

**MINUTES OF THE MEETING OF THE BOARD OF MANAGEMENT**

**held on Wednesday 8<sup>th</sup> November 2023 at 4.15 pm at the Burghfield Campus, Dornoch and over Teams**

<b>Present</b>	Derek Lewis, Board Chair Lydia Rohmer, Principal Designate Alex MacDonald, Independent Member Carl Haberl, Support Staff Member Chris Alliston, independent member (items 1 to 9 only) Diana MacLeod, Teaching Staff Member Douglas MacDiarmid, Independent Member Ian MacEachern, Independent Member Michael Foxley, Independent Member Neil Hope, Independent Member Rupert Marshall, Independent Member Sarah Fraser, Independent Member Shona MacDougall, Independent Member Sophie-Ann Bain, North Highland HISA Depute (items 1 to 7 only)
<b>In attendance</b>	Anne Frater, EIS-FELA Union observer Debbie Miller, Vice Principal (Operations) and Senior Responsible Officer, North Highland Derek Bond, Director of Finance Fiona Grant, Senior Responsible Officer, West Highland Fiona Sinclair, Board Secretary and Governance Professional Andrew Millar, Assistant Director, Scottish Funding Council Giles Huby, Programme Director UHI Hannah Ritchie-Muir, Vice Principal Academic, and Senior Responsible Officer, Outer Hebrides Helen Aird, Marketing and Communications Lead Sheena Stewart, University Secretary, UHI

**Meeting minutes**

**1. Welcome and apologies for absence**

The Chair welcomed members and observers to the meeting, particularly extending a special welcome to two new Board members Dr Rupert Marshall and Alex MacDonald.

Apologies for absence were intimated on behalf of Board members, Judith Crow, Independent Member; Shannon MacCallum, West Highland HISA Depute; Struan Mackie, a recently appointed, independent member of the Board; and from the following observers, Vicki Nairn, UHI Principal; Keith Coyne, Assistant Director (Engagement) SFC; and Cassandra Greenford, the Unison observer. The Board noted that Sheena Stewart, the University Secretary was present in place of Vicki Nairn, and that Andrew Millar was present in place of Keith Coyne.

**2. Declaration of Interests**

Members were invited to declare an interest, either financial or non-financial in any item on the Agenda. In the interests of transparency, members were also invited to declare any connections. There were no declarations.

### **3. Starring**

Members were invited to request “starring” (marking with a star \*) any “un-starred” item on the Agenda which the member wished to be discussed. Members agreed that all agenda items not marked with a star would be approved or noted in terms of the recommendation(s) set out in the report without discussion.

Items 6, 8, and 9 had already been starred. Items 7 and 13 were starred at the request of members. Accordingly, it was agreed that as set out on the agenda, the recommendations in relation to the other items of business were approved without discussion.

### **4. Minutes of Previous Meetings of the Board of Management**

The minutes of (a) the meeting of the Board of Management (report number BM1123/04) held on 13<sup>th</sup> September 2023, and (b) the Extraordinary Meeting of the Board of Management held on 23<sup>rd</sup> October 2023 (report number BM112304.1) had been circulated for approval.

The Board approved the draft minutes.

#### **4.1 Homologation of decisions made using written procedure**

The Board agreed to homologate the decisions made by written procedure in terms of Standing Order 10.1 as follows:

1. Removal of Asbestos from Ormlie Road Campus, Thurso, as outlined in the report circulated with the Agenda
2. Appointment of new members to the Board: Duncan Alexander (Alex) Macdonald; Struan Mackie and Dr Rupert Marshall.

### **5. Actions arising from the Minutes**

The Board noted the progress on the outstanding actions as per the action sheet attached to the minutes.

### **6. \* CONFIDENTIAL Report by Director of Finance**

There had been circulated report BM1123/6 by the Director of Finance presenting in detail the consolidated budget for 2023/24 with comparison against draft accounts for 2022/23 for the three merging partner colleges. The report included a review of the revised financial position and required cost savings, including the staff reductions required through the Voluntary Severance Scheme. A draft version of the report had been circulated to the members of the Finance and General Purposes Committee on Tuesday 31<sup>st</sup> October, and the final version of the report had been circulated to the Finance and General Purposes Committee on 1<sup>st</sup> November 2023. The final version of the report had taken into account members’ questions and the Director’s answers and clarifications, and had been subject to Committee scrutiny.

