

**BOARD OF MANAGEMENT
Minutes of Meeting held on
Thursday 21 September 2023**

At 1.30pm in the Boardroom and on MS Teams

Present:

Jessie McLeman (Acting- Chair)
David Patterson
Dave McCallum
Rebecca Dewis
Paul Mitchell (MS Teams)

Ben Cookman
Caroline Webster
Leigh Mair (MS Teams – left 3.00pm)
Stuart Cruickshank (left 2.40pm)

In Attendance:

Shelly McInnes

Derek Duncan
Carolyn Thomson
Eleanor Melton (Clerk)
Alex Hastings (Minutes Secretary)

Observing:

Veronica Borseth (Your Students Association - left prior to discussion of Reserved Matters.)

Item		Action	Date
BM.23.04.01	(i) Resignations		
1.1	Resignations were received from Hugh Hamilton, with immediate effect.		
	(ii) Appointments		
1.2	Alex Hastings has been appointed as Minutes Secretary.		
	(iii) Introductions		
1.3	There were no further introductions.		
BM.23.04.02	Apologies for Absence		
2.1	Apologies for Absence were received from Jamie Wilson, Dawn McKinstrey, Amy Wiggins and Elizabeth Hudson		
BM.23.04.03	Any Additional Declarations of Interest including specific items on this Agenda		
3.1	There were no additional Declarations of Interest received.		
BM.23.04.04	Draft Minutes of Previous Board meetings held on:		
	(i) 22 June 2023		
4.1	Pending the agreed amendments, the minutes of the Board Meeting held on 22 June 2023 were accepted as a true and accurate record. A number of minor editorial points were also noted.		
ACTION	Item BM 23.02.16 (ii) Audit Committee ToRs – should read: Audit Committee and Shelly, rather than Auditors. A review of the minor editorial points was also needed.	EM	

ACTION	Minutes to be re-circulated following amendment and review of editorial points.	EM	
	(ii) 26 July 2023		
4.2	Jessie noted that the Board, in its summary, had also concluded that the outstanding matters should come back to the Board. Pending the agreed amendment, the minutes of the Board Meeting held on 26 July 2023 were accepted as a true and accurate record. Proposed: Jessie McLeman Seconded: Dave McCallum		
BM.23.04.05	Matters Arising from Previous Board Meetings held on:		
	(i) 22 June 2023*		
5.1	Actions were noted as complete unless noted below.		
	The Board had agreed that the recruitment of a permanent Chair is an urgent matter.		
ACTION	David/El to speak with UHI re. recruitment of permanent Chair.	DP/EM	
ACTION	<u>BM.23.02.16</u> EM to send external and internal auditors (BDO) the Audit Committee schedule and plan.	EM	
BM.23.04.06	Principal's Report*		
	David supported the report, highlighting necessary points throughout.		
	(i) Operational Plan		
	a) Review of 2022/23		
6.1	David provided a RAG-rated review of the Operational Plan 2022/23 within his report. Fifteen of the measurable outcomes were achieved in full and on time, twelve were achieved in part or after the deadline, and seven are not yet achieved.		
	b) Draft Plan 2023/24		
6.2	The draft Operational Plan 2023/24. includes tasks not fully achieved in the previous year, a particular focus on future being HE enrolments, actions (to be agreed) on a revised financial recovery plan, and the post - UHI2024 work (to be discussed further under Emerging Issues).		
	(iv) KPI Dashboard		
6.5	David provided a near-final version of the college KPI Dashboard for 2022/23. HE enrolments and end-of-year Adjusted Operating Position, as previously briefed, were some way from their agreed KPI target. Proposed dashboard targets can be found in the draft dashboard for the 2023/24 academic year attached to the report.		
	(v) Health and Safety Update		
6.6	There have been no RIDDOR reportable incidents since the last Board meeting. The next Health and Safety Committee will meet on October 5th and report back to		

