

Board of Management

MINUTES of the BOARD OF MANAGEMENT HYBRID MEETING held via Microsoft Teams and in room 203/204 on 16 December 2025.

PRESENT: Victoria Erasmus, Chris O'Neil, Janette Campbell (via Teams), Jane Davidson, Paul Shanks, Annie Nelson (via Teams), Innis Montgomery, David Stewart (via Teams), Sally Blyth (via Teams), Wendy Grindle (via Teams), Donald MacKenzie (via Teams), Heather Keyes, Chloe Young, Lindsay Ferries (via Teams), Anthony Standing, Oliver Sweeney, Pauline Tuthill & Conrad Copeland (via Teams)

CHAIR: Victoria Erasmus

APOLOGIES: Dee Bird, Rojan Kumar Subramani, John Pocock, Arvinder Kainth & Health, Safety & Sustainability Manager

IN ATTENDANCE: Vice Principal – Curriculum, Operations and External Relations
Vice Principal – Curriculum, Student Experience and Quality
Director of Finance and Estates
Operations and Commercial Manager
Angus Campbell, Further Education Regional Lead
Governance Officer

The Chair welcomed everyone to the meeting and introductions were made.

The Governance Officer confirmed that the meeting was quorate.

Declarations of Interests

No declarations of interest, statements of connections or transparency statements were noted.

1. RATIFICATION OF APPOINTMENT OF STUDENT REPRESENTATIVE

The Governance Officer advised the Board that Inverness Student Depute President can now be appointed for his first term.

Decision: The Board **RATIFIED** the appointment of Oliver Sweeney as a Student Member of the Board of Management for 1st term.

2. HEALTH AND SAFETY ANNUAL REPORT 2025 (CONFIDENTIAL)

The Board was provided with a CONFIDENTIAL update by the Principal on behalf of the Health, Safety & Sustainability Manager, Confidential Note (CN-BoM-01-122025).

Decision: The Board **APPROVED** the Health and Safety Annual Report 2025.

3. MINUTES

a.) Meeting of the Board of Management held on 07 October 2025

Decision: The minutes of the Board of Management Meeting held on 07 October 2025 were **AGREED** as a correct record and were **APPROVED**.

b.) Closed Session Note (CSN-BoM-01-102025) held on 07 October 2025

Decision: The Closed Session Note (CSN-BoM-01-102025) of the Board of Management Meeting held on 07 October 2025 was **AGREED** as a correct record and was **APPROVED**.

4. OUTSTANDING ACTIONS

- **FE / HE Course Fees – ONGOING** - The variations of credit based funding across partnership to be raised with UHI.

Update 24/06/2025: The matter has been raised with the Chair of the Court. An update is expected after the next UHI Court meeting.

Update at 07/10/2025: The Chair of the Board will re-check the status of this action with EO.

Update at 08/12/2025: This action is being reviewed as part of the FBC process.

- **Topslice Increase for 2025/26 – ONGOING** - Reasons for the increase in topslice for 2025/26 to be discussed with EO.

Update at 07/10/2025: The Chair of the Board will re-check the status of this action with EO.

Update at 08/12/2025: This action is being reviewed as part of the FBC process.

- **Financial 5 Year Plan – Timeline – ONGOING** - Clear timelines to be included within the financial 5 year long-term plan to reduce the operational deficit.

Update at 07/10/2025: EMT is looking at different processes to establish areas for efficiency measures. Concerns were raised about cash position and FFR dropping but topslice rising. The Chair of the Board requested that the FGP Committee also be informed of these concerns and provided with an update.

Update at 16/12/2025: This action is still ongoing.

- **Financial 5 Year Plan – Discussions – ONGOING** - Discussions to take place regarding the financial 5 year long-term plan with the RSB and SFC.

Update at 07/10/2025: Session to be scheduled.

Update at 16/12/2025: This action is still ongoing.

- **Principal's Report – QAA Process – ONGOING** - Feedback about the new QAA process to be shared with EO and SFC. There is a need for more frequent meetings.

Update at 07/10/2025: Feedback to be shared with EO and SFC.

Update at 08/12/2025: QAA reporting process might change with any new structure emerging from the Transformation process.

ITEM 01.a

- **FBC Update & Discussion – ONGOING** - Due to time constraints, the Members had been asked to contact the Chair of the Board with questions regarding the Transformation process.

Update at 08/12/2025: This action is part of ongoing current discussions with the EO and has been minuted at Committee and Board level.

- **FBC Update & Discussion – COMPLETE** - The Board requested a clear timeline of the transformation process that would support the decision making-process in January 2026.

