

BOARD OF MANAGEMENT

Minutes of Meeting held on

Thursday 31 October 2024

At 1:30pm in the Boardroom and via MS Teams

Present:

Alex Paterson (Chair)

Grenville Johnston

David Patterson

Elizabeth Hudson

Sarah Marshall (HISA Depute)

James Walls (Left at 3.15pm)

Ralph Luck

Clare Matysova

Katy O'Connor (Teaching Staff Rep)

Stuart Cruickshank (Support Staff Rep)

In Attendance:

Murray Easton

Derek Duncan (Joined at 2.15pm)

Alex Hastings (Minutes)

Item		Action	Date
BM.24.07.01	(i) Resignations		
1.1	David informed members that a resignation has been received from Dave McCallum.		
	(ii) Appointments		
1.2	Katy O'Connor has joined the Board as Teaching Staff Representative.		
BM.24.07.02	Apologies for Absence		
2.1	Apologies were received from Caroline Webster and Carolyn Thomson.		
BM.24.07.03	Any Additional Declarations of Interest including specific items on this Agenda		
3.1	There were no additional declarations of interest received.		
BM.24.07.04	Draft Minutes of Previous Board Meetings held on:		
	(i) 29 August 2024		
4.1	The minutes of the meeting held on 29 August 2024 to discuss the BE Hub were accepted as a true and accurate record: Proposed: Stuart Cruickshank Seconded: James Walls		
	(ii) 5 September 2024		
4.2	David requested that an amendment be made to item BM.24.06.08 8.1 to further clarify the issue in the draft budget report. Following the agreed amendment, the minutes of the meeting held on 29 August 2024 were accepted as a true and accurate record: Proposed: Grenville Johnston Seconded: James Walls		

BM.24.07.05	Matters Arising from the Board Meeting held on:		
	(i) 5 September 2024		
5.1	<u>BM.24.06.07</u> – This action is to be carried forward as work is ongoing.		
5.2	<u>BM.24.06.08</u> 8.1 – Complete		
5.3	<u>BM.24.06.09</u> – Complete		
5.4	<u>BM.24.06.15</u> 15.2 – Complete 15.3 – Complete 15.4 – Complete		
BM.24.07.06	Principal’s Report		
	(i) KPI Dashboard		
6.1	<p>David supported the paper provided, giving a brief update on the success of graduation and the construction prize giving award ceremony.</p> <p>David highlighted some changes to the original KPI report since the September payroll, such as the Staffing FTE figure changing to 203 FTEs. The expectation is to reach 189 by February 2025, as per the FRP. David informed the Board that there is confidence in hitting the FE and HE budgeted target, which is key in terms of the FRP.</p> <p>James pointed out the low level of overall staff sickness, asking if staff are opting not to take sick days. Stuart drew attention to the knock-on effect from Covid, which changed work patterns and as a result, more staff are working from home when unwell rather than taking a day off. James queried whether this was a good indication of staff morale. Clare suggested that it may not be good for staff morale if members feel they are pressured to work from home. Katy advised that although teaching staff may report sickness if they cannot attend classes, they may feel threatened by redundancy in case they are in an at-risk area and therefore, do not take days off. Alex asked if there is an analysis of why people are absent. Stuart explained that this is reported in the Staff Governance Committee. It was agreed that this would be further investigated with Carolyn as although the low-level rates are positive, they may be hiding other problems.</p> <p>Members discussed the external commercial income position, and what could be done to further analyse and improve such income. Murray explained the current provision of internal income through the Nursery and the Beechtree Restaurant, etc and proposed that a change of focus to consider all ‘non</p>		

	<p>grant income' would be more meaningful. Elizabeth asked if there was any data available to compare commercial income with UHI partners. Murray advised that the Executive Office will have this data. It was agreed that Murray would review commercial income across the partnership in order to set a benchmark for the College's position. Alex highlighted the need to take advantage of the opportunities that will arise, such as from the Freeport and suggested close liaison with EO on new commercial opportunity development. David advised that there are signs of this being done, however it is a slow and bureaucratic process.</p> <p>Regarding the appointment of a new Chair, David advised that he understood that the selection panel had interviewed candidates and had recommended 2 individuals who were going to have a follow-up discussion with Alastair MacColl (Chair of Court) before any final decision.</p> <p>David's update was noted by the Board.</p>		
ACTION	Staff sickness rate to be reviewed with Carolyn to gain further understanding of what this rate means.	DP/CT	
ACTION	Murray to review commercial income opportunities to set a target for inclusion in the Operational Plan for 2024/5 and reported in the financial update at the next Board.	ME	
ACTION	HE Funded FTEs 2024/25 Actual position, showing 519 in the October Dashboard, to be updated. Expectation is that the 560 target will be met.	DP	
BM.24.07.07	Operational Plan 2024-25		
7.1	<p>David supported the paper provided and welcomed any questions from members.</p> <p>Stuart raised concerns around the achievability of learning and teaching targets, given that there is no director leading this and authority is devolved across various positions. David stated that while input from a director might be needed for this position, the post is not within the current FTE staffing plans. He said the SLT were considering a range of options, including opportunities that could be provided by the Be Hub funding to both lead its own curriculum development, and also support other initiatives for the rest of the College.</p> <p>Clare asked if Executive Office help with insight and data into enrolments. Derek advised that this is normally provided in APC meetings, adding that</p>		

