

**MINUTES of the MEETING of the BOARD OF MANAGEMENT held in room 202,  
1 Inverness Campus on Tuesday 25 June 2019**

- PRESENT:** Hazel Allan (by teleconference), Sarah Burton, Andy Gray, Brian Henderson (by teleconference), Jaci Douglas, Robyn Kennedy, Shawna Mackinnon, Helen Miller, Innis Montgomery, Chris O'Neil, Fiona Neilson, Gavin Ross, Tom Speirs, Neil Stewart, John Wilson
- CHAIR:** Neil Stewart
- APOLOGIES:** Andrew Bowie, Carron McDiarmid, Steve Walsh
- IN ATTENDANCE:** Depute Principal Planning and Student Experience  
Depute Principal Academic Development  
Director of Finance  
Director of Curriculum  
Director of Organisational Development  
Director of External Relations  
Director of Student Services  
Board Secretary Fiona Ambrose  
Board Secretary Erin Grant
- OBSERVERS:** Tina Stones, Co-opted Member  
George Gunn, Student President Elect  
Kelly Mackenzie, Staff Board Member Elect

***Welcome***

The Chair welcomed Erin Grant, the new Board Secretary to her first Board of Management Meeting. He also welcomed Tina Stones, George Gunn and Kelly Mackenzie as observers.

*This would be the last meeting attended by Helen Miller, Support Staff Member and on behalf of the Board, the Chair thanked Helen for her contribution over the last 4 years.*

***Declarations of Interest – there were no declarations of interest.***

*The Chair advised that he would like to add an additional item of business and discuss it as item 1 on the agenda, namely HE target and Micro-RAM. This was agreed.*

**PRESENTATION ON DATA REPORTING**

Roddy Henry, Depute Principal Planning and Student Experience gave a short presentation on data reporting and why it was important. A project team, drawn across the partnership, including MIS, teaching staff and support staff had been established and the aim was to have the first “dashboard” live for the start of the 2019-20 academic year. He provided a pictorial representation of the landing page and the key data areas, namely admissions, enrolment, assessment, student satisfaction and PI's and the wide range of information which would be accessed.

The Chair thanked the Depute Principal for a very informative presentation and looked forward to receiving further information as the project developed.

*Andy Gray entered the meeting during discussion of the following item.*

## 1. HE TARGET AND MICRO-RAM

The Principal spoke to a paper which had been circulated to all Board Members prior to the start of the meeting and which advised that the College had been made aware of two serious issues around student numbers and teaching resource liabilities in the last 3 weeks and in the last few days respectively. These were

- A reduction in the Partnership Planning Forum (PPF) target numbers as a consequence of “double counting” 27 SDS funded graduate apprentices as SFC funded HE students and
- A circa 30% increase from the end of May in the micro-RAM liability.

Both these adjustments would result in a gap in funding of up to £250K. The Principal anticipated that the position might improve but there were real concerns that a budget which was believed to be deliverable had now been compromised by inaccurate data reporting.

As the University had achieved its undergraduate funded numbers target overall, it would not suffer any financial penalties from SFC. As in previous years, it was expected that EO would adjust the funding passed on to APs in line with actual FTE. Given the financial challenges that the partnership was facing, there was a strong argument to distribute the balance of the funding for student activity, in line with targets, to mitigate financial pressures.

The report provided more details about HE funded numbers, PPF target setting, PPF student numbers monitoring, the current issues with PPF numbers and the implications and considerations. It also detailed the purpose of the micro-RAM, micro-RAM adjustments, current issues and implications and considerations.

The Board of Management discussed at length these two issues and **AGREED** that the Principal should present the following views of the Board to the meeting of Partnership Council on 26 June, namely that

- The Board of Management recognises that Inverness College is reliant upon EO producing timely, accurate and complete data and reports and that this expected level of service had fallen short at a late and critical stage this year.
- The PPF and micro-RAM position at this late and critical stage had impacted upon Inverness College’s ability to plan and react to the environment. Therefore the Board of Management expected EO to underwrite the financial impact.
- The BOM was concerned at the closing date for the micro-RAM reconciliation and requested an extension
- In future, all budgets should be set and reconciled at the close of the financial year with late adjustment being managed retrospectively.
- The Board of Management would not except this position and expected robust, timely and contextualised data to be provided by EO.