Update at 10/12/2025: The Timeline was included in the notes circulated by the Chair of the Board from the UHI Inverness - EO Transformation meeting on 03/12/2025.

Decision: It was **AGREED** that this item could be removed from the list.

- **Student Activity & Recruitment – ONGOING** - Suggestion has been made to maximise income streams by widening the commercial offer in place to tap into important revenue streams.

Update at 16/12/2025: Meeting is being scheduled with RKS & and the Operations and Commercial Manager.

- **Student Activity & Recruitment – ONGOING** - The Board expressed concerns that the current FE credit allocation is distributed by EO based on historic pre-Covid demand. There is a need for the value of the credit and credit existing allocation to be reviewed and evaluated in light of current demand.

Update at 16/12/2025: Meeting is being scheduled with AS & and the Operations and Commercial Manager.

- **Outcomes and Satisfaction Rates – COMPLETE** - The Board suggested that future reports could include the national figures to better understand the position of UHI Inverness in relation to the sector.

Update at 12/12/2025: Discussion took place with the Information Systems Manager, and the national figures will be added to reports going forward once they have been published by the SFC.

Decision: It was **AGREED** that this item could be removed from the list.

- **Principal's Report – COMPLETE** - Concerns were raised about the Texas agreement and further implications caused by the delays within the validation process. The Board requested a detailed report on the impact the validation delay will have on UHI Inverness and the relationship with Texas State University.

Update at 08/12/2025: This action will be addressed during the Principal's Update report on 16/12/2025.

Decision: It was **AGREED** that this item could be removed from the list.

- **Governance Update – COMPLETE** - Concerns were raised about the low training completion rates and possible risk associated. Suggestion has been made for the Board training to be added to the risk register.

Update at 08/12/2026: The Director of Finance has been asked to add the new risk to the risk register.

Decision: It was **AGREED** that this item could be removed from the list.

- **District Valuer Update – COMPLETE** - The Board thanked for the update and requested that District Valuer would be informed of any future leases or renewal leases by UHI Inverness and involved in the process. The Board suggested that the FGP Committee review and approve the attached Governance Actions to Strengthen Property Transaction Oversight document shared by the Chair of the Board prior the meeting.

Decision: It was **AGREED** that this item could be removed from the list.

5. ANNUAL PROCUREMENT REPORT FY 2024/25

The Director of Finance and Estates spoke to his report which provided the Board with the Annual Procurement Report for academic year 2024/25. This report covered the period of 01-August-2024 to 31-July-2025 and highlighted performance and achievements in delivering the UHI Inverness procurement activities. The college reported a total Non-Pay Spend of £9,620,796.35, of which £3,363,569.41 was deemed influential spend. The remaining non-influential £6,257,226.94 is split between GTFM £5,041,643.84 and £1,125,583.10 on others EG - Other public sector bodies / property leases. These figures are generally consistent with last reporting period though note an increase of £340,240.08 in the GTFM spend in this reporting period. UHI Inverness had 337

ITEM 01.a

active suppliers with whom it procured goods and services from during the reporting period. This figure is resulting from the rationalisation of the supply base with a 14% reduction in active suppliers from last reporting period. 57% of core spend was procured through SMEs. In addition, 1 contract is in place with a Supported Business. During the reporting period, 24 local contracts with an annual contract value of total of £620,244.75 was procured. During the reporting period BT1 cash savings of £331,286 and BT2 Non-Cash Savings of £316,199 were recorded. Savings were calculated using the Scottish Government Savings Methodology. The report also included a number of recommendations for continuous improvements.

Donald MacKenzie joined the meeting.

The Chair thanked the Director of Finance and Estates for his detailed report.

Discussion about the sustainability as a key factor in decision-making process took place. The VP Curriculum Operations and External Relations assured the Board that college complies with the Sustainable Procurement Policy which was approved by the Board in June 2023 and will come back for a review by the FGP Committee in 2026. The Director of Finance and Estates informed the Board that latest compliance review took place 18 months ago and college had been compliant with procurement regulations since then; with APCU reviews taking place every 2-3 years. Suggestion had been made that the Board would benefit from a clearer narrative on credit cards expenditure.

Decision: The Board **APPROVED** the Annual Procurement Report FY 2024/25.

6. FINANCIAL FORECAST RETURN 2024/25 to 2027/28

The Director of Finance and Estates spoke to his report which provided the Board with the SFC financial forecast return for 2025 which was sent to SFC on 30 June 2025. The report included the budget for 2025/26 and the financial forecasts for 2026/27 and 2027/28. Following items had been highlighted:

- Revenue Budget 2025/26
- Financial Forecasts - 2026/27 to 2027/28

- Balance Sheet
- Capital Expenditure
- Risks Downside

Discussion about forecasted research deficit, current cash position, vacancy and retirement management took place. Suggestion was made that the Board would benefit from data regarding profile of staff and relative costs.

