

Board of Management

Minutes

Meeting reference: Board 2022-23/02

Date and time: Thursday 22 December 2022 at 5.00pm

Location: Boardroom (Braham Room 019)

Members present: Graham Watson, Interim Chair of Board
Andrew Comrie, Chair, Strategic Development Committee
Jim Crooks, Chair, Audit Committee (until Item 10.2)
Katrina Hodgson, Chair, Finance & Resources Committee
Michael Buchanan, Board Member
Heather Cormack (from Item 7.2)
Jenny Hamilton, Board Member
Fiona Martin, Board Member
Derek Waugh, Board Member
Margaret Cook, Principal & Chief Executive
John Dare, Staff Board Member
Patrick O'Donnell, Staff Board member
Liam Fowley, Student Board Member

In attendance: Alastair MacColl, Chair UHI Court (Observing - until Item 12)
Lorenz Cairns, Depute Principal
Catherine Etri, Vice Principal (Academic)
Veronica Lynch, Vice Principal (External)
Iain Wishart, Vice Principal (Operations)
Ian McCartney, Clerk to the Board of Management

Apologies: Sheena Devlin, Board Member
Debbie McIlwraith-Cameron, Board Member
Todor Pavlov-Kennedy, Student Board Member

Chair: **Graham Watson**
Minute Taker: Ian McCartney
Quorum: 9

MINUTES

Item		Action
1.	Welcome and Apologies Interim Chair welcomed everyone to the meeting, and noted apologies. Interim Chair extended warm welcome to Alastair MacColl, Chair of UHI Court.	
2.	Additions to the Agenda There were no additions to the Agenda.	
3.	Declaration of Interest in any Agenda Item There were no declarations noted.	
4.	Minutes of Board of Management meeting, 20 October 2022 The minutes were APPROVED as an accurate record of the meeting.	
5.	Matters Arising <u>Ref 7.1 – Perth College Management Accounts to July 2022</u> Action – SMT to put recommendation to next Board re Catering Action Update – To be deferred to next Board meeting (March 2023) <u>Ref 6.2 – AST Budget 2022-23</u> AST Board Chair advised that, while the Going Concern test had been passed at the time of the last Board meeting, this position had been changed and the issue was being re-evaluated. This has resulted in the External Audit not being signed off at present.	SMT
6.1	Perth College Group Report & Financial Statements for the Year ended 31 July 2022 Chair, Finance & Resources Committee presented Paper 2, noting that the paper was provided for ratification by the Board having been approved in principle by a quorum of Board Members at the Joint Meeting of Finance & Resources and Audit Committees held on 12 December 2022. Vice Principal (Operations) summarised the key point of the Statements, and Chair, Finance & Resources Committee noted that robust and healthy discussions were had around National	

	<p>Bargaining and credit clawbacks.</p> <p>Perth College Group Report & Financial Statements for the Year ended 31 July 2022 was RATIFIED by the Board.</p>	
6.2	<p>External Audit Annual Report 2021-22</p> <p>Chair, Audit Committee presented Paper 3, noting that this report had been endorsed, subject to minor amendments, at the Joint Meeting of Finance & Resources and Audit Committees on 12 December 2022.</p> <p>Interim Chair noted the reference made within Paper 3 to governance concerns around Remuneration Committee and advised that, while appropriate processes had been followed, these had unfortunately not been reflected in the minutes. Clerk had produced a report around the issue which would result in changes being made to the Terms of Reference of Remuneration Committee to avoid repetition of the error.</p> <p>Chair, Audit Committee noted the realistic perspective around financial sustainability, and further noted the references to capacity within the Finance department, which had been tabled for further discussion at the next meeting of Audit Committee.</p> <p>External Audit Annual Report 2021-22 was APPROVED by Board.</p>	
6.3	<p>Internal Audit Annual Report 2021-22</p> <p>Chair, Audit Committee presented Paper 4, noting that this paper had been endorsed by the Joint meeting of Finance & Resources and Audit Committees on 12 December 2022</p> <p>Internal Audit Annual Report 2021-22 was APPROVED by Board</p>	
6.4	<p>Audit Committee Annual Report to the Board of Management</p> <p>Chair, Audit Committee presented Paper 5, noting that, in line with the College's Financial Memorandum, the Audit Committee is required to produce an annual report to the Board of Management to provide an assessment of the adequacy and effectiveness of the College's system of internal control.</p> <p>Chair, Audit Committee noted that this paper had been considered by the Joint meeting of Finance & Resources and Audit Committees on 12 December 2022.</p> <p>Audit Committee Annual Report to the Board of Management 2021-22 was APPROVED by Board.</p>	