	the next Staff Governance Committee. There were two unplanned evacuations of the Moray Street campus over the summer period (teething problems with the new fire alarm system and the new refectory contractor) and one planned evacuation once teaching had begun. Under the new Scotland arrangements, the Fire Brigade were not called to either of the unplanned evacuations.		
	(vii) Update on Recovery Plan		
6.7	The college has been following the agreed Financial Recovery Plan presented at the June 2023 Board meeting. While planned staff reductions are currently on target, the likely shortfall in HE enrolments has prompted the SLT to start work on a revised Recovery Plan which will be discussed later in this agenda.		
	(viii) Update of Moray Growth Deal Projects		
6.8	David updated the committee; The Full Business Case for the Business Enterprise Hub Growth Deal project has been approved by the MGD Programme Board and forwarded to both governments for review and feedback. No feedback has yet been received. The three issues which the Board have set as a prerequisite for final approval are still live, being progressed, but not yet resolved. MAATIC was due to go to UHI court meeting in August. However, David stated there was a lack of time to discuss this, and a special meeting of court had been arranged. The Court unanimously supported the business case provided that the relevant work has been completed, with the deadline for processing work to the programme board being tomorrow, 22 September 2023.		
ACTION	El to distribute to the Board the business case that was approved	EM	
	David updated the Board on project management issues within the programme board; the project manager has taken a severance package, no replacement has been communicated as yet, which will culminate in a lack of support, which raised some concerns in the Board. Board agreed to action investigating reasons as to why project managers continue to leave this role.		
ACTION	Investigate reasoning behind the high turnover of people within this role	DP	
	(ix) RAAC		
6.9	David updated the Board on the situation with RAAC within the campus, supported by Derek. Derek advised that the surveyors' next steps are to provide structural recommendations to allow use of Speyside wing, currently closed. As a priority to get the ground floor open, a solution of using steel jacks to hold up the roof is		

	<p>the main focus. An emergency request for funding from SFC will be submitted when costs are known. The longer-term future for that section of the campus will require further consideration.</p>		
	(x) Industrial Action		
6.10	<p>David updated the board on the ongoing situation with staff strikes. 50 staff members out of 280 disclosed they were planning to strike, with more lecturing staff participating than support staff.</p> <p>The effect of strike action on students was discussed. In the discussion, David noted an example from another college where staff who did not provide results had salary adjustments implemented.</p> <p>The Board agreed that legal advice should be sought on options for implementing similar adjustments in relation to non-resulting staff.</p>		
ACTION	CT to seek legal advice re. deduction of pay for those partaking in ASOS	CT	Next meeting
BM.23.04.07	Learning and Teaching		
	(i) Applications and Enrolments		
7.1	<p>FE applications have seen an increase across the college, with active applications across the three main curricular groups (CHESS, STEM, and UNITED).</p> <p>Kenny supported his paper, detailing that declining trends within Computing and Engineering will have an impact on the MAATIC project. In addition, Business applications have declined, and that bears significant importance to the College, to fulfil Growth Deal ambitions. Construction has shown a significant increase through the development of two new programmes – National Progression Awards and NQ Built Environment. It was noted that there is difficulty capitalising on this positive increase in FE, due to there being no progression pathway to HE. Enrolments across the three main curricular groups have all risen, with an overall increase of 10.3% - suggesting the effect of efforts to prioritise rapid-turnaround of offer-making and implementing pre-induction engagement activities.</p> <p>Active applications at HE level have fallen across the College, most significantly in UNITED and CHESS. For STEM, an increase in applications for Computing and Science has provided an offset in losses for Horticulture and Engineering. This is following a pattern of declining applications in HE across Scotland, with some other institutions choosing to reduce their entry tariffs.</p> <p>The paper reports that it is unlikely the College will meet the agreed HE target. Most areas for HE are sitting in Amber or Red RAG ratings.</p>		

	<p>There was discussion as to what should or could be done short and medium term to address the decline in HE applications.</p> <p>The Board noted a priority to encourage FE students to continue their studies, with a re-registration process scheduled to begin in January. Focusing on improving progression from FE to HE may address, in part, the ongoing enrolment challenges the College is facing. .</p> <p>Kenny commented that the planned curriculum changes would be expected to have an effect in the medium term.</p> <p>David also noted the application process is ‘clunky’ in comparison to other institutions and there are areas for improvement, but it will not be a quick fix. Exercises are being undertaken across departments to look at the processes.</p>		
	<p>(ii) Learning and Teaching Update</p>		
7.2	<p>The paper Kenny provided indicates the difficulty of providing accurate attainment and retention figures – a consequence of non-resulting staff, referred to as action short of strike (ASOS). At this stage, therefore, only an indicative baseline figure for both attainment and retention, with a significant error margin, can be provided. The college is currently estimating that a total of 240 students have been directly affected by ASOS.</p> <p>In terms of Academic Structures and following the resignation of the Head of Curriculum for CAPRI, curriculum responsibilities have been redistributed to other HoCs for the remainder of the semester.</p> <p>To avoid the high cost of a complete restructuring, it was decided that not to directly mirror UHI’s structures to maximise efficiency and minimise disruption to existing groups.</p> <p>The report also sets out the reduction in funding for Modern Apprenticeships from SDS. As a result, work was undertaken to renegotiate an updated contract award from SDS, as agreed from meetings of Partnership Council and Academic Planning Committee – securing an additional 99 MA places for the network. Whilst this allocation is a slight increase compared to last year, it does not reflect service demand from industry.</p> <p>Early in 2023 SFC reduced college funding by 10% but offset it with a price increase to maintain the same overall funding as the previous year. UHI Moray decided to utilise the full reduction, setting a target of 17,100 credits. The SFC also adjusted the FE Census date to align</p>		

