BOARD OF MANAGEMENT
Minutes of Meeting held on
Tuesday 16 December 2025
at 1:30pm in the Boardroom and via MS Teams

Present:

Grenville Johnston (Chair)	Charlotte Usher
David Patterson	Colin Watson
Ralph Luck	Roddy Burns
Caroline Webster	Clare Matysova

In Attendance:

Murray Easton	Euan Black
Carolyn Thomson	Derek Duncan
Eleanor Melton (Clerk)	Paul Travill (UHI Court Member)
Alex Hastings (Minutes)	Sarah McGavin (Deloitte – 2.45pm – 3pm)

Aimee Cuthbert (HISA – MS Teams) 2pm – 2.15pm
Amber Kenny (HISA)

Item		Action	Date
BM.25.05.01	**(i) Resignations**		
1.1	There were no resignations received.		
	(ii) Appointments		
1.2	There were no new appointments.		
BM.25.05.02	**Apologies for Absence**		
2.1	Apologies were received from Katy O'Connor, Jolene Young, Elizabeth Hudson and Emmaleigh Hay.		
BM.25.05.03	**Any Additional Declarations of Interest including specific items on this Agenda**		
3.1	There were no additional declarations of interest received.		
BM.25.05.04	**Draft Minutes of Board Meeting held on 30 October 2025**		
4.1	Ralph highlighted that the version of minutes in the pack had no attendees. Carolyn pointed out that the action from BM.25.04.13 was more around the Board's request for collaborative communications from management and Unison to staff. The minutes of the meeting held on 30 October 2025 were accepted as a true and accurate record: Proposed: Ralph Luck Seconded: Colin Watson		
BM.25.05.05	**Matters Arising from Board Meeting held on 4 September 2025**		
5.1	<u>**6.2**</u> – Complete.		
5.2	<u>**9.1**</u> – Ongoing - Roddy advised that a date will be arranged in January to meet with Murray and Colin.		

5.3	**13.1** – Complete.		
5.4	**15.1** – Complete.		
BM.25.05.06	**Principal's Report**		
	(i) KPI Dashboard		
6.1	David provided a headline update on key items, advising that there are good news stories on student enrolment, the ESES and student achievements at the WorldSkills UK Finals. David pointed out that the total in-year staff FTE figure on the KPI dashboard is around 4 FTEs above target, advising that part of this is expected due to an increase in HE enrolments. David added that this is a piece of work SLT will be pursuing further. Regarding the external audit, David highlighted the improved work this year, noting that there are no issues to report. Last year's audit was presented to the Board late, meaning that there was no opportunity to feed back on wider scope comments. The Board noted this update.		
BM.25.05.07	**HISA Update**		
7.1	Aimee supported the paper, advising that HISA is reviewing its organisational structure in terms of staffing as a result of flat cash funding and significant staffing costs. This is an ongoing process; therefore, Aimee could only advise the Board of the impact this will have on operations on the ground. Colin highlighted how successful SVR engagement has been at the College, adding that if there are staffing cuts to HISA, the Board needs to be wary of the impact this could have on student satisfaction. Aimee confirmed that the Board will be kept up to date on this impact when more information is available. The Board noted this update and commended the report.		
BM.25.05.08	**Finance Update**		
	(i) External Audit Report from Deloitte AY 2024-25 – RESERVED		
8.1	This item is reserved, and the minute held in confidence.		
	(ii) Annual Financial Statement AY 2024-25 - RESERVED		
8.2	This item is reserved, and the minute held in confidence.		
	(iii) Audit Committee Report to the Board		
8.3	Murray advised that any comments from members are to be submitted by 18 December. Caroline will be signing		