	<p>activity can be monitored across all of the College's course levels.</p> <p>Clare asked for further insight into staff engagement with regards to future planning. David advised that the college management team were currently looking at plans to engage staff in college development through re-launched Blue Sky Days and outputs from 'Ideation' workshops in the New Year.</p> <p>The Board endorsed the Operational Plan 2024/25, noting the Tasks and Measurable Outcomes, with Commercial Income / non-grant income to be confirmed.</p>		
ACTION	A baseline for 'non grant income' to be provided at the next meeting in December.	ME	
BM.24.07.08	Financial Update		
	(i) 2024-25 Budget Update		
8.1	<p>Murray advised that there is currently no update to the 2023-24 financials. Pension and estate valuation audit work carried out by Deloitte continues, with data requests coming frequently. Murray added that he will present available information as soon as a meaningful set of accounts is available.</p> <p>Murray drew attention to the previous day's UK budget announcement, highlighting the change in employers National Insurance contributions. For the current year, this will incur a £50k cost to the College and £200k on a full-year basis. There is no information available to suggest if this increase will be funded.</p> <p>The 2024/25 budget is based on the agreed FRP. It is currently assumed that the FRP income gap of £250k will be closed by July 2025. Murray advised that there are various risked options available to potentially generate £150k of this. Outside of this, there has been reasonable progress delivering what the FRP documents planned for 2024-25.</p> <p>In terms of the indicative budget for 2025/26, cost increases and likely 'flat cash' funding will require close monitoring / action to address potential financial challenges, particularly as additional liquidity funding cannot be assumed.</p> <p>Murray confirmed that the Q1 Management Accounts will be presented at the next Board meeting.</p>		

	The Board noted this update.		
ACTION	Plan for addressing the 2024/25 FRP income gap to be provided at next meeting.	ME	
ACTION	Board to review 2025/26 financial projections and develop plan for potential funding gaps.	ME/All BMs	
BM.24.07.09	Learning and Teaching		
	(i) Tertiary Quality Enhancement Framework		
9.1	<p>Members discussed the new requirements of this framework, such as the SEAP delivery mechanism which has requirements in terms of addressing equality outcomes. Elizabeth highlighted the use of data by looking at factors such as attendance, behaviour and disciplinaries to help address the equality requirements. Katy added that, in the context of student support, students now are different to previous, and staff are not always equipped to deal with this. Katy also highlighted that there has been a significant shift in the whole sector in terms of staff training and development. Stuart emphasised that the College needs to be mindful that resource is reducing, and that changes made may make student support more difficult to deal with. It was agreed that the LTQ Committee will review student support.</p> <p>The Board noted this update. The Learning Teaching and Quality Committee will consider the final draft SEAP. The submitted SEAP will be shared with the Board at the next meeting.</p>		
ACTION	LTQ Committee to review student support.	LTQC	
	(ii) EREP Update		
9.2	The paper provided was taken as read. No further comments were made.		
	(iii) Enrolments Update 2024-25		
9.3	<p>David supported the paper provided. FE enrolments are estimated to reach the funding target with an over-delivery of 1,198 credits. HE enrolments are estimated to hit a total of 560 FTEs, with an additional 20 possible from 'free course' enrolment and Sem 2 enrolments. Although this does not reach the UHI target of 619, a target of 560 FTEs was budgeted for in the FRP.</p> <p>Data presented on this year's full-time enrolments by curriculum area against target will be used to inform next year's recruitment plan.</p>		

	<p>David added that the College was able to increase part-time enrolment beyond what was budgeted to offset the decline in full-time enrolments.</p> <p>Clare stated that it would be important to see the data on part-time enrolment across subject areas, in order to see where the interest lies and take advantage of that. Stuart informed the Board that he is currently working on a report for this.</p> <p>The Board noted this update.</p>		
BM.24.07.10	HR & Organisational Development Directors Report		
	(i) Staffing FTE Update		
10.1	<p>David supported the paper provided in Carolyn’s absence. Around 20 staff members are set to leave at end October with a few more leaving up until January 2025. As the College is forecasting an FTE staffing of 189 after these departures and is within £250k of its targeted financial outturn, prior to any further mitigations, David recommended to the Board that there was no need to pursue any compulsory redundancies at this time. The Board agreed with this position based on the information provided at this moment in time. and also questioned whether it would be worth exploring if the option of a third VSS was possible, should it be required.</p>		
	(ii) Recovery Plan and VSS Update		
10.2	<p>Elizabeth asked if data was being collected on where staff who are leaving are going, as this could be useful in future. As influential members of our college and local community, with experience and specialist skills that may be hard to replace, we may want to maintain positive relationships after such a difficult time. An awareness of their destinations after leaving may also be important for future decision making e.g. to recognise a potential loss of skills in the region if they choose to leave the area. Stuart explained that there is an exit form for leavers to complete and advised that if this is not already on the Staff Governance agenda, he will request it for the next meeting.</p> <p>Members also discussed the risk of losing staff due to roles changing and agreed that this needs to be closely monitored.</p> <p>This update was noted by the Board.</p>		
ACTION	David to investigate potential for a third round of VSS.	DP	
ACTION	Key lessons from staff exit forms to be reviewed by the Staff Governance Committee.	SGC	