## 2. MINUTES

The Minutes of the Meeting of the Board of Management held on 21 March 2019 were **AGREED** as a correct record, were **APPROVED** and were signed by the Chair.

### 3. **OUTSTANDING ACTIONS**

The Board of Management **AGREED** which actions had been completed and could be signed off and those which were still outstanding and would remain on the list.

The following updates were provided:-

#### **Risk**

Partnership Council would be looking at key risks on a rotational basis and that the item would be considered at an early stage of each meeting.

#### **Intranet**

A UHI wide focus group was being formed to consider a new partnership wide intranet system with the first meeting being held on 1 July.

### **Governance matters for Board of Management approval**

#### 4a. **APPOINTMENT OF SECRETARY TO THE BOARD OF MANAGEMENT**

The Chair advised that it was the responsibility of the Board to appoint the Secretary to the Board of Management. He thanked Board Members for their responses to his recent e mail seeking their approval to appoint Erin Grant.

The Board of Management formally **RATIFIED** the appointment of Erin Grant to the position of Secretary to the Board of Management with effect from 17 June 2019.

#### 4b. **APPOINTMENT OF SUPPORT STAFF MEMBER TO THE BOARD OF MANAGEMENT**

A process was held over the period 8 May to 14 June to elect the Support Staff Member to the Board. The process followed the Good Practice Guide for Election of Staff Members to Boards, approved by the Board of Management in March 2017. Two nominations had been received and following an online ballot, Kelly Mackenzie had been elected to the position of Staff Member on the Board of Management.

The Board of Management formally **RATIFIED** the appointment of Kelly Mackenzie to the position of Support Staff Member on the Board of Management for a 4 year period from 1 August 2019.

#### 4c. **TERMS OF REFERENCE**

A report by the Board Secretary advised that the terms of reference of the Board of Management and all Committees were reviewed in 2017. Each of the Committees during the currently cycle, or by e mail request, had considered its own TOR and had recommended a number of minor amendments to the Board for approval. The exception was the Human Resources Committee which would meet on 26 June.

The Board of Management

1. **AGREED** that no changes were required to the Board of Management TOR or to the following committees
  - Audit
  - Learning, Teaching and Research
  - Finance and General Purposes
2. **APPROVED** the amendments to the TOR recommended by the
  - New Campus Project Board
  - Longman Disposal Project Board
  - Chairs Committee
  - Search and Nomination Committee
  - Performance, Review and Remuneration Committee

**4d. LEASE AGREEMENT – INVERNESS - WASPS STUDIO, MIDMILLS, INVERNESS**

A report by the Director of Organisational Development advised that In line with the College Financial regulations (para 77.1), the purchase, lease or rent of land, buildings or fixed plant can only be undertaken with authority of the Board of Management.

Following a presentation to the Board at its meeting in December 2018, and after significant discussion, a lease agreement had been drafted.

The Director of Organisational Development confirmed that, since her report had been issued, Highland Council had confirmed with WASPS that the units could be used for the provision of education and display of works of art, this being a mix of Class 4 and Class 10 use.

The Board of Management **APPROVED** the lease agreement for the lease of units 004, 007A and 007B, The Inverness Creative Academy, Inverness for the provision of education and display of works of art.

There was discussion on the term of the lease which was for one year and thereafter on a month to month basis. The Board sought assurance as to the position in the event of increased costs after the first year. The Board was concerned that the short term lease did not reflect the strategic growth potential which was essential for cultural and creative industries.

The Director of Organisational Development confirmed that a full Schedule of Conditions would be annexed to the lease.

**Matters referred from Standing Committees for Board of Management approval**

**5. UHI FE ACADEMIC APPEALS POLICY**

The Learning, Teaching and Research Committee, at its meeting on 4 June 2019 had considered the UHI FE Academic Appeals policy and following clarification on a number of matters, had agreed to recommend the policy to the Board of Management for approval.

The Board of Management **APPROVED** the UHI FE Academic Appeals policy.