6.5	<p>Appointment of Senior Independent Board Member</p> <p>Clerk introduced Paper 6, noting that Andrew Comrie had been recommended by Chairs Committee for appointment to Senior Independent Board Member.</p> <p>Board APPROVED this appointment.</p>	
7.1	<p>UHI 2024 - update</p> <p>Interim Chair noted that Programme Board for UHI 2024 had now met 2 or 3 times and had established Terms of Reference and working arrangements.</p> <p>Interim Chair advised that there was evidence of real collaboration, realistic assessment of issues and understanding of the challenges facing UHI. Some of the workstreams have agreed immediate priorities and an external consultant has been engaged to advise on the Curriculum Review, and collectively there is a desire to show real pace to drive forward with the Project. Interim Chair noted there was understanding that the Project was not purely about making savings, that there will need to be some investment where required.</p> <p>Principal echoed the positive processes and good progress, noting that there was different feel than previous iterations of changed processes within the University. Principal did however note the need to determine how and where decisions are best made to avoid decisions being potentially challenged in the future.</p> <p>Principal noted that it would be some time before substantial savings were realised re the Shared Services workstream, and further noted a need for recognition of the time being given to the Project from across the Partnership.</p> <p>Interim Chair invited Chair of UHI Court to address the meeting in response.</p> <p>Chair UHI Court advised that the Interim Chair and Principal had provided a good summary of where the Project sat, and echoed that progress had been significant and momentum was building. Chair UHI Court noted that the biggest issue will be that of capacity, and ways to fund the Project to build on momentum were being looked at.</p> <p>Chair UHI noted the paper looked at by Board under Item 7.2, suggesting that the timing for the Project was perfect given the likely change in government policy. Chair UHI Court advised that UHI Court was fully supportive of the Project and keen to fund developments that are essential, leading to confidence that the work being done will result in transformative change.</p> <p>The floor was then opened to Board Members for comments and</p>	

	<p>queries.</p> <p>Board Member queried whether some of the timescales were realistic, given how close some of the targets were. Interim Chair advised that there had been no notification to Programme Board that timescales are not being met. Indications were that the timetable was challenging but direction is clear. Chair UHI Court suggested that there will be a better idea of timescales against targets around February/March; Principal agreed with this assessment.</p> <p>Board Member queried whether there were some quick wins to be gained in Estates, albeit this may be outside of the core focus of the Project. Chair UHI Court advised that a prioritisation process was under way, however restressed that cost savings were only a part of the Project.</p> <p>Board Member noted that the Project provided an opportunity to enshrine cultures as part of the process, eg around communications. Principal noted that this was something that could be improved, eg providing better information to staff re the process. Chair UHI Court agreed, and noted that the Project Manager will have a key role in ensuring everyone knows what is trying to be achieved and why.</p> <p>Interim Chair stressed the importance of the Workstreams not working in silos as this will be key to success.</p> <p>Principal noted the other work being done around Colleges Scotland's "Thinking The Unthinkable" discussions, which have been exploring what the future might look like across the tertiary sector and what has to change to achieve sustainability.</p> <p>Interim Chair thanked Chair UHI Court for attending and contributing to the discussion.</p>	
7.2	<p>Purpose & Principles for Post-School Education, Research & Skills</p> <p>Principal presented Paper 8, noting the intention that an in-depth discussion around this topic is facilitated via a Board Strategy Session in January 2023, utilising the Discussion Guide around the key principles noted in the Paper.</p> <p>Board NOTED Paper 8.</p>	
8.1	<p>Perth College Management Accounts to 31 October 2022</p> <p>Vice Principal (Operations) presented Paper 9, noting that the bottom line was currently showing as £700k better than Budget, but this did not include projected salary increases, and Residences</p>	