BM.24.07.11	Draft Minutes of Committee Meetings:		
	(i) Audit Committee Meeting held on 3 October 2024		
11.1	James summarised the main discussion points from the Audit Committee meeting and thanked Grenville and Jessie for their work in completing the audit report. There were no further comments or observations raised.		
	(ii) Finance and General Purposes Committee Meeting held on 10 October 2024		
11.2	There were no comments or observations raised by the Board regarding this meeting.		
BM.24.07.12	Risk Register		
12.1	Murray reminded members that a review of the risk register process across UHI was touched on at the last meeting and has since been supported by the Audit Committee. Mike Baxter and Roger Sendall of EO have been sent the paper proposing changes in the process and are happy to help, with a thorough review taking place via the Finance Director network. Murray advised that BDO will be investigating risk management as part of their internal audit. Murray emphasised the need for looking at process efficiencies, given the changes in staffing. The Board agreed with the new approach to risk management outlined in the paper and noted this update.		
BM.24.07.13	Estates Update		
13.1	Derek supported the paper provided, emphasising the importance of an options appraisal being conducted on the Speyside roof, with regards to RAAC. Derek added that early costing of repairs to the roof could be around £500k purely based on example construction industry RAAC costs per square metre. This update was noted by members.		
BM.24.07.14	Policies Due for Review - Update		
14.1	Derek supported the paper provided, advising that policy reviews are on schedule, with a number of them being approved at the recent Audit and F&GP Committee meetings. The Travel and Subsistence Policy was approved subject to a revised rate of meal subsistence. Derek has reviewed these rates and will		

	<p>email the new proposal to F&GP members for approval.</p> <p>Members noted this update and were impressed by the work done by SLT and other staff to get the schedule back on track.</p>		
BM.24.07.15	HISA Update (Verbal)		
15.1	<p>Sarah provided an update on HISA involvements since the last meeting. There are now 82 Student Voice Representatives, along with a full depute team, which was noted as very positive. Derek highlighted that meetings with Student Voice Representatives have been very well attended, with a range of both positive and negative feedback received from students.</p> <p>Sarah's update was noted by members.</p>		
BM.24.07.16	Other Matters		
	(i) Target Operating Model Update		
16.1	David's update was noted without further discussion.		
	(ii) Board Development Day – 7 November 2024		
16.2	<p>It was agreed that the Board Development Day would be postponed until the new Chair is in place. Alex stated that the new Chair is expected to start in December and added that the development day should ideally take place early in the New Year.</p> <p>Stuart questioned the process for selecting a new Chair. While he understood this remained an RSB appointment, he asked why no representative of UHI Moray had been asked to be involved in the selection process. Ralph added that if there was a desire to find the best fit for all parties, then surely that should include the involvement of UHI Moray. It was also questioned why there was no request (either from EO or the candidates) to meet with David as the UHI Moray Principal. The Chair noted that he had not been involved in the process and the Principal noted that he had been approached by one candidate to discuss the role.</p> <p>Members were asked to forward availability to the Clerk as well as anything they think should be on the agenda for the Development Day.</p>		
ACTION	New date to be agreed for the Board Development Day in the New Year.	Clerk/All BMs	
BM.24.07.17	Date of Next Meeting – 12 December 2024		
RESERVED ITEMS			

BM.24.07.18	Draft Reserved Minutes of Board Meeting held on:		
	(i) 5 September 2024		
18.1	This item is reserved, and the minute held in confidence.		
BM.24.07.19	Reserved Matters Arising from Board Meeting held on 5 September 2024		
19.1	This item is reserved, and the minute held in confidence.		
BM.24.07.20	Draft Reserved Minutes of Previous Committee Meetings:		
	(i) Audit Committee Meeting held on 3 October 2024		
20.1	This item is reserved, and the minute held in confidence.		
	(ii) Finance and General Purposes Committee Meeting held on 10 October 2024		
20.2	This item is reserved, and the minute held in confidence.		
	<i>Meeting closed at 16.35pm</i>		