



**BOARD OF MANAGEMENT
Minutes of Meeting held on
Thursday 21 March 2024**

At 1330 hours in the Boardroom and on MS Teams

Present:

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| David Patterson | Stuart Cruickshank |
| Jessie McLeman | Caroline Webster (via MS Teams) |
| Grenville Johnston (left at 14:30) | Rebecca Dewis (via MS Teams) |
| Elizabeth Hudson | Aimee Cuthbert (HISA – via MS Teams) |
| Jamie Wilson | Charlotte Usher (HISA – via MS Teams) |

In Attendance

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| Carolyn Thomson | Derek Duncan |
| Eleanor Melton (Clerk) | Murray Easton |
| Alex Hastings (Minutes) | Shelly McInnes (Joined at 15:10) |

| Item | | Action | Date |
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| BM.24.02.01 | (i) Resignations | | |
| 1.1 | There have been no new resignations. | | |
| | (ii) Appointments | | |
| 1.2 | It was noted that Grenville Johnston has now officially been appointed as a Board Member. | | |
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| BM.24.02.02 | Apologies for Absence | | |
| 2.1 | Apologies for absence were received from Dave McCallum and Amy Wiggins. | | |
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| BM.24.02.03 | Any Additional Declarations of Interest including specific items on this Agenda | | |
| | There were no additional declarations of interest received. | | |
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| BM.24.02.04 | Draft Minutes of Previous Board of Management meetings held on: | | |
| | (i) 14 December 2023 | | |
| | Jessie sought clarification on the action arising from BM.23.06.09, asking who would be responsible for the action, also noting that there should be monitoring tools in respect of the Recovery Plan, not just admissions. David clarified that the incoming Interim Academic Director would be responsible for this. | | |
| | The minutes of the Board Meeting held on 14 December 2023 were accepted as a true and accurate record. Proposed: Jessie McLeman Seconded: Liz Hudson | | |
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| BM.24.02.05 | Matters Arising from Previous Board of Management meetings held on: | | |
| | (i) 14 December 2023 | | |
| 5.1 | <p>BM.23.06.04 - Kenny McAlpine's name to be moved from 'Present' to 'In Attendance' – Complete</p> <p>Item BM.23.05.08 – Jessie alerted Clerk that this item has not been added to today's Agenda. The carried forward actions will be added to the next meeting's Agenda – Ongoing</p> | | |
| 5.2 | <p>BM.23.06.06 - Clerk to circulate final recovery plan to all Board Members – Complete</p> <p>Clerk to send invites out for additional meetings of remuneration and Board – Complete</p> | | |
| 5.3 | <p>BM.23.06.07 - Derek to write summary of UHI's Net Zero policy to submit to the Board – Ongoing</p> <p>Derek has written an early draft, but this is not ready to be distributed yet. It was agreed that this would be added to the next meeting's agenda and would also be considered by the Committees.</p> | | |
| ACTION | Clerk to add Net-Zero policy to next Board and Committee agendas. | | |
| 5.4 | <p>BM.23.06.09 - LTQ Committee to investigate what could be monitored and reported from analytical tools regarding enrolments – Ongoing</p> <p>Clerk to send out meeting invites for Joint meeting of F&GP and Audit Committees to confirm Deloitte's attendance following the submission of papers on 25 January 2024 – Complete</p> | | |
| 5.5 | BM.23.06.13 - Clerk to include policies and procedures in induction pack – Complete | | |
| 5.6 | BM.23.06.15 - Reserved minutes to be reviewed and circulated for approval – Complete | | |
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| BM.24.02.06 | Principal's Report | | |
| | (i) KPI Dashboard | | |
| 6.1 | <p>David supported the KPI report, highlighting that a large number of the KPI's are green at present. It was noted that the HE Full-time Retention is predicted to become amber.</p> <p>Stuart queried the FE Overall Student Satisfaction KPI, asking if an early year figure should be separate, given the fact that the student satisfaction survey has not yet been completed. David stated that he suspects that the percentage will not be as high as recorded in the current KPI Dashboard when the results of the survey are published, however, this should not change how early year figures are recorded.</p> | | |

