

**BOARD OF MANAGEMENT**  
**Minutes of Meeting held on**  
**Thursday 5 September 2024 at 1.30pm**  
**in the Boardroom and via MS Teams**

**Present:**

Alex Paterson (Chair)	James Walls
Grenville Johnston	Ralph Luck
David Patterson	Clare Matysova
Caroline Webster	Sarah Marshall (HISA)
Stuart Cruickshank	

**In Attendance:**

Murray Easton (MS Teams – Joined at 3pm)	Carolyn Thomson
Derek Duncan	
Eleanor Melton (Clerk)	
Alex Hastings (Minutes)	

Item		Action	Date
<b>BM.24.06.01</b>	<b>(i) Resignations</b>		
1.1	The Clerk notified the Board that resignations were received from Jessie McLeman and Jamie Wilson.		
	<b>(ii) Appointments</b>		
1.2	Sarah Marshall was appointed as the Depute President for HISA Moray.		
<b>BM.24.06.02</b>	<b>Apologies for Absence</b>		
2.1	Apologies were received from Elizabeth Hudson, Dave McCallum and Rebecca Dewis.		
<b>BM.24.06.03</b>	<b>Any Additional Declarations of Interest including specific items on this Agenda</b>		
3.1	Stuart declared an interest in The HR Directors report regarding Job Evaluation and Regrading. It was agreed that Stuart and Alex Hastings would step out of the meeting so that a discussion could be held.		
<b>BM.24.06.04</b>	<b>Draft Minutes of Board Meeting held on 20 June 2024</b>		
4.1	The minutes of the meeting held on 20 June 2024 were accepted as a true and accurate record: Proposed: Grenville Johnston Seconded: Clare Matysova		
<b>BM.24.06.05</b>	<b>Matters Arising from Board Meeting held on 20 June 2024</b>		
	<b>(i) Update on 2022-23 Financial Statements Sign-off</b>		
5.1	Alex informed the Board that the 2022-23 financial accounts have been signed off. The patience and work contributed by SLT and Board members during this period was commended.		

	Alex stated that he had suggested to the UHI Principal and Vice Chancellor, Vicki Nairn, and the UHI Chair of Court to write to Audit Scotland regarding the difficulties across the year with Deloitte, and their completion of the financial statements.		
5.2	<u>BM.24.04.05</u> The Clerk advised that the addition of a Policy for Achieving Net Zero to the agenda for today's meeting has since been moved to October.		
5.3	<u>BM.24.02.06 - action carried forward 6.3.2</u> David advised that writing to the Executive Office with regards to concerns about MAATIC would be counterproductive given the work currently being carried out. The Board agreed to close this action.		
5.4	<u>Action carried forward - 8.4 Complete</u> - on LTQC Agenda for meeting on 21 November 2024.		
5.5	<u>BM.24.04.06 Complete</u>		
5.6	<u>BM.24.04.13 Complete</u> - Estates maintenance plan on FGP committee agenda - 10 October 2024.		
5.7	<u>BM.24.04.14 Complete</u> - Violence at Work proposals on FGP committee agenda on 10 October 2024.		
5.8	<u>BM.24.04.18 - 18.4.1 Complete</u>		
5.9	<u>18.4.2</u> The Clerk advised the Board that this action could not be completed due to UHI Court meetings already being arranged.		
<b>BM.24.06.06</b>	<b>Principal's Report</b>		
	<b>(i) KPI Dashboard</b>		
6.1	<p>David supported the paper provided. The Board discussed the near-final report attached. It was noted that the 2 red rated RAG items, HE Funded FTEs (which is awaiting the final UHI FTE statement) and EOY Forecast Underlying Position have improved from what was originally forecast.</p> <p>David highlighted that the FE Funded Credits status was positive, although the demand exceeds the funding available to the College. Modern Apprenticeships have grown positively as well; however, the same funding issues are in place.</p> <p>David emphasised that the dashboard shows a lot of good achievements which should be recognised, especially the student satisfaction survey. This was endorsed by the Board.</p> <p>The first dashboard for the new session will be presented to the Board at the meeting in October.</p>		
	<b>(ii) Update on Recovery Plan and VSS</b>		
6.2	David informed the Board that a second opportunity to apply for VSS has been launched, SLT will be working with Grenville to determine the applications that can be accepted. Carolyn's report will provide further information on this.		