	this report off as Interim Convener of the Audit Committee.		
	(iv) 2025-26 Update		
8.4	Murray supported the paper, advising that the position for the year continues to improve, with an estimated AOP at breakeven. This is largely due to capital funding changes. Murray stated that the focus can now change to the 2026-27 position. Colin queried whether the College will have to start repaying the VS loan to the SFC automatically if it were to start making a profit. Grenville explained that the SFC would have to request repayments, rather than it coming automatically. Members discussed future planning to ensure solvency and sustainability, such as looking at the curriculum offering. Euan advised that considerations are being made with regards to the curriculum, adding that if there are areas that could be trimmed, this will be considered. Murray stated that around May time is the key point to see curriculum planning, staff planning and the funding behind it. Euan highlighted that the transparency of funding information at the College is vastly different to others, adding that there is a level of detail and focus that gives us confidence to know where the College sits.		
BM.25.05.09	**Risk Update**		
9.1	Murray supported the paper, advising that the BE Hub risk rating is likely to reduce due to recent developments. UHI Transformation is at the forefront of all risk registers across the partnership. Roddy queried where the College is in the queue for a building upgrade. Derek advised that of late, other colleges have jumped above Moray in the queue due to factors such as positive economic contributions to the central belt, where money can go further than more rural areas. Derek highlighted the importance of petitioning to the RSB to ensure that the College’s case for a building upgrade is being raised to the SFC. Roddy suggested that this is perhaps something to discuss when considering strategic planning. Derek informed the Board that investigations with Turner & Townsend on the Speyside Wing roof affected by RAAC has progressed to RIBA Stage 2, and the final report will be shared with the F&GP Committee soon. This project will require a significant amount of support going forward. Derek added that the SFC has said there is no money to support this at the moment, however this may change. Charlotte summarised some of the benefits the campus has in its		

	current state, such as the central location, and the Board agreed that students' input would be required for campus redevelopment discussions. Grenville stated that the College must accept the realism that the funding required is somewhere in the very distant future. The Board noted this update.		
BM.25.05.10	**UHI Transformation - Verbal**		
10.1	David provided an update on developments with regards to the UHI Transformation process. It was suggested at the staff session on Monday 15 December that the OBC was endorsed by all Boards of Management. David stated that there is no evidence of endorsement from the College's Board. David was told that all Chairs endorsed the OBC at the Partnership Forum. David highlighted a governance issue with this, as the Board was asked to give feedback on the OBC, not to endorse it. If the previous Chair has endorsed the OBC that is out with the scope as Chair, and the following Board meeting should have been attended with actions detailed by the Chair. David outlined the importance of being very clear going forward with regards to the FBC, as any confusion is grabbed immediately and stated as agreed. Caroline highlighted that if the previous Chair has endorsed the OBC, this has been done without the Board's consent. With regards to the Trade Union letter detailing the joint position on lack of meaningful consultation and collaboration on UHI's transformation strategy, David was advised not to respond, as EO would do this. A draft response has been shared with all partners today; however, David has not had time to review this. David advised that the draft FBC has been shared with the TEB and TOB, which consists entirely of KPMG work shaped by EO. Issues with VAT, pensions, amongst others remain. The SLT's position on the Transformation process was detailed as follows: *While significant amounts of data have been provided by UHI Moray to KPMG, the college has not been involved in how that data has been used to quantify potential savings under option 3 and option 6.* *Potential net benefits have now been estimated (gross benefits less transformation costs) despite the fact that no definition about the structure of the option 3 and 6 models has been agreed. As a result, the SLT is unable at this point to provide any assurance to Board regarding*		