The Chair thanked the Director of Finance and Estates for his detailed report.

Decision: The Board **APPROVED** the Financial Forecast Return 2024/25 to 2027/28.

7. AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2025

a.) Audited Financial Statements for the Year-Ended 31 July 2025

The Director of Finance and Estates spoke to his report which provided the Board with the audited financial statements for the year ended 31 July 2025. The Joint Audit and FGPC meeting held on 9 December 2025 recommended the financial statements for approval to Board of Management, subject to there being no further significant changes made to the financial statements. It was confirmed that the external auditors, Deloitte, have provided an unqualified opinion for the financial statements. The Director of Finance and Estates reported that there had only been minor disclosure changes to the financial statements and the report, subject to approval by the Board, will be signed off on Wednesday 17th December 2025, which would be the first time in two years that the report was signed off on time.

The Board expressed concerns about the difficult and confusing pension information and the Director of Finance and Estates offered to meet with Members individually to discuss further.

The Chair reported to the Board that a letter has been received from the SFC which was discussed with Chairs prior the Board meeting and the Board will be provided with more details during Principal's report. It has been suggested that agenda item 7.a will be approved after agenda item 10 Principal's Report.

b.) UHI Inverness College Annual Audit Report by Deloitte

The Director of Finance and Estates spoke to his report which provided the Board with the external auditors draft report on the annual audit of the college for the year ended 31 July 2025. The Joint Audit and FGPC meeting held on 9 December 2025 recommended the annual audit report for approval to Board of Management. Following key sections were highlighted: annual report and accounts, wider scope audit and report appendices. The Director of Finance and Estates positively commented on the report and work done over the last few months by the Finance team and external auditors. The report will be signed off on Wednesday 17th December 2025 and a final copy will be circulated in due course.

The Chair thanked the Director of Finance and Estates for his detailed work, positively commented on work done and expressed her congratulations to all involved in the process.

Decision: The Board **APPROVED** the UHI Inverness College Annual Audit Report by Deloitte.

c.) SFC Annual Report and Accounts for the year ended 31 July 2025

The Director of Finance and Estates spoke to his report which provided the Board with the SFC annual accounts return for 2024/25, which if approved will then be sent to UHI/Scottish Funding Council. The Joint Audit and FGPC meeting held on 9 December 2025 recommended the SFC annual report and accounts for approval to Board of Management. The SFC Annual Accounts return for 2024/25 had been appended to the report and shows the actual figures for 2024/25 compared to the actual figures for 2023/24, as well as the forecast figures based on the financial forecast return (FFR).

The Chair informed the Board that this item will also be approved after item 10 Principal's report.

d.) Letter of Representations to Deloitte – to follow

The Director of Finance and Estates informed the Board that the Letter of Representation to Deloitte document will be shared in due course.

The Chair thanked the Director of Finance and Estates for his detailed report.

8. ITEMS APPROVED VIA WRITTEN PROCEDURE

The Governance Officer reported to the Board that a sufficient number of approvals is still to be received from the Members and urged all present to send her their approvals and comments asap.

Decision: The Board **DID NOT APPROVE** the agenda item 8.

9. KPI MATRIX

The Operations and Commercial Manager confirmed the report as read and provided the Board with year to date performance as of the end of period 3, October 2025.

Conrad Copeland joined the meeting.

The Board welcomed the report and discussion about the commercial course income, growth in student numbers, room occupancy and improved CO2 emissions took place. Suggestion was made that the Board would benefit from seeing detailed retention rates being presented by quarters. The Operations and Commercial Manager clarified that college adjusts their retention data on a monthly basis, and this will be added to the report in the future. The VP Curriculum, Student Engagement and Quality added that retention data is also being scrutinised on a monthly basis by the Student Journey and Enhancement Committee to establish clear benchmarking. It was added that sector benchmarks are always a year behind in regard to student measures and 2023/24 is the most up to date college benchmark report published.

The Board positively commented on benchmark activities taking place in college and agreed that retention benchmark activities could highlight early warning signs of emerging risks.

The Chair thanked all for an interesting discussion and the Operations and Commercial Manager for his detailed report.

10. PRINCIPAL'S REPORT

The Principal spoke to his report which provided the Board with an overview of new and continuing activity.

Following areas were highlighted:

- Texas State University Project
- Pathway to Medicine
- Augsburg Visit
- Resilience, Planning and Benchmarking – Savings Plan
 - Short presentation from the Director of Finance and Estates
- Transformation Meeting with all Staff

The Board welcomed Principal's update and positively commented on new emerging opportunities and how they could be shared across the whole partnership.