	<p>with HE, which should reduce early withdrawals and increase claimable credits.</p> <p>SFC have indicated they will be closely monitoring compliance with its guidance on claimable credits for 2023-24, before any future flexibility or changes to funding allocations are considered.</p> <p>Kenny also addressed the arranged strike action and the impact ASOS has had on students within the college in terms of graduation and progression.</p>		
	(iii) UHI2024 Curriculum Update		
7.3	Kenny provided a summary of work undertaken by the UHI2024 Curriculum Review group in response to the SMRS final report, submitted in May 2023. This paper summarises a list of those programmes to be retired and those to be introduced in sessions 2023/24 and 2024/25.		
BM.23.04.08	Financial Position – Management Accounts to 31 July 2023		
8.1	<p>Shelly updated the Board on current financial position and situation. The College has not managed to balance books for 2022/23; it should be noted that positive cash balance is showing at this moment but pay rises have not been agreed or fulfilled as yet.</p> <p>Shelly detailed the financial strain the college is currently under and the implications this will have on the upcoming year without further funding from SFC to aid with increasing staff costs. The Finance Director of UHI has suggested we approach the SFC directly, and Kenny disclosed that Education Scotland are willing to offer support in entering discussions with SFC.</p> <p>David advised that Graeme Dey MSP will be attending a meeting with UHI principals on 29 September. David will also be meeting with the principal of UHI to discuss enclosed issues.</p> <p>The Board agreed that the College should ensure the relevant parties, both UHI and SFC, are fully informed in writing of the current and forecast position and the impacts thereof.</p> <p>There was also a query as to whether it might be appropriate for the Chair to write on this matter.</p> <p>At this stage, David considered the College would continue to raise the matters discussed as outlined.</p>		
ACTION	DP to ensure all relevant parties are informed in writing of the financial/funding issues and the concerns regarding the impacts.	DP	

BM.23.04.09	Risk Register		
9.1	<p>Shelly provided an updated Risk Register: The following risks have now become issues; Risk 14 - College does not achieve allocated HE student number targets. The College's initial application and enrolment analysis suggests an HE FTE for academic year 2023/24 in the region of 570. Significant action by SLT will be required to address the resulting decrement.</p> <p>Risk 27 – Poor Employee Relations/ Industrial action Both unions – EIS-FELA (academic staff) and Unison (support staff) have commenced industrial action, with the first day of joint strike being the 7 September.</p> <p>The Board noted the changes to the Risk Register.</p>		
BM.23.04.10	Estates Update		
10.1	<p>Derek provided an update on Estates matters discussed at the Finance and General Purposes (F&GP) committee on 14 September 2023. A busy summer of repairs is now reaching an end, the capital and backlog maintenance plan for 2023/24 is included for noting. Following F&GP feedback, the plan has been categorised in terms of maintenance and compliance work.</p> <p>The prioritisation of enclosed projects may be impacted by the response to the Speyside RAAC roof mitigation work.</p> <p>The Board discussed the boiler plant replacement planned as a key focus from 2024-25 with queries around sustainability and looking at renewable products. Derek explained there is no guarantee we would be eligible for a grant to cover these costs.</p>		
BM.23.04.11	Policies Due for Review – Update		
11.1	<p>Derek provided a paper outlining policies due for review. There are 13 policies listed as being due for review, plus a further 8 which will be reviewed by the HR Policy Review Group (HRPRG). There are less policies to review than last year and therefore the plan is considered to be more achievable.</p> <p>Jessie sought the support of Committee Chairs in ensuring these policy reviews were progressed within the workplans of the relevant committees.</p>		
BM.23.04.12	Minutes from Previous Committee Meetings		
	(i) Draft Minutes of Finance and General Purposes Committee held on 14 September 2023 - Verbal		