There had also been circulated the submission made to UHI as Regional Strategic Body on 3<sup>rd</sup> November as part of the RSB’s ongoing monitoring of the financial sustainability of the College. A draft version of this report had been scrutinised by the Finance and General Purposes Committee on 1<sup>st</sup> November, and the final version and covering letter before the Board had been approved by the Committee on 3<sup>rd</sup> November, and took into account comments made and clarifications required by the Committee. The Board was invited to retrospectively approve the submission and covering letter sent to UHI as RSB.

The Principal stated by way of introduction that she was very pleased that the milestone of consolidating the three separate college budgets into a coherent form had been reached, and emphasised the importance of achieving financial sustainability going forward.

The Director of Finance presented the reports. The difficulty of harmonising the numerous cost centres from the three colleges and the requirement for continuous monitoring were highlighted. It was noted that adjustments had been made to the projections to take account of the fact that the Voluntary Severance Scheme had been delayed and would be launched the day after the meeting. Even if there were to be a significant uptake from staff, the desired savings may not be achieved due to the timing of the scheme. The Finance Chair advised that the figures would be subject to scrutiny at the next meeting of the Finance and General Purposes Committee.

It was also noted that exact numbers for FE recruitment for the current year could not be provided at this stage as FE recruitment can continue in the second semester, and the position can improve throughout the year. The Principal explained the complexity of the UHI model, with NWH delivering courses for other colleges and full processing of who delivers which courses being reconciled through UHI. There is a risk of not meeting targets but the retention point of 25 per cent of a course being completed had now been passed for the current year.

Michael Foxley suggested care must be taken to ensure that all funding, for example in relation to rurality, would still be received and accurately recorded as there was a danger of funding falling through the cracks, and not being missed when the budget consolidation took place. He suggested that checks require to be made that NWH receives all the funding that the three merging partners received in their final years of operation.

The Director explained the assumptions he had made and the risks while the Principal advised that plans would require to be made for the worst case scenarios so that the College was keeping the RSB and SFC fully informed. The Director advised that while a rigorous process in place for approving recruitment of new staff there is no vacancy freeze, and no embargo on stationery or expenditure otherwise.

The Board noted the Director's reports, and

1. Approved the financial reports at item 6.
2. retrospectively approved the covering letter and submission made to UHI as Regional Strategic Body on 3<sup>rd</sup> November as part of the RSB's ongoing monitoring of the financial sustainability of the College as shown at agenda item 6.1;
3. noted the reports on the Outer Hebrides accounts and the West Highland accounts at agenda item 6.3 and 6.2, noting that audited accounts would in due course come before the Board;
4. approved the Cashflow report at item 6.4 but, due to the report having been circulated so close to the meeting, the approval was subject to Board members each having the right and opportunity to raise questions or concerns about the report to the Director of Finance and Board Chair by email on or before 13<sup>th</sup> November.

**Action – Director of Finance and Board Chair to advise the Governance Professional in relation to item 6.4 whether any concerns have been raised by Board members.**

## **7. \* Report from Principal**

There had been circulated report BM1123/07 by the Principal reporting on the first three months of operation of the new college. The Board had been invited to ask questions on the report and to note its contents.

By way of introduction, the principal explained that the Executive Leadership Team had been working well together, and that the College is moving forward in a positive way on a huge transformational task. The organisational redesign placed a big demand on staff to work in a matrix management structure while staff are also investing effort in income generation. During the initial three-month period there

had been some strikes. Locally, relations with the trade unions were regarded as good. The formal college launch and media engagement had been very successful with the Principal remarking that it had been phenomenal for the merger to be mentioned on the national BBC news. While nationally, the College had made a significant impression, the College must constantly work to demonstrate what it could do and what it could stand for. It must keep at the forefront of its mind the benefits that it should deliver for students, and it must continue to deliver the outputs in the Merger Business Case.

During discussion, the Principal advised that there are opportunities for the College to influence change in the sector and the college reform programme. The shortage of funds across the sector is a major problem, and the Government Minister had indicated that the Government is open to suggestions for change and would support UHI to continue to exist. However, any suggestions for change would require to be inclusive and unanimously agreed by all UHI Partners. The Principal suggested that UHI needed to develop a more aligned operating model.

In relation to capacity, the Principal advised that UHI NWH still received support from UHI in the form of support from the Director of Transformation's team, and HR support on Organisational Redesign.

