minds for Pathways to the Professions across the University. In doing so she is alert to the perception that such projects could mean a lowering of academic standards – a view she swiftly disproves.

“Pathways students earn their places fair and square,” she maintains. “If we take someone through Pathways it’s because they’ve got the grades and made the cut. We’re looking for students who have the potential to succeed at Edinburgh, and to give the University a really good mix of students. To me that’s a win-win situation.”

By showcasing their creations at Edinburgh College of Art's Fashion and Degree Shows, final-year students are gaining valuable insight into professional life and attracting all-important industry attention.

Long established as key events in the city of Edinburgh's cultural calendar, the annual exhibitions, staged in May and June respectively, transform the College into a focal point for not just Scotland's but Britain's creative industries.

Edinburgh College of Art (ECA) merged with the University of Edinburgh in August 2011. Its new Principal, Professor Christopher Breward, believes that the final-year shows' diversity and exacting professionalism make them an annual tradition for creative professionals and the broader public alike.

"We're in a more visually aware society," he explains. "Degree shows are becoming increasingly competitive and people move around the colleges, comparing each other's culture and outlooks. They're great exercises in presentation, communication and promotion."

The fruits of ECA's final-year shows have been seen over the world in recent years: fashion graduate Rachael Barrett has moved from the College catwalk to create costumes for international pop star Lady Gaga; Stuart Parvin designed Zara Phillips' dress for her wedding in Edinburgh; and artist Richard Wright won the Turner Prize in 2009 for his temporary gold-leaf murals.

In 2011, the College's Fashion Show separated its fashion and performance costume elements for the first time. It was also presented in a salon format, as opposed to a raised catwalk, which is emblematic of a shift towards industry standards.

"The way it's changing is encouraging students to be more adventurous; it's increasingly professional," says graduate Felix Chabluk Smith, 22, whose 2011 menswear collection was the first set of men's designs to be exhibited at a final-year show at ECA in 15 years. Mr Smith has since conquered London, winning the Menswear Award at the prestigious Graduate Fashion Week and securing a traineeship at the Burberry label.

Alongside his creations were those of 17 other graduating students. Their designs were inspired by everything from Antarctica and Gustav Klimt to lost luggage and natural erosion, and the National Museums of Scotland collaborated with students on patterns inspired by its insect collection.

The first fruits of ECA's partnership with All Walks Beyond the Catwalk were also on show. ECA is the UK's first educational centre devoted to promoting diverse body shape. Students created works of 'emotionally considerate design', crafting outfits for bodies larger than the fashion industry standard size.

Diversity was not confined to the size of fashion mannequins. The undergraduate Degree Show was in 2011 once again praised for its breadth in showcasing the best of new talent from painting, drawing, sculpture, photography, architecture, landscape architecture, glass, jewellery, video, animation and installation art.

With 400 graduating artists and designers exhibiting, the event contained everything from the conceptual to the practical. For example, Rachel Duke's show, *Welcome Home*, created with dementia patients in mind, emits smells designed to trigger memories of home, while in contrast, Corine Viney transformed a cupboard in ECA's main building into a house made of cake.

For Professor Breward the degree shows make ECA one of the most unique parts of the University. "Other students might produce theses or come through exams, but this is the platform for our students," he says. "The degree show really is the bridge between education and employment."

Forging links with industry stalwarts such as Harris Tweed and Mackintosh have proved successful in recent years, and the existence of such strong bonds between art college studio and professional arena do not surprise Professor Breward.

"Art students are very employable graduates," he says. "In a world where connectivity, critique and communication are key, anyone coming out of a creative programme will be well drilled in that. The visual critics are particularly fierce, so you're strong and vivid once you get to the end of four years."

Looking ahead, Professor Breward sees the College's influence growing. As part of the wider University, he envisages an institution that feeds into government policy on the creative industries; a college that takes its place as part of a network of international art schools; a place with expanded postgraduate programmes; and a centre for excellence that works even more closely with industry and institutions such as the National Museums of Scotland and the National Galleries of Scotland. With the University's long-established History of Art and Music departments coming into the newly expanded ECA, Breward says he is excited about the future. "Take music for example," he comments. "In the history of the College there's an interesting play on rock and pop music coming out from art students. But here we have a discipline sitting within the College. "I can't think of any other art college that will have such a strong relationship with music. This, History of Art, and every other aspect of this new ECA, is full of possibilities."