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| | The report was noted by the Board with no further questions asked. | | |
| | (ii) Operational Plan | | |
| 6.2 | The Board noted the actions taken to date as reported in the table provided by David. It was noted that some items remain a work in progress and that for the Board Meeting in June, there will be an interim year-end plan document. The document provided was accepted as read. | | |
| | (iii) Moray Growth Deal - MAATIC | | |
| 6.3 | <p>David provided an update following the announcement that the UHI Court advised the College that they had reversed their decision to support the project and that it was now being halted. The reasons for this reversal were because there was a doubt that there would be sufficient SFC funding for the projected number of students enrolling and that UHI is stating that it does not have sufficient funding to commit as they consider the risks to be too high to fully support the project. UHI state that they will not lead or underpin this project but are happy to support other universities undertaking it.</p> <p>Grenville highlighted the reputational damage this decision will inflict on the College, as it was a UHI project, but Moray College will likely be subjected to the same level of scrutiny. Grenville informed the Board that having spoken to connections at the Council, this project has been of such importance, detailing that they were desperate for us to keep talking to Boeing.</p> <p>David stated that he has met with officials from Moray Council and the Government involved in this project and has asked if the funding could be used alternatively, which is being looked at. David disclosed that this would not have the same positive impact as MAATIC, if there was funding available, but it is no longer within our control due to UHI pulling out.</p> <p>Caroline asked if there is a chance to change the scope and partnership deal, stating that a reduced scope should have been investigated by UHI prior to pulling out. Jamie stated that UHI have been challenged several times and are unwilling to budge. Caroline suggested that setting up a working group would be the best way forward.</p> <p>It was agreed that David would write to the Deputy Chief Executive at UHI detailing the Board’s concerns and potential for directional changes. Murray queried if any communications have been directed to the Executive Office informing them of the Board’s plans to which Jamie stated</p> | | |

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| | that concerns have been expressed but there have been no formal communications and is happy to do so. | | |
| ACTION | David to write to Deputy Chief Executive detailing the Board's concerns and potential for directional changes. | DP | |
| ACTION | Jamie to write formal notice to the Executive Office informing them of Board concerns and plans. | JW | |
| | (iv) Moray Growth Deal – BeHub | | |
| 6.4 | <p>David updated the Board stating that the process for answering the Scottish Government's rounds of questions had been completed, barring two questions regarding the Financial Case. The MGD Programme Board is now considering a delay to allow the College to seek alternative funding following a meeting with the Trust that had pledged £2m of philanthropic funding over a 10-year period who told David they were now unable to commit to this now, or for the foreseeable future. Alternative progression routes were discussed to gain funding, David informed the Board that there were other potential philanthropic donators looking at either initial or partial funding. David stated that it would be reasonable to expect funding to be pledged by UHI to the BE Hub project, and it was queried if some of the funding going towards MAATIC could be redistributed to this. This was noted as a consideration.</p> <p>Grenville notified David that he could compile a list of Trusts to approach for funding to fill the gap left. This was noted as an action and Murray asked Grenville if he has picked up any opinions on this project, to which Grenville stated that there is a large amount of interest in it.</p> <p>The planning for the capital build on South Street is going ahead, with a target date set for the end of May. David stated that Robertson Group are undertaking the design work at risk as the College is not contractually obligated to pay for this until resources to fund the project are clear. Caroline warned David of legal prolongation claims the College could be susceptible to, David explained that we are currently protected from this due to the stage of the fixed term contract and reiterated the reluctance to commit to the further stages without confirmation of resources.</p> <p>Several propositions were raised by Board Members, such as querying whether Moray Council have looked at renting out some of the space in the BeHub. David explained that he did not think this would financially benefit the project sufficiently. Liz queried if it would be possible to commence a form of the BeHub online which would generate money via conferences and online training for example, which would in turn build the profile of the BeHub. David explained that funds were previously accessible for company training through the Flexible Workforce</p> | | |