	<p>income had been posted earlier than budgeted for. It was also noted that there had been less spent on staff and travel costs due to the reduction in HE numbers.</p> <p>Board NOTED Paper 9.</p>	
9.1	<p>Streamlining of Board & Committee Procedures</p> <p>Clerk presented Paper 10, noting a number of proposed areas to improve procedures at Board and Standing Committees, including improved use of technology and a requirement for submitted papers to demonstrate a link to the new Strategic Plan before consideration.</p> <p>Following a brief discussion around implementation issues, Board APPROVED Paper 10.</p>	
10.1	<p>Enterprise Risk Management</p> <p>Vice Principal (Operations) presented Paper 11 for information, noting that the proposed new approach had been approved by Audit Committee. Vice Principal (Operations) advised that the current Strategic Risk Register would be reviewed in the new year to provide comfort that risks were being mitigated and managed while the ERM framework bedded in.</p> <p>Interim Chair queried the comments re Risk Appetite. Vice Principal (Operations) advised that these will need to be revisited within the operation of the ERM due to the scoring anomalies this may produce.</p> <p>Chair, Audit Committee noted that Audit Committee was committed to the ERM framework as it allows focus on depth rather than breadth surrounding risk, however pragmatic steps were required around the Strategic Risk Register.</p> <p>Board NOTED Paper 11.</p>	
10.2	<p>Key Performance Indicator Prioritisation</p> <p>Depute Principal presented Paper 12, noting that of the 37 overall KPIs, 13 of these would form the basis for the Balanced Scorecard, and further noting that Strategic Development Committee had endorsed the priority KPIs presented to the December meeting, with the addition of the Sustainability KPI around Reinvestment Planning</p> <p>Chair, Strategic Development Committee noted that SDC were comfortable with the approach being taken following extended review of the Indicators over the last few meetings.</p> <p>Interim Chair queried timings of roll-out of the Balanced Scorecard. Depute Principal advised that this would be from Board Cycle 3, as</p>	

	<p>previously promised.</p> <p>Board APPROVED the priority KPIs recommended for the Balanced Scorecard.</p>	
11	<p>Interim Chair's Report</p> <p>Interim Chair noted nothing verbal to report beyond UHI 2024 update.</p> <p>Interim Chair advised, in role of Chair of AST Board, that there was uncertainty around a major contract which could have a major bearing on the short- and medium-term fortunes of the business.</p>	
12	<p>Principal's Report</p> <p>Principal summarised Paper 13, highlighting the work on the Big Project and the Warm Space initiative.</p> <p>Principal provided a brief update on UHI Perth branding.</p> <p>Principal's Report was NOTED.</p>	
13	<p>HISA Perth Report</p> <p>Student Board Member summarised Paper 14, highlighting progress against the Plan of Work including increased engagement at events, contribution to the cross-HISA cost of living campaign, and the success in recruitment of Student Voice Reps.</p> <p>Student Board Member advised that capacity would be increased with the appointment of a Student Voice Assistant, and noted that an Interim Chief Executive was being recruited while a full-time staff member was recruited.</p> <p>Principal expressed dissatisfaction that students were being short-changed across the Partnership with staffing support levels (albeit not at a local level), and reiterated that, as Accountable Officer, there would be no permanent bar on campus.</p> <p>Staff Board Member queried the support provided to local officers from HQ. Student Board Member noted that there was Regional Officer support on a regular basis.</p> <p>HISA Perth Report was NOTED.</p>	
14	<p>Reinstatement of Voluntary Severance Scheme - CLOSED</p> <p>[REDACTED]</p>	

	<p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>Board APPROVED the proposals laid out in Paper 15.</p>	
15	<p>Minutes of Board Standing Committees</p> <p>Board NOTED the following minutes of Standing Committees:</p> <ul style="list-style-type: none"> • Chairs' Committee, 14 November 2022 • Learner Experience Committee, 23 November 2022 • AST Board, 29 November 2022 • Strategic Development Committee, 05 December 2022 • Finance & Resources Committee, 12 December 2022 • Audit Committee, 12 December 2022 	
16	<p>Date & Time of Next Meeting</p> <ul style="list-style-type: none"> • Monday 27 March 2023 at 5:00pm 	
17	<p>Review of Meeting</p> <p>Board confirmed that the meeting had been conducted in line with the Terms of Reference.</p> <p>Condolences were extended to Jim Crooks following a recent family bereavement.</p>	

Information recorded in College minutes are subject to release under the Freedom of Information (Scotland) Act 2002 (FOI(S)A). Certain exemptions apply: financial information relating to procurement items still under tender, legal advice from College lawyers, items related to national security.

Notes taken to help record minutes are also subject to Freedom of Information requests, and should be destroyed as soon as minutes are approved.

Status of Minutes – Open (except Item 14) ☒

An **open** item is one over which there would be no issues for the College in releasing the information to the public in response to a freedom of information request.

A **closed** item is one that contains information that could be withheld from release to the public because an exemption under the Freedom of Information (Scotland) Act 2002 applies.

The College may also be asked for information contained in minutes about living individuals, under the terms of the Data Protection Act 2018. It is important that fact, rather than opinion, is recorded.

Do the minutes contain items which may be contentious under the terms of the Data Protection Act 1998? **Yes** ☐ **No** ☒