University of Edinburgh students are enhancing their employability while giving back to the local community through an innovative volunteering initiative.

In September 2010 Edinburgh University Students' Association (EUSA) launched EUSA Volunteering, which, to date, has matched more than 800 students with volunteering projects across Edinburgh and the Lothians. The service is actively working with 100 organisations and has close links with an additional 100, operating out of its new Potterrow-based centre, Connect.

Some 1,800 registered charities are based in Edinburgh and with 24,000 students currently matriculated, the University has great potential to integrate its student body into the local community and maintain the 'town and gown' relations that it has nurtured with the city over the centuries.

In an increasingly competitive graduate jobs market, voluntary work can not only satisfy a student's wish to engage with community groups and be of genuine assistance, but it can also greatly enhance their employability, says EUSA's Volunteer Development Manager, Hilary Wardle.

"I'm thrilled that so many students are keen to volunteer," she comments. "In the first month of the 2011–12 term, 328 students registered with the service and nearly 400 volunteering applications were made – a staggering amount. We clearly have a very community minded and altruistic student body. Also, at the same time our students are developing valuable skills which will help them in the future."

Honing skills linked to study has proved fruitful for Edinburgh students from varied disciplines, including archaeology, where five students undertook a project-based role with the National Trust for Scotland, and law, where several students were sourced to provide their services to the homeless charity Shelter.

EUSA Vice-President, Societies & Activities, Emma Meehan, agrees that devoting time to volunteering while at university has wide-ranging benefits.

"Students can use the opportunity to volunteer to develop skills that they wouldn't necessarily get from a degree course," she explains. "It's a way of enhancing some of the learning from a degree programme. For example, students taking subjects such as accountancy can get roles assisting charities with their finances, so it becomes something that is mutually beneficial."

One of EUSA Volunteering's unique features is its web application, which brings together online charitable organisations and prospective student volunteers. Students can create profiles and build a volunteering CV and then forward their online biography to the relevant organisation. Similarly, the organisations seeking help are able to register online, create profiles, post opportunities and manage responses.

Some 40 per cent of EUSA Volunteering's service users are international students and a significant number have taken part in the groundbreaking Schools Olympic Project, which is being staged in partnership with Edinburgh City Council. In the lead-up to the 2012 London Olympic Games, the scheme sees Edinburgh-based international

students ‘buddy up’ with local schools to help them learn about their homeland and, in 2012, schools will represent their chosen country at the ‘Edinburgh Games’.

The University’s focus on community engagement has been further strengthened through the encouragement of its 265 student societies to become more active in local activities. One outcome of this is the development of a Community Action Award for non-charitable societies, the most recent winner of which was the Edinburgh University Brass Band, which undertakes outreach work and performs for a wide range of community groups.

It is this breadth and reach of voluntary activity undertaken by Edinburgh students that makes the University unique, believes EUSA President Matt McPherson.

“One of the most admirable aspects of our work with the University, is that while we are an ambitious and outward-looking institution, we never cease to look into the heart of our own community,” he says.

“I always tell the story of Connect’s opening weeks, in which a Russian charity got in touch, desperately needing five Russian-speaking students who could volunteer. Thanks to our ability to filter and contact specific student groups, and the commitment of our staff, by the next day we had them. Our volunteering centre is in line not only with our values but also the latest technologies.”

Looking ahead, the EUSA Volunteering team is confident of registering 1,000 students in 2012 and is on track to reach its target of 2,000 members by 2015. EUSA Volunteering also stages a quarterly volunteering forum, and together with the University’s Careers Service, hosts an annual travel and volunteering fair at Potterrow.

“By having a volunteering centre that facilitates hundreds of students into the work of the local community, we can ensure that we are not only being reactive to the community’s needs and persuasions, but rather proactive in building a better Edinburgh for us all,” explains Mr McPherson.

“As students, Edinburgh is not just our place of study – it’s our home, and we’re grateful for the University’s support in making that vision a reality through our volunteering centre.”

ENDS

The University of Edinburgh

The University Court

7 November 2011

Continuity on Court

Brief description of the paper, including statement of relevance to the University's strategic plans and priorities where relevant

A brief summary of the difficulties in continuity faced by EUSA representatives in their roles as members of Court, and a proposal to allow a EUSA staff member to sit in attendance at Court.