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| | <p>Development Fund, so this could be further developed for the BeHub.</p> <p>It was agreed that David would consider and explore the options discussed by the Board and would report back at the next meeting.</p> | | |
| ACTION | Grenville to compile list of potential Trusts for David to approach for funding opportunities. | GJ/DP | |
| ACTION | David to explore options discussed by the Board and report back. | DP | |
| | (v) External Audit of Year-end Accounts | | |
| 6.5 | <p>David updated the Board on the current situation with Deloitte's publishing of the College financial accounts. Deloitte have failed to move forward with the publication since October and have continued to delay this. The delay is due to the relevant information not being available to complete a pension funding audit and now there is no way forward without this being completed. David stated that if they had signed off the accounts in December as planned, the audit of pension funding would have made no impact and would be included in the following year's audit. David echoed the frustrations of the Board Members, stating that any reports completed for the MGD are now outdated and incorrect.</p> <p>Caroline suggested putting a formal complaint in against Deloitte which would go through a complaints procedure and must be actioned. Jamie stated he does not think this will make a difference in terms of expediting the delay. Jessie proposed writing a formal complaint to Audit Scotland, who Deloitte are contracted to. Derek advised that a single point of contact via the Vice Chancellor of UHI would be the preferred route and the Board agreed that Jessie could inform Audit Scotland of the Board's concerns regarding this delay.</p> <p>David notified the Board that the OSCAR reports are due in April. It was agreed that David would write to the responsible person to notify them of the potential delay of Deloitte's accounts.</p> <p>Board Members discussed the potential processes that would require adoption should the accounts be published prior to the next Board Meeting with regards to approving the accounts. Murray advised that we could either hold a formal court to review the accounts or have independent responses from Board Members. It was agreed that a call would be set up for members to approve the financial accounts whenever they are published by Deloitte. Failing availability from all Board Members, Jamie advised he would be happy for either Jessie or David to approve.</p> | | |

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| ACTION | Jessie to write to Audit Scotland to advise them of the Board's concerns arising from further delays on Deloitte's side. David to advise who Jessie is to direct concerns to. | JM/DP | |
| ACTION | David to write to person responsible for OSCAR report of potential delays of accounts. | DP | |
| | (vi) Health and Safety Update | | |
| 6.6 | There was no update provided at this meeting. | | |
| | (vii) SLT Vacancies | | |
| 6.7 | David introduced Murray as the Interim Director of Finance and notified the Board that an announcement of an Interim Academic Director was imminent. | | |
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| BM.24.02.07 | Learning and Teaching | | |
| | (i) Applications for 2024/25 | | |
| 7.1 | A brief update was provided re. application numbers for next academic session. | | |
| | (ii) EREP Update | | |
| 7.2 | Rosemary McCormack was unavailable for this meeting therefore unable to support the paper provided and answer any queries from the Board. It was agreed that questions were to be sent to the Clerk who would forward on to Rosemary and respond as appropriate. The Board noted the large amount of work gone into the paper and thanked all involved. | | |
| ACTION | Clerk to facilitate questions and feedback posed by Board Members, with any questions to be submitted by 12pm next Thursday. | EM | |
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| BM.24.02.08 | Financial Recovery Plan | | |
| | (i) Documentation and Responses | | |
| 8.1 | Carolyn notified the Board that Annex B, along with the minutes of the Remuneration Committee and Board Meeting from 8 February 2024 have been submitted to the SFC. The Board noted Carolyn's update that there has been no response from the SFC regarding the documentation sent out or the Financial Recovery Plan. Carolyn has chased up the SFC and RSB requesting a timely response and notified the Board that they are going through the process however it is very challenging. Jessie asked what the plan is if the SFC do not respond in a timely manner, drawing attention to the approaching target date for actions to be triggered at the end of July. Carolyn stated that this question has been posed to the SFC and RSB detailing that planned savings will not be achieved without their response. David supported this stating that there is no answer to what the College does without funding and that the responsibility will lie on the SFC and the MSP for Higher and Further Education to navigate a way forward. | | |
| | (ii) Trade Unions Disputes | | |