*Helen Miller left the meeting during consideration of the following item.*

**6a. REVENUE BUDGET 2019/20 - CONFIDENTIAL**

The Finance and General Purposes Committee, at its meeting on 6 June had considered the 2019-20 Revenue Budget and had recommended it to the Board of Management for approval.

The Board of Management **AGREED** to **APPROVE** the 2019-20 revenue budget.

**6b. CAPITAL EXPENDITURE PLAN – 2019/20 - CONFIDENTIAL**

The Finance and General Purposes Committee, at its meeting on 6 June had considered the capital expenditure plan 2019-20 and had recommended it to the Board of Management for approval. The capital grant had reduced from a figure of £324,984 in 2018/19 to £170,919 for 2019/20.

The Board of Management **APPROVED** the capital expenditure plan for 2019/20 and **AGREED** that

1. any urgent equipment requirements would be addressed through application to the Scottish Colleges Foundation for funding
2. that the FE funds would be directed solely to revenue maintenance
3. and that monies be directed to income generation where possible

**6c. CLEANING CONTRACT - CONFIDENTIAL**

The Finance and General Purposes Committee, at its meeting on 6 June had considered the process undertaken during the procurement exercise for the Cleaning Contract and had recommended to the Board of Management that the contract be approved.

Following the tender clarification meeting with Pristine Clean Services Ltd on Wednesday 12 June, there had been a slight adjustment to the value of the contract.

The Board of Management **AGREED** to award the Cleaning Contract to Pristine Clean Services Ltd.

**6d. CITB CONTRACT - CONFIDENTIAL**

The Finance and General Purposes Committee, at its meeting on 6 June had considered a comprehensive update to the CITB sub contractor issue and had recommended option 3 within the report to the Board of Management for approval.

The Board of Management **AGREED** that the College should

1. prioritise the needs of the students and their employers by building internal capacity to deliver Modern Apprenticeships direct.
2. work with solicitors to attempt to secure payment from CITB for the work undertaken in 2018/19, albeit out of contract (approximately £240,000 based on 17/18).
3. sign the three year Framework Agreement and the 2018/19 call-off contract if payment could not be secured otherwise.

*The Chair, Hazel Allen and Brian Henderson left the meeting*

**7. ANNUAL EVALUATION EXERCISE - BOARD CHAIR**

To comply with the Code of Good Governance for Scotland's Colleges and good governance best practice, the Board required to undertake an annual evaluation of the Chair of the Board of Management.

The Board of Management collectively completed the annual committee chair evaluation exercise

*The Chair returned to the meeting*

#### **4. PRESENTATION ON CURRICULUM REVIEW**

The Depute Principal Academic Development and the Director of Curriculum made a presentation on the curriculum review highlighting

- Outputs
- New school structure and management:
  - Business, computing and hospitality
  - Care, health and wellbeing
  - Construction and built environment
  - Creative arts
  - Education and applied science
  - Engineering technology
  - Forestry
- Level 12 professional doctorates in education and health
- Developments for delivery in 2020/21
- Next steps which would monitor progress against targets and finalise development programme for the Heads and Deputes

The Chair thanked the Depute Principal Academic Development and the Director of Curriculum for a very informative presentation and all those involved in the extensive review process.

#### **5. DEVELOPMENT PLAN 2018-19**

A joint report by the Depute Principal Planning and Student Experience, the Director of External Relations and the Board Secretary provided information on progress which had been made with the actions within the development plan 2018-19.

The Board of Management

1. **NOTED** briefing papers on the engagement with key external stakeholders and how the College engaged with the Community Planning Partnership (CPP) process
2. **AGREED** to continue with the current level of stakeholder engagement
3. **NOTED** that two Board Strategic Planning events were proposed for the development of the Colleges next Strategic Plan (2020-25). The first in September/October 2019 would be a context-setting workshop to include engagement with key local, regional and national stakeholders. The Regional Outcome Agreement (ROA) would provide the backdrop to the workshop, the outcomes of which would inform both the Strategic Plan and the next iteration of the ROA.