Action requested

Court is asked to discuss and consider adopting the proposal.

Resource implications

Does the paper have resource implications? No

Risk assessment

Does the paper include a risk assessment? No

Equality and diversity

Does the paper have equality and diversity implications? No

Freedom of information

Can this paper be included in open business? Yes

Originators of the paper

Matt McPherson, EUSA President

Mike Williamson, EUSA Vice President, Academic Affairs

Continuity on Court

EUSA representatives on Court, past and present, find carrying out their duties as members of the University Court difficult, given that they serve for just one year, that they must also familiarise themselves with many other bodies both within and outwith the University, and that they often have little experience of governing bodies. One particular problem is that there is little sense of continuity between each set of EUSA sabbatical officers. When an issue appears in Court papers, it is difficult for EUSA representatives to understand the full context of discussions that have taken place around the same issue in the past. It also takes some time to familiarise themselves with Court procedures which makes them less effective members of Court. As discussions about effective university governance are taking place across Scotland, the current EUSA representatives consider this an opportune time to attempt to resolve this problem of continuity.

One proposal which is already implemented to a certain extent is to allow the President-elect and Vice President Academic Affairs-elect to sit in attendance at Court as soon as they are identified following the elections in March. This allows EUSA representatives to familiarise themselves with Court to some extent before becoming full Court members.

Another proposal, in addition to the above, is to allow a EUSA staff member, in all likelihood the Chief Executive, Ryan Mackie, to sit in attendance at Court, in order to be able to advise the EUSA representatives on past discussions at Court, and provide some continuity between different sets of sabbatical officers. It is expected that this would make EUSA representatives much more effective members of Court, in the best interests of the whole University community. However, some concerns have also been expressed that allowing a EUSA staff member to attend Court meetings might set a precedent for other groups to request a space in attendance too.

We would therefore like to ask Court to discuss and consider the above proposal.

The University of Edinburgh

The University Court

7 November 2011

Academic Report

Brief description of the paper, including statement of relevance to the University's strategic plans and priorities where relevant

The paper is the Academic Report to Court providing information on the discussion which took place at the most recent meeting of the Senate on 5 October 2011 and of the business dealt with by the electronic Senate of 13-21 September 2011.

A copy of the full minute of the Senate meeting, together with related papers, can be found as always on the Senate webpages at:

www.ed.ac.uk/schools-departments/academic-services/committees/senate/agendas-papers

Action requested

No action is requested on this occasion. The report is for information in order to update Court on Senate activities.

Resource implications

Does the paper have resource implications? No

Risk assessment

Does the paper include a risk assessment? No

Equality and diversity

Does the paper have equality and diversity implications? No

Freedom of information

Can this paper be included in open business? Yes

Originator of the paper

Sara Welham
Senate Secretariat
13 October 2011

Senate Report to the University Court – October 2011

1. Summary Report from the Senatus Meeting on 5 October 2011

Part One: 'Strategic Plan 2012-16'

The meeting began with presentations and discussion around a particular theme. The strategic theme for the autumn meeting was '*Strategic Plan 2012-16*'. The discussion gave the Senate a welcomed, early opportunity to contribute to the development of the next Strategic Plan, which will inform university activity and help drive our success.

There were presentations by the Principal, an introduction and 10 year horizon scanning; Mr Matt MacPherson, EUSA president, on student experience; Professor Nigel Brown, Senior Vice Principal, on concentration, collaboration and competition; and Dr Alexis Cornish, Director of Planning, on developing our next Strategic Plan. There followed a positive, wide-ranging discussion of the presentations and the aims for the Strategic Plan 2012-16. Details are given in the Senate minutes, which are sent to Court members, and are online: www.ed.ac.uk/schools-departments/academic-services/committees/senate/agendas-papers

Part Two: Formal Business

i. National Student Survey (NSS) 2011

Vice Principal Hounsell updated Senate on the University's performance in this year's National Student Survey, the results of which were released in late August and had been discussed across the university. This was greatly assisted by the rich presentation of the data by Governance and Strategic Planning. The data was much more accessible and framed around common baselines. The university has done very well in a number of areas, such as overall satisfaction, teaching, employability, staff motivation of students. However, improvements still need to be made in assessment and feedback. A task group, chaired by the Senior Vice Principal and including Professor Hounsell and the EUSA President, is working with identified Schools to see how they can strengthen their actions and attain significant improvements. The university is keen to foster opportunities for feedback to be given at a time when it has greatest effect and impact on students' future learning. Support for students, and for staff supporting students, is being reviewed. The university is exploring the scope to introduce a personal tutor system, which would be central to advising students.