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| 8.2 | <p>Carolyn informed the Board of the current situation with the Trade Unions. The dispute had been raised due to the fact documentation regarding the Financial Recovery Plan had been distributed to staff representatives without the consent of the Trade Unions and Trade Unions will now not partake in meetings including staff representatives. The Trade Unions also confirmed that they would not be in attendance for the JCC meeting organised in March for consultation on the Financial Recovery Plan and the curriculum plan. Disputes from both Unions have been responded to and we are now in the formal process.</p> <p>Liz queried if there is a way that tensions can be cooled with the Trade Unions if they are not engaging. David stated that he will be writing to the JNC of the plan ahead but does not think this will remedy the ongoing dispute. David also explained that there are some difficulties in cooperating with the national union representatives as they are not fully knowledgeable of the College's operations. For example, they had requested that any mention of a voluntary severance scheme would be noted as a last resort when these measures had already been made. Rebecca highlighted that staff are becoming increasingly worried and the further feedback gathered from the Unions is trivial. Rebecca queried investigating other colleges practices surrounding voluntary severance discussions, noting that they were able to get around the table with Trade Union Representatives and fully consult and negotiate.</p> <p>Jessie queried what our current position is with respect to the vote of no confidence in the SLT. Jamie stated that he has responded to the original notification from the Unions, to which the Unions have come back with a lengthy response that will need to be reviewed.</p> <p>Charlotte highlighted the uncertainty surrounding strike action for students. David clarified that there are new actions being taken for any staff members taking part in Action Short of Strike and not providing results from examinations so that the disruption previously experienced is not repeated.</p> | | |
| | (iii) Consultation and Feedback | | |
| 8.3 | <p>Carolyn notified the Board that there were several alternative proposals received from departments at risk. The deadline for alternative proposals was noted as 24 March. Carolyn highlighted the Communication Plan paper provided which was noted by the Board for confirmation of consultation arrangements. The Board noted the efforts made for clear consultation of plans and welcoming of alternative propositions to voluntary severance such as the</p> | | |

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| | <p>email account created to respond to queries from staff regarding the Financial Recovery Plan.</p> <p>Carolyn outlined the difficulty in cooperating with the Trade Unions who have been unwilling to take part in consultations due to the ongoing dispute.</p> | | |
| | (iv) Communications Plan and Activities | | |
| 8.4 | <p>Carolyn supported the paper detailing the risks and mitigations identified as requiring communications planning. Board Members discussed the potential risks the College will encounter without a clear communications plan.</p> <p>Charlotte raised an issue with the paper, detailing that risks involving students did not seem to be considered. David stated that it was a priority to inform students that there would be no impact on their studies this year and that there is a process in place in the event of partner colleges being unable to complete degree programmes as they are owned by UHI. Stuart supported Charlotte’s point highlighting the uncertainty experienced by students and stating that communications are mainly coming from their lecturers rather than the Board. It was noted that the Learning, Teaching and Quality Committee would add communications to students to their next agenda, focusing on keeping students updated and finalising the curriculum.</p> <p>The Board noted the large difficulties in communicating the future planning with such uncertainty and no response from the SFC regarding funding to support the Financial Recovery Plan.</p> | | |
| ACTION | Clerk to add student communications plan to LTQC Agenda for next meeting. | EM | |
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| BM.24.02.09 | Financial Position | | |
| | (i) Management Accounts to 31 January 2024 | | |
| | (ii) Estimated Full-year out-turn at 31 January 2024 | | |
| 9.1 | <p>Shelly notified the Board that the paper provided today was unaltered from what had been prepared for the Finance and General Purposes Committee meeting on 7 March which was cancelled due to lack of quoracy. The paper was assumed as read and Shelly welcomed any questions from Board Members.</p> <p>Stuart queried the Commercial Income being marked as ‘green’ on the KPI Dashboard; however, the figures have not been published yet. Shelly stated that we are in a comfortable position to achieve the set target as it runs by the financial calendar.</p> | | |