#### **6. PRINCIPAL'S REPORT**

A report by the Principal provided an overview of new and continuing activity including

- National Pay Bargaining and its impact on budgets in relation to pensions
- Heads, Deputes and Structure
- Strategic Review
- Programme Board

The Board of Management **NOTED** the report.

## 7. **STUDENT RESIDENCES**

The Vice Chair of the Board, Sarah Burton provided a verbal update following her meeting with the Head of Governance and Records Management at UHI, referred to a UHI audit report on the residences which had been completed in February 2019 and to a recent meeting of the newly formed Residences Steering Group.

The UHI audit report had recorded a number of key failings, specifically around the assumptions on occupancy levels. Although a number of short term options had been identified for increasing income, these had had limited impact on resolving the under occupancy issue. Little progress had been made on the actions identified within the UHI audit report.

The newly formed Residences Steering Group had identified target groups. A bespoke offer for apprentices would be developed.

The previous safeguarding concerns raised by the College had been addressed and the Vice Chair advised that during term time, students would be the only residents within the complex.

There was anecdotal evidence that the primary reason for the low occupancy rates was cost, both the cost of rental and other hidden costs. It was therefore disappointing to note that UHI had decided to increase the rental cost for the 2019/20 academic year.

The Board of Management **NOTED** the position.

*Jaci Douglas left the meeting.*

## 8. **RISK**

### a. **REGISTER ANNUAL REVIEW**

A report by the Principal referred to the discussions at the Learning, Teaching and Research and Finance and General Purposes Committees on the risks relative to each of these committees. They had requested some immediate adjustment, specifically to a number of risk scores within the risk register but that also, a root and branch review should be carried out.

The Board of Management **NOTED** that the review would be led by the Director of Finance in the next academic year.

### b. **Financial Strategy**

A report by the Director of Finance provided a brief update on progress made against the finance strategy.

The Board of Management **WELCOMED** the report and agreed that this type of information was required going forward.

**9. PROGRAMME BOARD**

A covering report by the Deputy Principal UHI, Professor Crichton Lang set out the progress made by the Programme Board to address the areas of concern raised at the Partnership Assembly and asked Boards of Management and the University Court two strategic requests to ensure the necessary work could be taken forward.

The Board of Management **AGREED IN PRINCIPLE** to release

1. some capacity from Inverness College staff to work collectively on a number of projects/developments which could progress impactful change.
2. Information, including financial and staff information, to enable detailed examination of potential savings and increased impact to be gained by working collectively.

**10. FERB SELF EVALUATION REPORT**

A covering report by the by the UHI Vice Principal (Further Education) advised that at the request of the SFC, the RSB had completed a questionnaire evaluating the effectiveness of the RSB in meeting its core statutory dues and wider regionalisation aims. The draft response had been issued to partners for consultation.

The Board of Management **NOTED** the **FERB** self-evaluation report.

**11. MINUTES OF MEETINGS OF BOARD COMMITTEES**

The Board **NOTED** the minutes of the committee meetings as follows:

- a. Longman Disposal Project Board – 26 March 2019
- b. Performance, Review and Remuneration Committee – 5 April 2019
- c. Longman Disposal Project Board – 30 April 2019
- d. New Campus Project Board – 30 April 2019
- e. Chairs Committee – 16 May 2019
- f. Search and Nomination Committee – 16 May 2019
- g. Audit Committee - 28 May 2019
- h. Longman Disposal Project Board – 28 May 2019
- i. Learning, Teaching and Research Committee – 4 June 2019
- j. Finance and General Purposes Committee – 6 June 2019

**12. AOCB**

**END OF TERM DATES – BOARD MEMBER RECRUITMENT**

The Chair confirmed that both he and Steve Walsh would step down from the Board of Management at the end of their current term on 31 December 2019 and similarly, that Jaci Douglas would step down on 30 May 2020.

A Board recruitment exercise would be undertaken in early autumn to bring the membership up to full capacity and to also appoint a number of reserves/co-opted members.

**13. DATE AND TIME OF NEXT MEETING**

October 2019 at 4.30 p.m.



*Sarah Burton*

**Signed on behalf of the Chair:**

**Date:** 10.10.2019