In discussion, there were a number of points: a personal tutor system will draw on the best aspects of the Director of Studies system and current student support systems; any system depends on individuals operating it appropriately and complying with requirements in a timely manner; it will be helpful to consider the timing of feedback in the curriculum and in course and programme delivery in a more holistic way, bringing key aspects forward in students' university experiences; and reward and recognition for teaching, staff-student ratios and workload allocation models all have an impact on staff time. Staff need sufficient time for assessment, feedback and for supporting students. The consultation needs to consider the number of students supported by individual members of staff.

The Principal welcomed the contributions to the debate and noted that this was the start of an intensive consultation process. The aim is to improve the academic and pastoral support system for students and the support for staff who undertake this role, by 2012/13.

ii. Communication from the University Court

Senate noted without comment the report from Court of its meeting on 19 September.

iii. Conferment of Degrees

The Senatus approved the recommendations as presented.

Senate Report to the University Court – October 2011

2. Summary Report of Senate Business Conducted Electronically

The Senate conducted electronic business between 13-21 September 2011. This included consideration of the following items.

i. Report of the Vacation Senate

The Vacation Senate was consulted by the Court and had no objections on the proposed arrangements for the rectorial election which is due to take place in 2012.

The Vacation Senate made no observations on draft resolutions 47-51/2011.

ii. Membership of the Senatus

The new professorial and student associate members were noted.

iii. Conferment of the title of Professor Emeritus

Senatus agreed to confer the title on the relevant professors.

iv. Election of the Senatus Assessor on the University Court

Professor A Harmar was elected unopposed as a Senatus Assessor on the University Court. He will serve for three years from 1 September 2011 to 31 July 2014.

v. Special Minutes

Senatus adopted the Special Minutes that had been prepared for the Professors.

vi. Communications from the University Court

The Senatus noted the report from the Court on its meetings on 6 June and 5 September.

vii. Report from the Central Management Group

The Senatus noted the report from the Central Management Group on its meetings on 15 June and 24 August.

viii. Resolutions - Chairs

The Senate offered no observations on draft resolutions 52-55/2011.

ix. Annual Institutional Statement to the Scottish Funding Council of Internal Subject Review Activity for Academic Year 2010/11

The Senatus approved the University's annual report to the Scottish Funding Council on internal subject review activity, including engagement with professional and statutory bodies.

x. Report of the Standing Commission on Discipline

The Senatus approved additional student members of the Discipline Committee for 2011/12.

xi. University Fitness to Practise Appeal Committee Membership 2011/12

The Senatus approved the membership of the University Senatus Fitness to Practise Appeal Committee for 2011/12.

xii. Report of the Honorary Degrees Committee

The Senatus approved the recommendation presented for the award of Honorary Degree in winter 2011.

Sara Welham, Senate Secretariat
13 October 2011

The University of Edinburgh

The University Court

7 November 2011

Resolutions

No observations having been received from the General Council, the Senatus Academicus or any other body or person having an interest and in accordance with the agreed arrangements for the creation and renaming of Chairs, the Court is invited to approve the following Resolutions:

- Resolution No. 52/2011: Foundation of a Personal Senior Research Chair of History
- Resolution No. 53/2011: Foundation of a Chair of Computer Security
- Resolution No. 54/2011: Alteration of the title of the Chair of Psychiatry
- Resolution No. 55/2011: Alteration of the title of the Chair of Visual Theory and Scottish Art

Dr Katherine Novosel
November 2011

UNIVERSITY OF EDINBURGH

Resolution of the University Court No. 52/2011

Foundation of a Personal Senior Research Chair of History

At Edinburgh, the Seventh day of November, Two thousand and eleven.