	<b>(iii) BE Hub Update</b>		
6.3	<p>David informed the Board that the FBC for the BE Hub has been updated, along with the briefing for presentation to UHI Court. It has been submitted to Sheena Stewart, University Secretary.</p> <p>Further developments are expected within the next week. Alex added that he briefed UHI Court this week and is meeting the UHI Chair of Court to discuss the proposal. Alex advised the Board that he was supportive of the plan.</p> <p>Members discussed what/if any potential remains of the MAATIC project. James asked if the College has plans following the decision to withdraw from the project. David explained that nothing concrete had been planned as yet, although any project would still involve STEM type skills. James asked if other areas had been identified in the original plans. David illustrated that on top of aircraft engineering; digital operations and windfarm training had also been considered. David added that there is a challenge concerning MAATIC due to a decline in enrolments across the sector. This would require international students or employers funding the study due to there being no revenue funding.</p>		
	<b>(iv) Health and Safety Update</b>		
6.4	<p>The Health and Safety Committee held its first meeting of the new year on 22 August and will report to the next Staff Governance Committee. There had been no RIDDOR reportable incidents during the period since the last Board meeting. There have been no unplanned evacuations of the campus over the summer period.</p>		
<b>BM.24.06.07</b>	<b>Review of Year 2023-24</b>		
	<b>(i) Financial Report</b>		
7.1	<p>The paper provided was taken as read. No further comments were made.</p>		
	<b>(ii) Operational Plan</b>		
7.2	<p>David supported the paper provided. Alex highlighted that there has been a lot of positive progress.</p> <p>The Board discussed HE enrolments as a stand-out concern from the report. Alex noted that a decline in HE recruitment is affecting many universities, which is intensifying competition, with some offering incentives for potential applicants.</p> <p>It was noted that a number of potential students expressing interest in courses at UHI Moray are lost due to a “clunky” application process. Stuart reported that UHI built a new applicant portal which was soft launched this week. Stuart added that a lot of information is still required, therefore this issue has not yet been rectified.</p>		

	<p>Stuart explained that the vast majority of applications will be made through UCAS, rather than the UHI Moray website, therefore the issue cannot be fully linked to the downsides of the application portal. David highlighted that since Covid, other universities are lowering entry requirements to combat lower application rates. Alongside this, a gradual decline in applications due to the loss of international students is making the domestic market much more competitive. It was noted that low HE numbers would have a knock-on implication in terms of funding. James queried if the FRP will protect issues arising from lower HE numbers. David stated that the FRP is accepting of slightly fewer applicants than is targeted. Caroline stated that the current business model does not reflect the market demand, drawing attention to the growing demand for apprenticeships but the College is unable to oversubscribe in this area. Caroline suggested a review of this, David stated that this will be part of future discussions.</p> <p>The Board agreed that student recruitment will become a high priority to be focussed on, with a deep dive looking into applicant demographics to be arranged for the next meeting.</p> <p>Carolyn drew attention to the red RAG rated item on the paper regarding the new HR/Payroll System. The software provider for the original system was bought over and for over a year, Cintra has been used. Carolyn stated that there have been numerous issues with the integration, development and consultation of this system, adding that she has written a complaint to the provider, and we are currently no longer paying for the HR side of the platform. There was also a payroll error on the new system which resulted in staff being overpaid for one month, this money was recovered the following month. There is an agreement in place to get the full system in order by the end of the year, Carolyn added that a huge amount of work is going into this.</p>		
<b>ACTION</b>	In depth report to be created to see the profile of HE students applying and going elsewhere.	<b>DP</b>	
<b>BM.24.06.08</b>	<b>Plans for 2024-25</b>		
	<b>(i) Draft 2024-25 Budget</b>		
8.1	<p>Murray provided a brief summary in support of the paper and welcomed questions from the Board.</p> <p>Alex suggested that more information is required regarding the second wave of VSS applicants and HE enrolment situation. Murray explained that he is managing the budget report on a live basis, with a month-</p>		