	the commercial and financial benefits being attributed to each option. *The SLT also understands that a discussion has taken place at Court and a decision taken to support Option 6 in the longer-term, incorporating option 3 on the route to option 6 There remain though key issues in terms of any practical transition related to VAT and pensions for example, to which solutions have not been shared with academic partners. The SLT understands the timeline for transformation is likely to extend into the medium term, so benefits are unlikely to be fully realised until into the 2030s.* Roddy queried the statement during the staff Q&A session that there would be a sector-based approach regarding the modelling of academic provision. Euan stated that the presumption is that the College would be set in a framework where the strategy would be outlined centrally and delivered locally. David stated that EO advised that the only way to work out modelling at a local, sectoral and regional level was within the FBC. David highlighted that everything the College does currently is tailored to a certain sector, therefore the risk is that control over all FE would be lost. Colin stated that there are glaring holes in actual costs of the project, questioning how an FBC can be presented to the Scottish Government without covering any of the main financial hits. David reiterated that the draft FBC was shared with the TEB and TOB. David added that it is unforeseen how any changes principals want to make would be amended in the FBC. Five years' worth of money will be required to keep the partnership afloat whilst awaiting implementation of the project. David pointed out that EO is conducting a significant change in approach technically and financially with the aim being little disruption to teaching. How this works conducively is yet to be seen. David raised serious concerns with the process, stating that a constant push is being made for papers to be circulated to attendees five days prior to meetings, and for minutes of these meetings to be recorded. Ralph queried if EO were undermining the whole case with the current process, highlighting the need to think about legalities. Murray reiterated that the Board needs to be really careful going forward, adding that when the FBC comes through for approval, that is the final gate. If financial		

	holes for example are not clear and the FBC is approved, that will be considered as consent to proceed without further consent required. Murray added that the FBC in its current shape does not equate to a formal FBC in terms of green book compliance. Murray suggested that all uncertainties and factors need to be properly addressed before the Board signs anything off. The Board noted this update.		
BM.25.05.11	**Annual Complaints Report**		
11.1	Derek supported the paper, advising that there has been a healthy number of complaints submitted, with multiple related to one issue, which was related to the removal of water coolers. Ralph queried what the deadline is for responding to complaints and asked for this to be included in the report. El explained that there is a 20-day deadline for responses. Derek added that the College always aims to respond as quickly as possible. This update was noted by the Board.		
ACTION	Complaint response deadlines to be included in the report.	**DD**	
BM.25.05.12	**Annual Red Button Report**		
12.1	Derek supported the paper, giving a background on the nature of some of the Red Buttons raised. Clare queried the difference between a complaint and a Red Button. Derek explained that Red Buttons can be used for positive or negative feedback. Derek added that some Red Buttons can be serious enough to be processed through the complaint's procedure. El advised that more than 50% of complaints have come from Red Button reports. Derek stated that the number of reports that progress to formal complaints could be added to the spreadsheet. Derek highlighted that the College is very vocal in promoting Red Button reporting. Paul commended this work, adding that for future reporting, it would be good to see a pattern in spikes of one-off Red Button events and common ones. The Board noted this update.		
ACTION	Number of Red Button reports that progress to formal complaints to be added to the spreadsheet for future reporting.	**DD**	

BM.25.05.13	**Minutes from Previous Committee Meetings**		
	(i) Draft minutes of Staff Governance committee meeting held on 20 November 2025		
13.1	Carolyn provided an update on the matters discussed at this meeting. The pay award for support staff has been agreed, with Payroll and HR able to implement this in December's pay run, following a considerable amount of work. Carolyn advised that the wellbeing check in will be issued in February. With regards to the NRPA, Carolyn advised that there are ongoing discussions at a national level to consider a review. A draft revised NRPA has been received with feedback request by 4 February 2026. As there are no meetings arranged in between this time, Carolyn will ask Roddy to approve the revised NRPA as Convener of the Staff Governance Committee.		
	(ii) Draft minutes of Learning, Teaching and Quality committee meeting held on 27 November 2025		
13.2	This item was not discussed due to Elizabeth's absence. El advised that if Board members had any questions regarding the meeting, these would be passed on.		
	(iii) Draft minutes of Joint Audit and Finance & General Purposes committee meeting held on 4 December 2025 - Verbal		
13.3	Grenville provided a background on items discussed during the meeting and reiterated Committee membership struggles.		
	(iv) Draft minutes of Audit committee meeting held on 4 December 2025 - Verbal		
13.4	Ralph provided a background on items discussed during the meeting, highlighting the Estates Deep Dive. Ralph added that this work would be beneficial to give to new Board members as part of their induction. Ralph suggested that the minutes from both the Joint Audit/F&GP and Audit Committee meetings be circulated to all members. Murray informed members that an item discussed at this meeting was PWC being commissioned to conduct an audit on colleges that required financial support. Murray advised that there is nothing of substance arising from this audit that the Board should be aware of. PWC is unable to provide the final report as it is being combined in a document including all other colleges audited. Paul added that PWC's audit was commissioned by the SFC in order to gain further clarification on the security of reporting, following events with Dundee University.		

