UHI | MORAY MOIREIBH

BOARD OF MANAGEMENT
Minutes of Meeting held on Thursday 12 June 2025 at 1:30pm in the Boardroom and via MS Teams

Present:

Eilidh Kennedy McLean (by MS Teams)
Grenville Johnston (Chaired by MS Teams 1.30-3.30pm)
David Patterson
Elizabeth Hudson (by MS Teams)
Caroline Webster (by MS Teams)
Roddy Burns (Chaired 3.30-4.30pm)
Colin Watson
James Walls
Ralph Luck
Clare Matysova
Katy O'Connor (Left at 4pm)
Stuart Cruickshank

In Attendance:

Murray Easton
Carolyn Thomson
Eleanor Melton (Clerk)
Alex Hastings (Minutes)
Aimee Cuthbert (HISA – 3.30-4pm)

Item		Action	Date
BM.25.02.01	**(i) Resignations**		
1.1	Resignations were received from James Walls, Sarah Marshall and Chloe Catmore. It was noted that today's meeting would be Stuart Cruickshank's last, with an invite for nominations for a new Support Staff Member being circulated this week. Both Stuart and James were thanked for their contributions to the Board.		
	(ii) Appointments		
1.2	Colin Watson was introduced as the newly appointed TU member for UNISON.		
	(iii) Introductions		
1.3	Colin introduce himself to members.		
BM.25.02.02	**Apologies for Absence**		
2.1	There were no apologies received.		
BM.25.02.03	**Any Additional Declarations of Interest including specific items on this Agenda**		
3.1	Colin raised being part of the national bargaining team for UNISON, along with his involvement in future job evaluation discussions. Members discussed the definition of a declaration of interest. Carolyn queried the reasons for SLT members being asked to leave the last meeting during the SLT Staffing item. Eilidh explained that SLT members were asked to leave to enable the Board to have an open and frank discussion regarding capabilities and skills gaps within the current SLT.		

BM.25.02.04	**Draft Minutes of Board Meeting held on 27 March 2025**		
4.1	James requested an amendment. Following the agreed amendment, the minute of the meeting held on 27 March 2025 were accepted as a true and accurate record, Proposed: Eilidh Kennedy McLean Seconded: James Walls		
BM.25.02.05	**Matters Arising from Board Meeting held on 27 March 2025**		
	Murray raised that an action was identified in the UHI Governance Overview Presentation but not noted in the matters arising, where Eilidh suggested that the Board meet to have a further discussion on governance. Grenville advised that this may be a good topic to cover in the Board Development Day. Eilidh added that there are several items the Board need to pick up regarding governance and the top slice, adding that it would be a good item for the BDD, but may be required before then. It was agreed that Grenville would meet with El and Eilidh to arrange this.		
ACTION	Grenville/El/Eilidh to arrange a meeting regarding UHI governance either at the BDD, or prior to this.	**GJ/EM/EKM**	
5.1	**6.1** – Complete		
5.2	**6.2** – Complete		
5.3	**6.3** – Complete		
5.4	**8.2** – Complete		
5.5	**10.1** – Ongoing		
5.6	**10.2** – Complete		
5.7	**11.1** – Need clarification		
BM.25.02.06	**Principal's Report**		
	(i) KPI Dashboard		
6.1	David supported the paper. James pointed out that Commercial Income is presented as gross income, adding that it would be interesting to know profit. Murray advised that further work on Commercial Income would be helpful and could be developed next year by the incoming Finance Director.		
	(ii) BE Hub Update – Verbal		
6.2	David's paper was noted by the Board. Murray added that the F&GP Committee had a robust conversation regarding the financials at the last meeting and Audit Committee have been closely monitoring risks linked to the project.		
	(iii) MEEIC Project Update		
6.3	David provided an update on the MEEIC Project, advising that the presentation had been delivered to elected members of Moray Council. David reported that the		

