

# Strategic Development Committee

## Minutes

**Meeting reference:** SDC 2023-24/03

**Date:** Thursday 07 March 2023

**Location:** Boardroom (Braham Room 019)

**Members present:** Jenny Hamilton, Board Member (Chair)  
Michael Buchanan, Board Member  
Elaine Piggot, Board Member  
Derek Waugh, Board Member  
Margaret Cook, Principal & Chief Executive  
John Dare, Staff Board Member  
Rebecca Bond, Student Board Member

**In attendance:** Graham Watson, Chair of Board (Item 9 only)  
Jenni Harrison, Board Member (Item 9 only)  
Lorenz Cairns, Depute Principal  
Lynn Murray, Depute Principal (Operations)  
Catherine Etri, Vice Principal (Academic)  
Iain Wishart, Vice Principal (Operations)  
Ian McCartney, Clerk to the Board

**Apologies:** John Dare, Staff Board Member  
Rebecca Bond, Student Board Member

**Chair:** Jenny Hamilton  
**Minute Taker:** Ian McCartney  
**Quorum:** 3

**Minutes:**

Item		Action
1.	<b>Welcome and Apologies</b>  Chair welcomed all present to the meeting, and noted apologies.	
2.	<b>Additions to the Agenda</b>  There were no additions to the Agenda.	
3.	<b>Declaration of Interest in any Agenda Item</b>  There were no declarations of interest.	
4.	<b>Minutes of Meeting held on 23 November 2023</b>  The minutes were agreed as being an accurate record of the meeting.	
5.	<b>Matters Arising from Previous Minutes</b>  Board Member queried current status of Strategic Plan as there had been statements made at the previous meeting around the need to change the Plan arising from the Sustainability Workstreams.  Depute Principal advised that the Sustainability Workstreams may prompt a review of KPIs to ensure they remain pertinent, there are no expectations that the Strategic Plan itself will be fundamentally change and therefore require Board approval.  Chair noted the prevalent use of acronyms in papers and minutes and asked that these be addressed. Vice Principal (Operations) noted that they were in possession of a glossary, which could be circulated.	Vice Principal (Operations)
6	<b>Items for Discussion</b>	
6.1 & 6.2	<b>UHI Perth Sustainability Workstreams</b> <b>UHI Strategic Plan 2030</b>  Vice Principal (External) noted Papers 2 & 3, which were taken as read, before floor was opened to Committee for discussion.  Chair advised that purpose of this item was for the provision of assurance to Board that the project was on track, whilst it was known that proposals would not be forthcoming until the end of March and beyond.	

Board Member queried how this work related to similar project at UHI, and whether there was any overlapping of resources.

Vice Principal (External) noted that the primary focus of the UHI Perth project was on financial sustainability. It was, however, recognised that the UHI 2030 plan does have some impact locally, for example staff changes within UHI Executive Office (EO) that haven't been shared that may have knock-on effects. Where possible, UHI Perth were looking to pre-empt EO impacts with a view to having local proposals ready for mid-April, which will highlight the capacity and expertise that UHI Perth can contribute to the partnership's recommendations.

Board Member advised that there was a need to recognise the demands on resource requirements that would arise from contributing to both projects. Principal agreed and had already raised concerns with the Chair of the Board in this regard. There is a need to consider both capability and capacity together when putting proposals together, as well as to consider where benefits to Perth students are when looking at involvement in UHI 2030.

Board Member queried whether there had been any conversation with EO around backfilling arrangements. Vice Principal (External) advised that there was no full clarity on methodology that UHI are using in the Business Case being made to Scottish Funding Council (SFC); once known, there may need to be a realignment.

Chair advised that cohesiveness around various local/regional strategies and sectoral developments is an issue as there are risks that decisions made locally aren't able to be taken forward due to variance with the rest of the Partnership. Principal noted that UHI Moray dropping Fine Arts provision was an example here as this may impact negatively on other Partners.

Board Member queried whether there was appropriate recruitment strategy alignment with the projects. Principal noted that all vacancies are taken on their own merit, however discussions are due to take place around clarifying the criteria for decision-making in this area. Principal further noted that, while there is no overall recruitment freeze, most roles now being advertised are fixed-term.

Board Member asked whether EO were being asked to plug specific gaps. Principal advised that this was not being discussed as yet, however UHI Perth was due to receive a catalogue of services being provided by EO, albeit with the assumptions that all single services will be run from EO Is being challenged.

Board Member noted that the UHI 2030 Strategic Plan had been signed off by UHI Court and looks to be read as an umbrella document that Academic Partners would need to align with, therefore there is a need to demonstrate how this will happen as well as recognising local priorities. Principal argued that the UHI Strategy came first; whilst UHI may well see this in hierarchical terms, local Boards need to sign off on the UHI Business Case prior to the end of May, and while consultants have been brought in to support delivery within those timescales, there remains the possibility that Academic Partners may decide that the Outline Business Case would need to be changed, therefore there it would be difficult to deliver on the UHI Strategic Plan when this may be a moving target.

Following a query from a Board Member re backfill, Principal advised that the hope is for the Outline Business Case to be progressed to a Final Business Case, and that this will trigger some financial support for SFC, however there have been warning that SFC financial support may not be forthcoming.

Depute Principal stated that the UHI 2030 Strategy's core message was "think, plan and act" as a single institution, however the lifetime of the Strategy would seem extraordinary given most are looking at shorter rather than longer strategy periods. There is also the danger of a scattergun approach being adopted until a cohesive path for progression is agreed upon as there are currently 10 different Strategic Plans operating within UHI.