ACTION	Minutes from both the Joint Audit/F&GP and Audit Committee meetings to be circulated to all members once available.	**EM**	
BM.25.05.14	**UHI Moray Self-Evaluation and Action Plan 2024-25**		
14.1	Rosemary supported the paper, welcoming any questions from members. Euan thanked Rosemary for the considerable amount of work put into this, adding that the timeline was not ideal and is something that is being considered for in the future.		
BM.25.05.15	**Moray Growth Deal Update - Verbal**		
	(i) BE Hub		
15.1	Murray provided an update, advising that the risk arising from Places for People pulling out from the project had been avoided, with another RSL committing to the project. Murray advised that the Board will be asked for approval to proceed with the project in January. The Board noted this update.		
	(ii) MEEIC		
15.2	David provided an update on recent developments regarding the project, advising that Moray Council had procured consultants to look at our project proposal and DHI's. One of the key questions has been based on UHI's level of support to this project given the withdrawal from MAATIC and the emergence of the Transformation project. The Board noted this update.		
BM.25.05.16	**Annual Health and Safety Policy Statement**		
16.1	This update was noted by the Board.		
BM.25.05.17	**Emerging Issues**		
	(i) Board Effectiveness Report		
17.1	Members discussed the findings in BDO's report. Ralph highlighted the need to make it clear that responses at the time were based on members' views of the previous Chair of the Board and raised concerns that this was shared with UHI Court without this context. Paul advised that UHI Court has only received an interim report detailing participation from each partner and its members. Murray highlighted that work has been done in the background with BDO to amend the wording on the report to reflect that issues raised were based on the previous Chair.		

	Murray highlighted the lack of an updated skills matrix, advising that this should be an action for the Board to consider during the Development Day. El added that there is not a single place to gather all this information but will complete this in time for the Development Day. This update was noted by the Board.		
	(ii) Development Day - Verbal		
17.2	Members agreed to El's suggestion that the Development Day takes place on 30 January 2026. Murray advised that it might be more appropriate to get formal approvals on the BE Hub during this event, rather than organising an interim meeting.		
ACTION	Invites to be circulated to members for the Board Development Day taking place on 30 January 2026.	**EM**	
	(iii) One-to-One Meetings - Verbal		
17.3	Grenville reiterated the need to get dates organised for meetings with members in January.		
BM.25.05.18	**Date of Next Meeting – 26 March 2026**		
RESERVED ITEMS			
BM.25.05.19	**Draft Reserved Minutes of Board Meeting held on 30 October 2025**		
19.1	This item is reserved, and the minute held in confidence.		
BM.25.05.20	**Reserved Matters Arising from Previous Board Meetings held on 30 October 2025**		
20.1	This item is reserved, and the minute held in confidence.		
BM.25.05.21	**Reserved Minutes from Previous Committee Meetings**		
	(i) Draft Reserved minutes of Joint Audit and Finance & General Purposes committee meeting held on 4 December 2025 - Verbal		
21.1	This item is reserved, and the minute held in confidence.		
	(ii) Draft Reserved minutes of Audit committee meeting held on 4 December 2025 - Verbal		
21.2	This item is reserved, and the minute held in confidence.		
	Meeting closed at 16.20pm		