	presentations were well received, adding that there was a question regarding where this project would be located. David pointed out that location will be outlined in the strategic business case. Letters of support have been received from Alastair MacColl and the Energy Skills Partnership, who see this as a very important project. The Board noted this update.		
	(iv) SLT Staffing - Verbal		
6.4	David provided an update on the two SLT vacancies. The Finance Director role has been verbally accepted, subject to due diligence being completed. The Board noted this update. Following interviews for the Deputy Principal role, the panel had not yet decided which candidate to hire. Roddy stated that he did not believe the Board should be discussing this or agreeing to any change in process. The Board recognised that as Principal, David had the authority to appoint taking due regard of panel views.		
	(v) UHI Transformation Update - Verbal		
6.5	David's update was noted by the Board.		
	(vi) Stakeholder Engagement		
6.6	David's update was noted by the Board.		
	(vii) Operational Plan Update		
6.7	David presented the paper. Clare queried whether future planning in Staff Engagement included the TOM. David confirmed that it is the internal operational plan measured against the College's strategy. Roddy queried the ability to meet demand regarding apprenticeships, asking if the College could meet the demand, would this ease financial sustainability. David advised that the College cannot meet demand due to the funding and resources available, adding that if there were increases available, the College would meet this. Roddy asked if there was a negotiating position possible with UHI regarding this. David provided further insight to the situation, advising that as there is a fixed sum of funding, the College could get more but another college would get less. However, it would be a different story if there was an increase in funding. Grenville highlighted that it would be good for Board members to know of upcoming events such as the Fine Art Degree Show, so that they could attend. It was agreed that Stuart would create a calendar of events for Board members.		
ACTION	Stuart to create a calendar of events for Board members.	**SC**	

BM.25.02.07	**Learning and Teaching Update**		
	(i) Applications and Enrolments		
7.1	David supported the paper, highlighting the suppressed demand and potential flexibilities between FE and HE funding that could vire unallocated HE funding to cover additional credits. Stuart added that across the Partnership, there is a loss of around 9k credits that are unable to access funding. Roddy queried where discussions regarding suppressed demand take place, highlighting the blatant demand versus funding to meet it. David advised that the budget is decided with the minister, adding that there are representatives in parliamentary committees highlighting this. David pointed out that the sector is in a constrained public service environment. Roddy stated that the sector should be highlighting this as an avenue to an improved situation. Grenville added that this is unlikely to be touched until after the next election. Stuart highlighted that it was positive to hear that the SFC and RSB are trying to find resolutions.		
	(ii) SSES 2024-25		
7.2	David's update was noted by the Board.		
	(iii) SEAP Update		
7.3	David's update was noted by the Board.		
BM.25.02.08	**Finance Update**		
	(i) 2024-25 Forecast		
8.1	Murray presented the paper, highlighting that there has been no change from the last forecast. Murray advised that across the partnership, almost all colleges are forecasting an adjusted operating deficit; he added that without the one-off cost of severance, the underlying position for UHI Moray was an operating surplus. EO had been consulted on this but did not consider the £0.8m should be treated as an adjusting item. The Board noted this update.		
	(ii) 2025-26 Projection		
8.2	Murray presented the paper, highlighting the £450k deficit position and the basis of preparation. Murray highlighted that the root problem is the ongoing reduction in real terms of SFC funding, combined with increases in salaries and NI contributions. The deficit effectively represents unfunded payroll costs. Murray identified commercial income, staff numbers and operating costs as the College's only levers for a balanced budget position. Murray added that any new		

	attempt to reduce the top slice is unlikely to be successful at this stage due to EO currently dealing with its own deficit. . To present a balanced budget would require an overview of undefined improvements. The draft budget presented is a P50 forecast based on realistic forecasts and planned improvements but recognises that this approach does not meet the SFC's expectation of a balanced budget. The Board discussed the best possible way of reporting the financials beyond 2025/26. Roddy raised concerns, highlighting that whilst the situation is understood, a three-year outcome would have been preferred. Roddy stated that submitting a narrow argument, by not including stipulations up until 2028, would be an uncomfortable position for the Board, adding that planning for the worst-case scenario is imperative. Murray advised that there is no credible financial framework within which to plan and that every College was facing deficits arising from flat cash funding and national salary increases Murray added that doing the right thing now should position the College for future years; the alternative is to pursue a further range of radical interventions which was not recommended at this point, noting that following the 2026 election, the new Government will have to look at sector funding, as if there is no change, the sector is going to implode. Elizabeth pointed out that taking control of income streams is a top priority, reminding members of the opportunity to create an online version of the BE Hub, prior to the building opening. James stated that it would be preferable to show that the College is making an effort to increase income. It was agreed that the FFR submission should include details in the narrative regarding what measures would be necessary to balance the budget in future years.		
BM.25.02.09	**Risk Update**		
9.1	Murray supported the paper, highlighting the three red risks being the College Estate, Financial Sustainability and Job Evaluation. James queried the process for elevating risks that are beyond the College's control. Murray advised that if the risk related to financial sustainability, the College already has open and transparent conversations with EO. Regarding the college estate, Derek is also in regular		