In relation to concerns that Sabhal Mohr, the Gaelic College may break away from the UHI partnership, the Principal advised that the UHI Gaelic Plan, this did not appear to be the case. It was noted that there were aspirations for a Gaelic University in Scotland in time, and that there were likely to be additional funding opportunities following the Gaelic and Scots Language Bill which was currently going through the Scottish Parliament. The Principal explained that UHI NWH had its own Gaelic Language Plan and Gaelic Strategy on which there had been consultation, and that UHI NWH would not be operating in consultation with Sabhal Mohr. Rather UHI NWH would work with Sabhal Mohr.

Concern was expressed about staff morale and the requirement to look after staff and take account of the impact of changing systems and workloads on staff. There was also concern due to the uncertainty arising from the ongoing Curriculum Review. The Principal explained that staff meetings, managers' briefings and the FAQ system endeavoured to address these concerns.

Rupert Marshall asked about the impact on students, and the Principal responded by explaining the HISA Depute system, the methods of information sharing, the student ambassador scheme, and that students had been active in merger discussions.

In relation to the curriculum review, the Vice Principal Academic explained that the feedback had been very positive.

Subject to the foregoing, the Board noted the Principal's report.

#### **8. \* Merger Implementation and Integration**

There had been circulated report BM1123/08 by the UHI Programme Director providing a high-level summary of the Integration programme scope and its major projects: Organisation Design, Curriculum Review, Integrated Operational Delivery and Benefits Management. The Programme Director presented the report and invited the Board to note the programme's updated approach.

Neil Hope commented that he welcomed the report but would have preferred to have seen a report of this nature immediately upon merger on 1<sup>st</sup> August. He invited the Programme Director to attend the next meeting of the Audit and Risk Management Committee so that the critical milestones could be identified.

Subject to the foregoing, the Board noted the report.

**Action – Governance Professional to invite the Programme Director to the next meeting of the Audit and Risk Management Committee**

## **9. \* Organisation Design Project**

There had been circulated report BM1123/09 by the Programme Director updating the Board on the latest project plans to deliver the College's new Organisation Design project, including design principles, involvement of Operational Delivery Groups, consultation with staff, unions and stakeholders, risks and opportunities, and recommendations on delegation of decision-making authority.

The Board agreed to approve the delegated authority framework proposed in section 5 of the report, and agreed that the Board Chair and Committee Chairs would agree which committee would be the lead Board committee to act as the focal point for organisational development and decision-making.

**Action – Board Chairs and Committee Chairs to agree the lead committee for organisational development and decision-making and report back to the Programme Director**

## **10. STRICTLY CONFIDENTIAL – Remuneration Committee Recommendation to the Board**

There had been circulated to members only, the minutes of the meeting of the Remuneration Committee held on 1<sup>st</sup> November 2023, and the agenda for that meeting with Confidential Report, RemCom1123/04, which included draft Business Case, draft Settlement Agreement and a note of legal advice.

The Board noted that the Remuneration Committee had carried out robust scrutiny of the proposed settlement agreement and business case, and had agreed to recommend to the Board of Management that the Board approve the draft settlement agreement and business case, duly amended as agreed at the Committee meeting, and that the Board grant authority to the Principal to forward the documents to the RSB and SFC for final approval.

The Board so AGREED.

## **11. Finance and General Purposes Committee Report**

The Board noted that the draft minutes of the meetings of the Finance and General purposes Committee which took place on 1<sup>st</sup> and 3<sup>rd</sup> November 2023 had not yet been circulated.

## **12. Human Resources Committee Report**

The Board noted that the Human Resources Committee did not meet formally on 4<sup>th</sup> October as had been scheduled.

## **13. Audit and Risk Management Committee Report**

The Board noted the draft minutes of the meetings of the Audit and Risk Management Committee which took place on 1<sup>st</sup> November 2023. Michael Foxley commented that he would wish to be updated on any progress towards a Programme Board being formed.

## **14. Learning, Teaching and Research Committee Reports**

The Board noted the minutes of the meetings of the Learning, Teaching and Research Committee which took place on 6<sup>th</sup> September, and the draft minutes of the meeting held on 25<sup>th</sup> October 2023.

## **15. Approval of Local Advisory Committee Members**

The Board approved report BM1123/15 which provided the Board with a note of the applicants for places on each of the Local Advisory Committees. The Board approved the appointments noting that the meetings of the LACs would take place on 8<sup>th</sup>, 15<sup>th</sup> and 16<sup>th</sup> November.

There being no further business the Chair closed the meeting at 6.40 pm.

Chair