WHEREAS the University Court deems it expedient to found a Personal Senior Research Chair of History:

THEREFORE the University Court, after consultation with the Senatus Academicus and in exercise of the powers conferred upon it by Section 3 of the Universities (Scotland) Act 1966, with special reference to paragraph 5 of Part II of Schedule 2 to the Act, hereby resolves:

1. There shall be a Personal Senior Research Chair of History in the University of Edinburgh, which shall be established solely for the period of tenure of the Professor appointed, and on the Professor ceasing to hold office, the provisions of this Resolution shall cease to have effect, and the said Personal Chair shall thereupon cease to exist.
2. The patronage of the Personal Chair shall be vested in and exercised by the University Court of the University of Edinburgh.
3. Notwithstanding the personal nature of this Chair, the terms and conditions of appointment and tenure which by Statute, Ordinance and otherwise apply to other Chairs in the University shall be deemed to apply in like manner to the Personal Senior Research Chair of History together with all other rights, privileges and duties attaching to the office of Professor.
4. This Resolution shall come into force with effect from 1 January Two thousand and twelve.

For and on behalf of the University Court

K A WALDRON

University Secretary

UNIVERSITY OF EDINBURGH

Resolution of the University Court No. 53/2011

Foundation of a Chair of Computer Security

At Edinburgh, the Seventh day of November, Two thousand and eleven.

WHEREAS the University Court deems it expedient to found a Chair of Computer Security:

THEREFORE the University Court, after consultation with the Senatus Academicus and in exercise of the powers conferred upon it by Section 3 of the Universities (Scotland) Act, 1966, with special reference to paragraph 5 of Part II of Schedule 2 to that Act, hereby resolves:

1. There shall be a Chair of Computer Security in the University of Edinburgh.
2. The patronage of the Chair shall be vested in and exercised by the University Court of the University of Edinburgh.
3. This Resolution shall come into force with immediate effect.

For and on behalf of the University Court

K A WALDRON

University Secretary

UNIVERSITY OF EDINBURGH

Resolution of the University Court No. 54/2011

Alteration of the title of the Chair of Psychiatry

At Edinburgh, the Seventh day of November, Two thousand and eleven.

WHEREAS the University Court deems it expedient to alter the title of the Chair of Psychiatry founded by Resolution 7/1969;

AND WHEREAS paragraph 5 of Part II of Schedule 2 to the Universities (Scotland) Act 1966, provides that the University Court may, after consultation with the Senatus Academicus and with the consent of the incumbent and patrons, if any, alter the title of existing professorships;

AND WHEREAS the Chair dealt with in this Resolution is in the patronage of the University Court itself:

THEREFORE the University Court, after consultation with the Senatus Academicus and in exercise of the powers conferred upon it by Section 3 of the Universities (Scotland) Act 1966, with special reference to paragraph 5 of Part II of Schedule 2 to that Act, hereby resolves:

1. The Chair of Psychiatry shall hereafter be designated the Chair of Biological Psychiatry.
2. This Resolution shall come into force with effect from 1 August Two thousand and eleven.

For and on behalf of the University Court

K A WALDRON

University Secretary

UNIVERSITY OF EDINBURGH

Resolution of the University Court No. 55/2011

Alteration of the title of the Chair of Visual Theory and Scottish Art

At Edinburgh, the Seventh day of November, Two thousand and eleven.

WHEREAS the University Court deems it expedient to alter the title of the Chair of Visual Theory and Scottish Art founded by Resolution 7/2011;

AND WHEREAS paragraph 5 of Part II of Schedule 2 to the Universities (Scotland) Act 1966, provides that the University Court may, after consultation with the Senatus Academicus and with the consent of the incumbent and patrons, if any, alter the title of existing professorships;

AND WHEREAS the Chair dealt with in this Resolution is in the patronage of the University Court itself:

THEREFORE the University Court, after consultation with the Senatus Academicus and in exercise of the powers conferred upon it by Section 3 of the Universities (Scotland) Act 1966, with special reference to paragraph 5 of Part II of Schedule 2 to that Act, hereby resolves:

1. The Chair of Visual Theory and Scottish Art shall hereafter be designated the Chair of Scottish Visual Culture.
2. This Resolution shall come into force with immediate effect.

For and on behalf of the University Court

K A WALDRON

University Secretary

The University of Edinburgh

The University Court

7 November 2011

**Ordinance 210: Election of Chancellor and General Council Assessors and Chairing of
General Council Meetings**

Court will be pleased to note that the Privy Council approved Ordinance No. 210 - Election of Chancellor and General Council Assessors and Chairing of General Council Meetings, on 12 October 2011. There were no further amendments requested from the Ordinance as approved by Court on the 20 June 2011.