12.1	Minutes were not available at time of meeting and Ben provided a brief verbal update.		
BM.23.04.13	HISA Update		
	<p>Veronica notified the Board of the brand change from HISA to 'Your Student Association'.</p> <p>Re. elections, the nomination period will close on 22 September 2023, voting will open on 3 October until 5 October with the hope of having someone elected before Christmas. The new Chief Executive will be starting in November.</p> <p>Paul asked if Your Student Association were supportive of non-resulting staff. Veronica stated they are supportive of all strike action being undertaken as well as supporting students through this being a priority. This was confirmed in an official statement which will be forwarded on to Paul.</p>		
ACTION	EM to forward HISAs official statement to Paul	EM	ASAP
BM.23.04.14	Emerging Issues		
	(i) Recruitment of Chair and Independent Members - Verbal		
14.1	<p>Regarding Independent Members, EI advised that the recruitment pack has been approved by David and UHI, advertising will commence next week, with Roger Sendall and his team to set up an interview panel. The Board agreed to proceed with a recruitment process, EI to follow up</p> <p>Jessie queried if the advert would be seeking new members from a financial/audit background, and that was confirmed. The College would also be seeking members with a learning and teaching and HR/staff governance background.</p> <p>DP to discuss the recruitment of a permanent Chair with UHI Chair of Court, Alistair McColl – this is now an urgent matter with external auditors looking at this.</p>		
ACTION	DP to speak with Alistair McColl re. recruitment of a permanent Chair to the Board	DP	ASAP
14.2	<p>Governance – Jessie noted it is a duty of the Chair to hold one-to-one meetings with Board Members, as stated within the Code of Good Governance. This has not taken place for this year as yet, i.e. 2022-23.</p> <p>. She was also noted that questionnaires on the effectiveness of the Board & Committees had not been sent out yet either, also a requirement of the Code.</p>		

	The Board agreed this should take place and that the previous year's template would be used and circulated as soon as possible.		
ACTION	EM to seek to arrange appointments for one-to-ones for Board Members prior to the next board meeting.	EM	
ACTION	EM to circulate Board and Committee Evaluation questionnaires, using the same template as the previous year.	EM	
14.3	Jessie also raised the subject of Board Surgeries. This exercise has not taken place recently and the query was raised as to whether there is support from the Board for these to be resumed. A rota for available Board members would need to be created, associated with each regular Board meeting. Staff can also always seek a meeting with Board Members out-with the surgeries In discussion the offering of surgeries was considered as consistent with the values of the Board, and the Board agreed to resume these.		
ACTION	EM to resume the offer of board surgeries to staff and to create a schedule for the coming board meetings.	EM	
	(ii) UHI Chairs and Principals Meeting - Verbal		
14.4	The points arising had all been discussed throughout the agenda.		
	(iii) UHI 2024 Update - Verbal		
14.5	David notified the Board that at a meeting of UHI Chairs and Principals in Stirling in July, it was agreed to pause the UHI2024 workstreams and Principals were asked to produce a 'Target Operating Model' (which could include a new legal structure) for the partnership, as an accelerated resolution to the financial challenges all are facing. The Board agreed that the Board Development Day be arranged for November – the 8 or 10 November were suggested as potential dates.		
ACTION	El to notify all Board members of possible dates for a Board Development Day, and all to respond with availability/ preferences.	EM/ ALL	29/9
BM.23.04.15	Date of Next Meeting – 31 October 2023		
	As this was Paul's last meeting as a member of the Board, the Board thanked him for all his work and contributions and wished him well for the future.		

RESERVED ITEMS			
BM.23.04.16	Draft Reserved Minutes of Board Meeting held on 22 June 2023		
16.1	This item is reserved, and the minute held in confidence.		
BM.23.04.17	Emerging Issues		
	(i) Update to FY 2023/24 budgeted out-turn and cashflow – Verbal		
17.1	This item is reserved, and the minute held in confidence.		
	(ii) Changes required to recovery plan - Verbal		
17.2	This item is reserved, and the minute held in confidence.		
	<i>Meeting closed at 16.10pm</i>		