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| | The paper provided by Shelly was approved by the Board for submission to the SFC. | | |
| | (iii) Risk Register | | |
| 9.2 | Shelly notified the Board of the updated Risk Register, detailing that there are now six live 'red' issues and a raised risk across the whole of the register. The Board noted this update. | | |
| | (iv) Bank Signatory | | |
| 9.3 | Shelly informed the Board that approval is required to remove Kenny McAlpine as an official signatory. The Board approved the removal of Kenny McAlpine as a signatory. It was queried whether Murray would be added as a signatory ahead of Shelly's departure. David explained that this would depend on how long Murray would be employed by the College as an Interim Director of Finance. | | |
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| BM.24.02.10 | Estates Update (RESERVED) | | |
| 10.1 | This item is reserved, and the minute held in confidence. | | |
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| BM.24.02.11 | Policies Due for Review | | |
| | (i) Business Continuity Plan | | |
| 11.1 | Derek supported the paper, explaining that approval from the Board is being sought. There have been minor technical documentation changes, the plan developed by UHI has been tested a number of times. The Board confirmed their approval of this plan. | | |
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| BM.24.02.12 | Draft Minutes of Committee Meetings | | |
| | (i) Audit Committee Meeting with members of Finance and General Purposes held on 1 February 2024 | | |
| 12.1 | Jessie supported the minutes provided, explaining that members of FGP were present for a short period of time due to the absence of the accounts for signing. | | |
| | (ii) Audit Committee Meeting held on 1 February 2024 | | |
| 12.2 | Jessie supported the minutes provided. | | |
| | (iii) Finance and General Purposes Committee meeting held on 7 March 2024 | | |
| 12.3 | Unfortunately, this meeting was cancelled due to a lack of quoracy. | | |
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| BM.24.02.13 | Governance | | |
| | (i) Board Recruitment | | |
| 13.1 | The Clerk notified the Board that three applicants are currently awaiting interviews. The Chair of the Board is unavailable to attend interviews, along with the SIM and in the absence of a Vice-Chair, Jessie has been asked to facilitate. | | |

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| | It was confirmed that recruitment for a permanent Chair was ongoing. | | |
| | (ii) Board and Committee Effectiveness Review | | |
| 13.2 | The Clerk stated that due to the low number of responses on certain committees, the analysis cannot be properly carried out. However, members noted that this highlights the need for a permanent Chair of the Board. Jessie raised the issue that no one-to-ones had been conducted with Board Members which is a non-compliance to the Code of Good Governance. It was agreed that the Clerk would look at alternative ways to conduct something like this in order to demonstrate proactivity. | | |
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| BM.24.02.14 | HISA Update | | |
| 14.1 | Due to connectivity issues with Aimee, it was agreed that any feedback to the paper provided was to be communicated through the Clerk. | | |
| ACTION | Clerk to facilitate feedback and questions from Board to HISA | EM | |
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| BM.24.02.15 | Emerging Issues/Any Other Business | | |
| | (i) Employee Relations | | |
| 15.1 | The Board agreed that this had been discussed within item BM.24.08.02. | | |
| | (ii) UHI Integration Work | | |
| 15.2 | The Board discussed the purpose and operations of the Executive Office following the announcement that UHI Court has requested the submission of an Outline Business Case to it by the end of May to enable a funding request and approval be given for a move to an integrated operating model for the university. | | |
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| RESERVED ITEMS | | | |
| BM.24.02.16 | Draft Reserved Minutes of Previous Board of Management meetings held on: | | |
| | (i) 14 December 2023 | | |
| 16.1 | This item is reserved, and the minute held in confidence. | | |
| | (ii) 8 February 2024 | | |
| 16.2 | This item is reserved, and the minute held in confidence. | | |
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| BM.24.02.17 | Reserved Matters Arising of Previous Board of Management meetings held on: | | |
| | (i) 14 December 2023 | | |
| 17.1 | This item is reserved, and the minute held in confidence. | | |
| | (ii) 8 February 2024 | | |
| 17.2 | This item is reserved, and the minute held in confidence. | | |
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| BM.24.02.18 | Draft Reserved Minutes of Committee Meetings | | |
| | (i) Audit Committee Meeting with members of Finance and General Purposes held on 1 February 2024 | | |
| 18.1 | This item is reserved, and the minute held in confidence. | | |
| | (ii) Audit Committee Meeting held on 1 February 2024 | | |
| 18.2 | This item is reserved, and the minute held in confidence. | | |
| | (iii) Remuneration Committee Meeting held on 8 February 2024 | | |
| 18.3 | This item is reserved, and the minute held in confidence. | | |
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| BM.24.02.19 | External Audit Report from Deloitte for AY 2022-23 | | |
| 19.1 | This item is reserved, and the minute held in confidence. | | |
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| BM.24.02.20 | Draft Annual Financial Statements and Report AY 2022- 23 | | |
| 20.1 | This item is reserved, and the minute held in confidence. | | |
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| BM.24.02.21 | Draft Annual Report to the Board from the Audit Committee | | |
| 21.1 | This item is reserved, and the minute held in confidence. | | |
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| | <i>Meeting closed at 17.00</i> | | |