	<p>by-month analysis on the cash flow position requiring submission to the SFC, so this information will be updated when possible. Alex added that it would be important to see the first cut of the 2025-26 budget, and to be aware of the impact salary increases and inflationary measures will have.</p> <p>Alex sought clarity on the Commercial Income of Appendix 1 being reported as almost double what was received last year. Murray confirmed that this was a formatting issue in the configuration of income lines and will review this.</p> <p>Alex confirmed that this is not a budget that can be approved by the Board until further information is provided regarding the impact from VSS2 and HE enrolments, for example. It was agreed that Murray would update the budget report and take this to the FGP Committee meeting on 10 October, copied to Board</p>		
<b>ACTION</b>	Murray to update 2024-25 budget report and present to the FGP Committee at the next meeting.	<b>ME</b>	<b>10-10-24</b>
<b>ACTION</b>	Draft 2025-26 budget to come to the next Board meeting.	<b>ME</b>	<b>31-10-24</b>
	<b>(ii) Operational Plan (RESERVED)</b>		
8.2	<p>David supported the paper provided, briefing members on the proposed areas of focus for 2024-25.</p> <p>David (and members of SLT) provided clarification and explanation where necessary throughout the discussion. It was agreed that SLT review and finalise the plan for presentation at the Board meeting in October.</p>		
<b>BM.24.06.09</b>	<b>Learning and Teaching</b>		
	<b>(i) Annual Engagement Visit Update</b>		
9.1	David summarised the report which had already been shared with the Board. David and the Board emphasised the positive findings of the report given the context of what staff have been experiencing over the past 12 months.		
	<b>(ii) EREP Process Update</b>		
9.2	David summarised the paper provided. A revised process is being finalised due to the disruption the College is experiencing through VSS departures. Dates are going in diaries for EREP panel meetings, David asked Board members to volunteer to attend at least one of these meetings.		
<b>ACTION</b>	Board Members to advise dates (if any) they can attend EREP panel meetings.	<b>ALL BMs</b>	
	<b>(iii) Student Outcomes 23/24</b>		
9.3	David's paper was taken as read and noted by the Board.		
	<b>(iv) Applications and Enrolments Update 24/25</b>		
9.4	Further to the discussions regarding HE recruitment, the Board noted in this update that FE enrolments are on target for 17,000 credits and HE enrolments are currently		

	sitting at 466 with more applications expected to come. A total of 530 was estimated, however, the Board noted that estimations cannot be certain.		
<b>BM.24.06.10</b>	<b>HR &amp; Organisational Development Directors Report</b>		
	<p><b>(i) Staffing FTE Update</b></p> <p><b>(ii) Recovery Plan and VSS Update</b></p>		
10.1	<p>Carolyn supported the paper provided. The FRP targeted an overall reduction of FTEs to 180FTE, the current estimate for September 2024 sits at 194 FTEs.</p> <p>Following the principal’s update in August, there was an additional interest in launching a second wave of VSS, which was also approved by the SFC. 7 applications were received, and 3.5 FTEs may be eligible for VSS subject to Board review being carried out by Grenville. Carolyn added that further information will be made available to Grenville in order to review these applications. Alex asked if it was too early to know the financial implication of the applications. Carolyn reported that these calculations have not been carried out yet.</p> <p>Carolyn emphasised the need to plan ahead and risk assess if the target FTE total is not achieved. Carolyn added that if compulsory redundancies were introduced, finding areas to further deplete would be a challenge. Stuart added that redundancy was already unavailable to a lot of support staff due to the related pension fund strain. Carolyn stated that staff morale is struggling as it is, and Trade Union disputes, votes of no confidence already experienced throughout the planning for a VSS scheme would be lenient compared to what compulsory redundancies would incur.</p> <p>Clare queried if there was a process in place to accommodate the job posts currently being advertised. Carolyn stated that each job posted has been ratified through a very robust process, using a formula to verify whether recruitment is required or not. Carolyn added that it would be difficult to have a recruitment freeze on teaching staff whilst attempting to offer the current curriculum.</p>		
	<b>(iii) Industrial Action – Sector Update</b>		
10.2	<p>Carolyn supported the paper provided. The pay award for support staff was agreed over the summer and payments were included in the July payroll. Teaching staff have agreed to the pay award, following the Minister’s commitment to fund the gap in year 4 (2025/26) between the employers’ offer of 3% and the settlement point for the EIS-FELA (4.14%) on an ongoing basis. Alex stated that whilst settling the industrial action is positive, the</p>		

	percentage committed by the Government will probably set expectations for support staff requests in the future.		
	<b>(iv) Job Evaluation and Regrading</b>		
10.3	This item is reserved, and the minute held in confidence		
<b>BM.24.06.11</b>	<b>Risk Register</b>		
11.1	<p>Murray supported the paper provided and raised for discussion the need for the UHI-wide risk management framework to be simplified, as discussed within the UHI finance network.</p> <p>Alex suggested that the current system does not enable the risk register to be used as a dynamic tool, adding that the Audit Committee will consider this further. It was noted that a full update on risk management will be presented in the October Committee meeting.</p>		
<b>BM.24.06.12</b>	<b>Estates Update</b>		
12.1	<p>Derek provided a brief summary of the paper. Ongoing survey work on the Speyside Wing following the discovery of RAAC within the roof has confirmed that in the event of inclement weather, the building will need to be closed where there is snow present or when high winds occur. The next step is to appoint a surveyor to carry out a full options analysis for Speyside Wing which will consider the costs of abandoning the building through to complete replacement of the roof.</p> <p>The Board discussed what the key estates project priorities are, in order to maintain a safe wind and watertight campus. Derek stated that from the list provided, asbestos removal, legionella reduction, flat deck roof replacements, various issues with Victoria Art and an upgrade of the Culbin Wing boiler as it is at the end of its life are the key priorities for the upcoming session. Caroline added that security upgrades need added to the priority list, due to imminent law changes and given how easy it is to access the building.</p> <p>Further information will be provided at the next meeting of FGP committee.</p>		
<b>BM.24.06.13</b>	<b>Policies Due for Review - Update</b>		
13.1	Derek supported the paper provided, which outlined a number of updates scheduled to be presented to upcoming Committee meetings. Due to the backlog of policies to be updated, SLT will either go to the appropriate Committee Chair or full Committee, depending on if there is a need for discussion, in order to gain approval.		