Dr Katherine Novosel
October 2011

The University of Edinburgh

The University Court

7 November 2011

Student Representative Council

Brief description of the paper, including statement of relevance to the University's strategic plans and priorities where relevant

The attached paper is to update Court on the outcome of the referendum on new Student Representative Council (SRC) structures and when these changes will be implemented.

Action requested

To note the outcome of referendum and implementation of revised SRC governance structures.

Resource implications

Does the paper have resource implications? No

Risk assessment

Does the paper include a risk assessment? No

Equality and diversity

Does the paper have equality and diversity implications? Yes

Freedom of information

Can this paper be included in open business? Yes

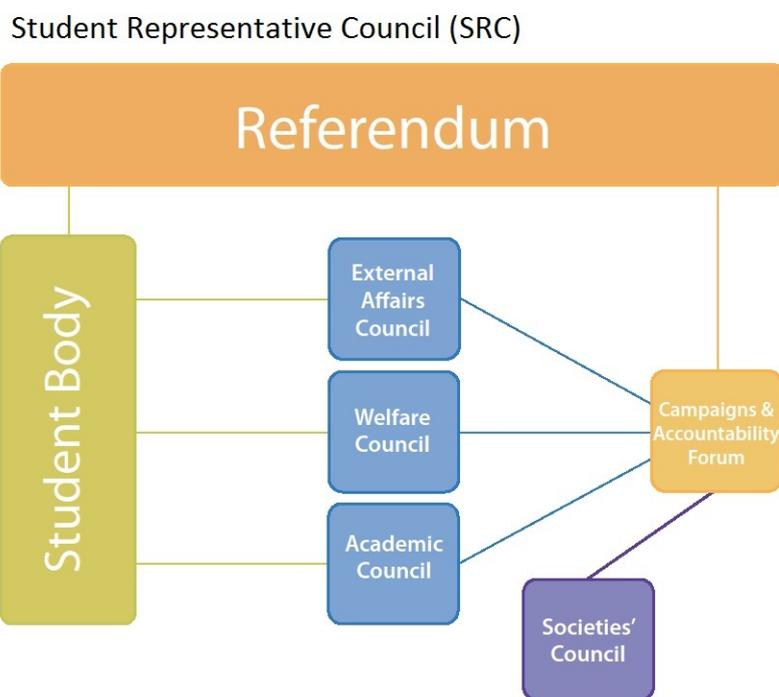
Originator of the paper

Matt McPherson, EUSA President
November 2011

Student Representative Council (SRC)

Edinburgh University Students' Association held an online referendum on a new governance structure and constitution. All students were able to vote in the referendum. A minimum of 1000 people or 2/3 of those voting were required for the motion to pass. The motion passed overwhelmingly with 90% of the votes cast in favour of the revised structure. However, as many students were elected to positions in March or at the recent bye-election in October, the new structure, positions and constitution will not come fully into effect until after the March 2012 elections.

The diagram below shows the new structure for the Student Representative Council (SRC). Essentially, this is the existing one large council divided into 3 smaller councils with specific remits. There is also a 'Campaigns and Accountability Forum' to oversee the work of the 3 councils and ensure there is no duplication or overlap, and that campaigns are not all scheduled to run at the same time. The SRC is a component part of Edinburgh University Students' Association (EUSA) and is a legal requirement of the 1895 Ordinance and 1994 Education Act. EUSA is comprised of the SRC and the "Union" which is the part that runs the trading operation such as shops, cafés, bars and entertainment.



Matt McPherson, President
October 2011

Donations and Legacies to be notified

Brief description of the paper, including statement of relevance to the University's strategic plans and priorities where relevant

A report on legacies and donations received by the University of Edinburgh Development Trust from 15 September to 31 October 2011, prepared for the Meeting of Court on 7 November 2011.

Action requested

For information

Resource implications

None

Risk Assessment

n/a

Originator of the paper

Mr Alex Hyde-Parker
Deputy Director of Development / Acting Secretary, University of Edinburgh Development Trust

Freedom of information

Can this paper be included in open business?

No, its disclosure would substantially prejudice the effective conduct of public affairs.