Chair noted that the Board has an obligation to protect the financial interests of UHI Perth, however there appears to be a general concern that there seems a lack of cohesiveness across the Partnership, particularly around communications, and things are happening in isolation.

Principal advised that some elements of the final UHI plans for a new operating model will need to be taken forward before there can be an agreed single governance model as, even though some Academic Partners are working together, some governance changes will require legislation, therefore the focus is on efficiencies rather than large structural changes at this stage.

Board Member noted that UHI 2030 document has some specific commitments related to outcomes and measures, including a commitment to facilitate Academic Partners in creating centres of excellence, and has the beginnings of quite a strong strategy, however doubted very much that UHI Perth's own strategy would disappear; rather this strategy would potentially become a local operational plan under a single institution, albeit with autonomy greatly reduced.

	<p>Chair noted that the UHI 2030 document reads like an HE-focused Plan, with scant mention of FE, and has concerns in this regard. Principal advised that, in addition to the Plan, FE is not currently noted on the website, even though UHI act as Regional Strategic Body for FE Colleges within the Partnership.</p> <p>Discussion concluded.</p>	
<b>7</b>	<p><b>Date and time of next meeting:</b></p> <ul style="list-style-type: none"> <li>Wednesday 08 May 2024 @ 5:00pm</li> </ul>	
<b>8</b>	<p><b>Review of Meeting</b></p> <p>Committee confirmed the business of the meeting had been compliant with the Terms of Reference.</p>	
<b>9</b>	<p><b>Joint Meeting of Strategic Development and Finance &amp; Resources Committees</b></p>	
<b>9.1</b>	<p><b>Financial Outlook</b></p> <p>Vice Principal (Operations) presented Paper 5 noting that Part 1 looks at UHI Perth only, not the Group (which includes AST), which shows that bottom-line income is relatively fixed at around £17.5m. On the expenditure side, Staff Costs show that the most-recent effects of VS doesn't crystallise until 2024/25, therefore there is nothing materially different from previous projection. Non-Staff Costs will likewise be similar to forecast, which in turn was close to last year's actuals.</p> <p>Chair F&amp;R queried the impact on staff being reduced in line with student numbers. Vice Principal (Operations) advised that there would be a time lag of approx. 2 years from clawback to a reduction in part-time staff costs.</p> <p>Vice Principal (Operations) referred to 2024/25 projections, noting that Government funding allocated via SFC had been reduced by £100m, roughly evenly split between HE and FE. Should plan be to remove the increased HE student number allocations arising from COVID, this would not impact as heavily on UHI Perth as other institutions, and the 8.6% cut in FE funding may be subject to some negotiation.</p> <p>Chair BOM queried whether there would be capacity or funding to deal with the potential for increased or returning numbers. Principal noted that this would depend which areas an upturn in numbers happened, however funding from UHI should be durable and capacity does exist.</p>	

	<p>Vice Principal (Operations) noted that the increased or returned funding was as yet unconfirmed, and may have an impact on the size of savings required at UHI Perth. Vice Principal (Operations) confirmed that the forecast for 2024/25 should crystallise within the next few weeks, once forecast student numbers are known, due to the relative predictability of other income and costs.</p> <p>Chair BOM queried whether UHI Perth was doing all it could with regards to articulation from FE to HE. Vice Principal (Academic) advised that the Marketing team had been working very hard at getting the message out there, and noted that UHI Perth's withdrawal rate had dropped for the third year in a row, and is below the Sector norm.</p> <p>Depute Principal (Operations) advised that, due to capacity issues within the Finance Department, impacted by the work being carried out around the workstreams, there is a risk that the June Board meeting will be too early to have full Budgets prepared.</p>	
<p><b>9.2</b></p>	<p><b>UHI Transformation Operating Model</b></p> <p>Chair noted that this Item was an open discussion around Paper 6, while noting that some points may have previously been discussed or noted within the meeting.</p> <p>Chair F&amp;R queried the viability of a 31<sup>st</sup> May deadline for the Outline Business Case given the work still to do, and wondered what would happen if this deadline is not met. Principal noted that the deadline was set by the UHI Chairs &amp; Principal's Group. Chair BOM advised that the credibility of UHI is at stake if no significant progress is made by the deadline and may be problematic for some Academic Partners as SFC may not be able to provide support without comprehensive financial plans.</p> <p>Board Member noted that adding to the scope of the project when there are constraints on time and resources seemed counter-productive.</p> <p>Board Member expressed concern that such a small team had been brought together at short notice given the scope of the activities listed, which may cast doubt on them having enough time to deliver within the timescales. Principal advised that, while the Project Management office has had greater resources committed to it, the project had failed to recruit a communications person; further clarity was being sought in this matter.</p> <p>Chair F&amp;R expressed intrigue at the EO "service catalogue", and queried whether this was movement towards a Service Level</p>	

	<p>Agreement. Principal note that there was no intent to allocate costs to items within the catalogue.</p> <p>Chair summarised that Paper 6 presented an interesting document, however the impact of the model on Academic Partners is not particularly clear, and it would appear that decisions are being made at the centre without significant input from local delivery areas. Chair BOM noted the problem that there is no decision-making structure, which needs to be sorted before anything can be taken to SFC, and UHI Perth needs to have the loudest voice in that process.</p> <p>Chair expressed formal thanks to departing Vice Principal (Operations) for advice provided over the last few years.</p>	
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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**

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**