	The HR Policy Review Group has been disrupted due to Trade Union representatives refusing to attend meetings. A review of the timetable is currently being planned for the new session and a full report will be sent to the Staff Governance Committee.		
<b>BM.24.06.14</b>	<b>HISA Update</b>		
14.1	<p>The Board noted the updates provided in the HISA paper. Sarah is the new Moray Depute President and will be attending the Board Development Day, as well as receiving support from a Board Mentor throughout the session.</p> <p>Derek informed the Board that work is being planned for the Aye Pod to become a HISA Hub, comprising of a front facing engagement area.</p> <p>The Board stated that they are looking forward to further updates.</p>		
<b>BM.24.06.15</b>	<b>Other Matters</b>		
	<b>(i) Recruitment of Chair &amp; Independent Members Update - Verbal</b>		
15.1	Recruitment is currently ongoing via Aspen for a Chair, with the closing date being Monday 9 September. Caroline asked if we were aware of any applications being received. The Clerk clarified that UHI are running the recruitment process so is currently unaware of applications received. Aspen have been made aware that any applicants that are unsuccessful for the Chair position will be invited to apply for independent positions on the Board.		
	<b>(ii) Committee Membership</b>		
15.2	<p>The Committee Membership list was approved by the Board. Members were thanked for their agreement to participate in their respective Committees. Invites to meetings have now been circulated, following the agreement of Committee meeting dates.</p> <p>Carolyn notified the Board that Teaching Staff Member, Rebecca Dewis, will be leaving on 3 October. An advertisement for a new member will be published within the next few days. If there is more than one nomination received, a ballot will be organised. The Board thanked Rebecca for her contribution.</p>		
<b>ACTION</b>	Clerk to contact Rebecca to express the Boards gratitude and thank her for her contributions and support during her time on the Board.	<b>Clerk</b>	
	<b>(iii) Target Operating Model OBC - Verbal</b>		
15.3	Alex notified the Board that due to sustainability challenges across the partnership, work on developing a Target Operating Model is being taken forward. Work has		



	<p>been underway on this for a few months, with principals across the partnership involved in bi-weekly discussions. Nothing has been formally agreed as of yet, and EY have been providing support. The UHI Chair of Court and Principal and Vice Chancellor are meeting partner Boards individually to discuss options, with next Monday being UHI Moray's consultation date. In this consultation, there will be a brief outline of developments to date, with views of Board members invited, in order to discuss what is the right option and how will this be progressed. David added that it is important that Board members understand the options available and stated that this is an opportunity to feed back on the work that has been completed to date.</p>		
<b>ACTION</b>	Alex to check if SLT are required to attend meeting and communicate answer to David.	<b>AP</b>	<b>ASAP</b>
	<b>(iv) Graduation – 4 October 2024</b>		
<b>15.4 ACTION</b>	Board members were reminded to contact Stuart regarding Graduation arrangements.	<b>ALL BM</b>	<b>ASAP</b>
	<b>(v) Board Development Day – 7 November 2024</b>		
15.5	Agenda items have been suggested recently, such as Elizabeth's query regarding income generation. Board Members are asked to propose ideas to the Clerk in order to create an agenda, summarising key priorities.		
<b>BM.24.06.16</b>	<b>Date of Next Meeting – 31 October 2024</b>		
<b>RESERVED ITEMS</b>			
<b>BM.24.06.17</b>	<b>Draft Reserved Minutes of Board Meeting held on 20 June 2024</b>		
17.1	This item is reserved, and the minute held in confidence.		
<b>BM.24.06.18</b>	<b>Reserved Matters Arising of Board Meeting held on 20 June 2024</b>		
18.1	This item is reserved, and the minute held in confidence.		
	<i>Meeting closed at 16.35pm</i>		