	communication with EO. James asked if there was a process for elevating risks beyond that. Roddy provided an insight into the issues surrounding Dundee University, where the question has been asked why flags were not raised at the time. Roddy agreed that the Board needs to highlight this, leaving a trail. Roddy suggested getting red risks recorded, framing something for UHI Court that will be recorded in strategic interventions. Murray highlighted that one deficiency in the process is the fact that the process for risks to be fed up to EO for oversight is not working, and the planned review of risk management has not taken place yet. James highlighted that governance is now a risk profile that should be increased, as the Audit Committee now ceases to function due to low membership. Murray added that there is no Senior Independent Member of the Board.		
BM.25.02.10	**Minutes from Previous Committee Meetings**		
	(i) Update on Staff Governance Committee meeting held on 22 May 2025 - Verbal		
10.1	Carolyn summarised the meeting, highlighting the potential for the requirement to consider a revised NRPA, with separated NRPAs for teaching and support staff on the cards. Carolyn updated members on the national job evaluation project and the issues this will incur on workload, for example. The Board was also updated on the support staff pay claim.		
	(ii) Update on Finance & General Purposes Committee meeting held on 29 May 2025 - Verbal		
10.2	There were no updates discussed from the F&GP Committee meeting as updates have been provided throughout today's meeting.		
	(iii) Update on Audit Committee meeting held on 3 June 2025 – Verbal		
10.3	There were no updates discussed from the Audit Committee meeting as updates have been provided throughout today's meeting.		
	(iv) Update on Learning, Teaching and Quality committee meeting held on 5 June 2025 – Verbal		
10.4	Elizabeth highlighted the lack of individual feedback provided in the SEAP feedback report for colleges across the partnership. The Board was happy to note that a letter has been written in conjunction with the partnership regarding this. Stuart highlighted that it was clear in the meeting how much positive news there is, adding that what has been		

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	achieved is unbelievable given the context of the past year. Stuart suggested that the Board acknowledges the achievements in a communication to staff. Murray stated that the Board also needs to consider staff in terms of budget cuts and redundancy risks, adding that this is something the Board can do to boost morale. David suggested that the Chair of the Board could send an all staff email out. It was agreed that David and Eilidh will consult with El to create a plan for communicating to staff.		
ACTION	David/Eilidh/El to work on Board communication plan to all staff.	**DP/EKM/EM**	
BM.25.02.11	**Estates Update**		
11.1	In Derek's absence, the Board noted the paper provided. The Board discussed the risk of the College Estate and the deep dive that the Audit Committee has planned. Roddy suggested keeping an eye on the deep dive in case the Audit Committee cannot convene at its next scheduled meeting. David highlighted the news stories regarding Douglas Ross and the Holyrood Education Committee. The focus is now on colleges with Vicki Nairn being asked to attend. The College was asked to provide an update on the RAAC situation for this.		
BM.25.02.12	**HISA**		
	(i) HISA Update		
12.1	Aimee supported the paper, advising that Sarah Marshall has resigned and HISA will be running a by-election in September for the Moray President. With regards to Board engagement, Roddy queried if it would help if the Board contributed to publicity through social media channels such as LinkedIn. Aimee advised that if the Board promoted the importance of having HISA's engagement, it would be very beneficial and would link in with points raised on Board engagement. Murray asked to what extent students are aware of contributions to the Board benefitting professional development and allowing for more diversity on the Board. Aimee advised that HISA tried three approaches to motivate students to be more engaged. Aimee added that consistent promotion of the HISA role would only further benefit the College, adding that it needs to be a whole effort, although of late, it has not been for a lack of trying. The Board noted this update.		

BM.25.02.13	**Emerging Issues**		
	(i) Board and Committee Schedule 2025-26		
13.1	El advised that work will start to get dates in the Board diary for distribution to members. El asked members to look at proposed dates, advising that volunteers will be sought for Board surgeries. Graduation was also highlighted as a key date for members to attend on 10 October 2025.		
	(ii) Board Development Day – Verbal		
13.2	El advised that the BDD is being scheduled for August/September time. El asked for comments and inputs on dates and agenda items by 20 June 2025.		
ACTION	Board members to provide comments on potential BDD dates and agenda items.	**ALL**	**20/06/2025**
BM.25.02.14	**Date of Next Meeting – TBC BM.25.02.13 (i)**		
14.1	As per the Board Schedule for 2025/26, the next Full Board meeting is scheduled to take place on 4 September 2025.		
RESERVED ITEMS			
BM.25.02.15	**Draft Reserved Minutes of Board Meeting held on 27 March 2025**		
15.1	This item is reserved, and the minute held in confidence.		
BM.25.02.16	**Reserved Matters Arising from Board Meeting held on 27 March 2025**		
16.1	This item is reserved, and the minute held in confidence.		
	Meeting closed at 4.30pm		