

**Minutes of the Extraordinary Meeting of the Board of Directors held on
Monday 16 December 2024 on MS Teams**

Present:

Gary Husband	Chair, Board of Directors
Andy McGoff	Member, Board of Directors
Howell Davies	Member, Board of Directors
Susanne Schulz	Member, Board of Directors
Margaret McLean	Member, Board of Directors
Alyson Tobin	Member, Board of Directors
Stuart Moir	Member, Board of Directors
David Hamer	Member, Board of Directors
George Currie	Support Staff Member, Board of Directors
Zoi Zompopolou	Teaching Staff Member, Board of Directors
Lee Ryan	Student Member, Board of Directors
Roddy Henry	Principal

In attendance:

Mary Slater	Director of Operations
Ingrid Earp	Board Secretary

Apologies:

Aislinn Wood, Jane Grant and Colin Pritchard

Agenda item	
Part A – Opening Business	
1.	<p>Welcome, Apologies and Declaration of Interests</p> <p>The Chair welcomed everyone to the extraordinary Board Meeting and noted apologies as above. Iain Reid was welcomed to the Board – his appointment will be formally ratified at the March Board Meeting. There were no declaration of interests.</p>
Part B – Items for Approval	
2.	<p>Revised Annual Accounts and External Audit Report (Paper 1)</p> <p>It was explained that the reason for the extraordinary meeting and the revised annual accounts was that there had been a change, instructed by Audit Scotland, to the way in which the job evaluation funds were treated. As a result of this a £600k debit has been added to the balance sheet resulting in a deficit of £199k as opposed to the surplus previously showing. In previous years colleges were showing the financial liability but also recorded the associated income therefore showing no impact on the bottom line. The figure for the College is higher in proportionate term than that for other colleges and the figure will be revisited once the process of job evaluation is agreed.</p> <p>Discussion took place around the fact that Scottish Government have verbally indicated that they will support the job evaluation process and associated costs and if the Government don't back this it will be a sector-wide problem.</p>

	<p>Questions from the Board:</p> <p>Q: Does it have an impact on Newbattle applying for funding such as grant funding?</p> <p>A: Agreed that might be an issue but it has been made explicit in the accounts that the liability is sitting with Scottish Government and not the College. It could mean the College is perceived as a bad debt risk going by the balance sheet along.</p> <p>Q: How long will the uncertainty (and therefore the potential debt) be hanging over the College?</p> <p>A: That is not yet clear, SFC and SG need to agree a process and timetable for implementation of the process. This treatment of the funds in college accounts and the associated deficits might be an impetus to move more quickly to resolution. Once the process is agreed and approved the College will be able to move quite quickly given the relatively small number of staff affected. There is a longer-term risk that as a result of job evaluation the salary bill will increase more than that forecast and further squeeze the limited funds.</p> <p>External Audit have agreed that the College is a going concern and the change and associated impact is not a result of weakness in the College or any College processes. It is explicit that the funding of these costs rests with SG.</p> <p>There being no further questions Board approved the revised statement of accounts and thanked the staff involved for all their additional work.</p> <p>Decision: EBoD01:B1 Board approved the revised statement of accounts for submission to SFC.</p>
Part C – For Discussion	
	No items
Part D – For Information	
3.	<p>Any other business</p> <p>There were no other items of business.</p>
4.	<p>Date of next meeting</p> <p>Thursday 20 March 2025 on campus. A light buffet will be available from 4.00pm</p>