The Principal invited the Director of Finance and Estates to provide the Board with a short presentation in regard to college's growth strategy being funded by cash reserves, which was approved by a written confirmation by the SFC in 2024. The Director of Finance and Estates also presented the Board with a chart that demonstrated the positive impact on college's investment and commitment to growth.

The Chair welcomed the confirmation and thanked the Director of Finance and Estates for his additional work. The Board also positively commented on the great work done by all staff involved and agreed that the chart presented by the Director of Finance and Estates showed signs of healthy growth across the network.

Discussion about college's duty to manage healthy cash position, Board's oversight over the process and early warning signs took place. The Board expressed concerns about the vacancy management and the Principal reported that he spoke about it to the Chairs Committee on 11th December 2025 and will present a savings plan at the next Board meeting.

Sally Blyth left the meeting.

ITEM 01.a

The Chair asked all Board Members present to participate in a confidential discussion regarding the letter sent by the SFC.

The Vice Principal – Curriculum, Operations and External Relations, Vice Principal – Curriculum, Student Experience and Quality, Director of Finance and Estates and Operations and Commercial Manager left the meeting.

The Board was provided with a CONFIDENTIAL update by the Chair, Confidential Note (CN-BoM-02-122025).

The Vice Principal – Curriculum, Operations and External Relations, Vice Principal – Curriculum, Student Experience and Quality, Director of Finance and Estates and Operations and Commercial Manager joined the meeting.

The Chair decided to go back to items 7.a & 7.b which were not approved as yet.

Decision: The Board **APPROVED** the Audited Financial Statements for the Year-Ended 31 July 2025.

Decision: The Board **APPROVED** the SFC Annual Report and Accounts for the year ended 31 July 2025.

11. UHI Court – OBC/FBC UPDATE (CONFIDENTIAL)

The Chair confirmed that the Principal and herself have seen the FBC document with the rest of the Board Members being given access to the document via Admincontrol portal on Friday 19th December 2025.

The Board Members were asked to consider joining a Transformation Committee that would review and monitor the FBC process going forward.

12. GOVERNANCE UPDATE

The Governance Officer spoke to her report and provided the Board with an update on current governance matters.

Following areas were highlighted:

- Externally Facilitated Effectiveness Review
- Board Creative Session – 25/11/2025
- Board Self-Evaluation Session – 20/01/2026

The Board welcomed the update and thanked the Governance Officer for her detailed report.

**13. DRAFT MINUTES OF MEETINGS OF BOARD COMMITTEES
(CONFIDENTIAL)**

The Board noted the contents of the DRAFT minutes of meetings of the:

- LTR Committee held on 09 September 2025
- Chairs Committee held on 18 September 2025
- PRR Committee held on 05 November 2025
- FGP Committee held on 06 November 2025
- HR Committee held on 20 November 2025
- LTR Committee held on 02 December 2025
- Joint Audit & FGP Committee held on 08 December 2025 – to follow
- Chairs Committee held on 11 December 2025 – to follow

The Chair has asked Members to send any comments regarding minutes to herself and the Governance Officer.

14. UHI UPDATES

The Chair has asked Members to send any comments regarding UHI Updates to herself and the Governance Officer.

15. AOCB

15.a HE/FE PROVISION FOR THE ASYLUM SEEKERS AT CAMERON BARRACKS

David Stewart provided a short verbal update about a group of asylum seekers who will be housed at Cameron Barracks in 2026. He urged the Board to see them as potential college students and/or future staff and not as threat. The college should be developing its ESOL provision as tuition fees will be waived for asylum seekers and refugees.

ITEM 01.a

The Chair thanked David Stewart for his humanity led response to a very sensitive subject currently being debated and his proactive approach. The Principal and both Vice Principals clarified that college would need additional funding to increase the current ESOL provision. The Principal also added that he is speaking to the Highland Council about this matter.

15.b TRANSFORMATION COMMITTEE

The Board Members were asked to consider joining a Transformation Committee that would review and monitor the FBC process going forward. All interested Members were asked to contact the Chair or the Governance Officer.

15.c EIS REPORT ON FURTHER EDUCATION

The Trade Union Rep Academic asked all Board Members to familiarise themselves with the provided report: EIS Report on Further Education.

The Chair thanked the Trade Union Rep Academic and suggested the report should be presented to the HR Committee for recommendations.

13. DATE AND TIME OF NEXT MEETING

Tuesday 03 February 2026 at 4.30 p.m.

Signed by the Chair:	
Date:	03/02/2026