

**Paper 1**

**Minute of the meeting of the Board of Directors held on Thursday 24 November 2022, College Campus/via Teams**

**Present:**

Brian Lister	Chair
Tom Angus	Member, Board of Directors
Marlene Gill	Member, Board of Directors
Gill Hogg	Member, Board of Directors
Stuart Moir	Member, Board of Directors
Andy McGoff	Member, Board of Directors (via Teams – from 5pm)
Jan Polley	Senior Independent Member
Majella Sweeney	Member, Board of Directors (via Teams)

Roddy Henry	Principal/Ex-officio
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Stuart Capperauld	Elected Staff Member (Support Staff)
Neil Hargreaves	Elected Staff Member (Curriculum)

**In attendance:**

Kirsty Adamson	Depute Principal
Joyce Clark	Director of Business and Operations
Pauline Donald	Board Governance Advisor, Interim (Minutes)

Keith McPherson	External Audit, Henderson Loggie (via Teams – item 2)
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**Apologies:**

Gary Husband	Member, Board of Directors
David Hamer	Member, Board of Directors
Dorothy Welch	Member, Board of Directors
Craig Ewing	Student President
Holli Davidson	Student Vice President

<b>Part A – Opening Business</b>	
<b>1.</b>	<b>Welcome, Apologies and Declaration of Interests (Chair)</b> The Chair welcomed all members to the meeting.  Apologies were received as noted above and the meeting was confirmed as quorate.  There were no Declaration of Interests advised.
<b>2.</b>	<b>Statutory Financial Statements 2021-22 and reports</b>
<b>2a.</b>	<b>Board of Directors report and College Financial Statements 2021-22 (Paper 1) (P)</b> The Principal and the Chair of the Audit Committee, Gill Hogg Board presented the draft Board of Directors report and the College Financial Statements 2021-22 (version as circulated on 22.11.2022)  The Board noted this included a further amendment resulting in the operating surplus being amended to 87k; with no other changes advised. The Chair of the Audit Committee provided the following report on behalf of the committee:

- the committee had received an earlier draft which they had reviewed in detail.
- the committee had focused their assessment on the figures presented, the additional narrative that they considered was necessary to include and the Statement of Going Concern.
- reflecting the comments from the committee, the Board of Directors report and College Financial Statements 2021-22 had been adjusted accordingly.

The Board was also asked to note:

- Statement of Going Concern: the Audit Committee advised that they were content that the statement was reflective of the college as a going concern over the next 12 months but identified, that longer term, the Board would need to review the position on a regular basis taking account of any sensitivities as they crystallised over the year.
- Keith McPherson, from Henderson Loggie, External Auditors for the College commented that he was able to provide assurance that the Audit Committee had taken the opportunity to review the draft statements in discussion with External Audit, with adjustments made accordingly thereafter as reported above.

In conclusion, the Chair of the Audit Committee asked the Board to confirm their approval of the Board of Directors report and the Financial Statements 2021-22 but specifically also to confirm their assurance that they were content that they had a sound understanding of the accounts as presented as well as the statement of going concern.

On recommendation from the Audit Committee, the Board also agreed that going forward, and as the financial position becomes clearer going in to 2023, the Board should take the opportunity to re-assess the Financial Forecast Return to ensure continued assurance of the financial position.

**Decision: BoD D01: The Board approved the Board of Directors report and College Financial Statements 2021-22.**

**2b. External Audit – Audit Findings Report Year ended 31 July 2022 (Paper 2) (P)**  
Keith McPherson, Henderson Loggie, External Audit took the Board through the Audit Findings report for the year ended 31 July 2022.

The Board noted the following key points:

- External Audit provided assurance that the Audit Committee had taken the opportunity to effectively scrutinise and input to the draft Board of Directors report and College Financial Statements 2021-22 prior to finalisation.
- External Audit reported an unmodified audit opinion on the financial statements with no significant matters or material differences to report to the Board.
- The report also included the Letter of Representation which is required to be signed by the Board.

**The Board received the report as presented and thanked External Audit for their report and attendance at the meeting.**

**Decision: BoD D02: The Board confirmed their approval to sign the Letter of Representation.**

2c.	<p><b>Audit Committee Annual Report 2021-22 (Paper 3) (P)</b>  The Chair of the Audit Committee presented the draft Audit Committee Annual Report 2021-22.</p> <p>The Board noted the following:</p> <ul style="list-style-type: none"> <li>• The report remains in draft at the current time pending credit data returns and student support fund information.</li> <li>• Receipt of an annual report from Internal Audit is under discussion.</li> </ul> <p>Following receipt of the above, an updated report will be circulated to the Audit Committee for approval; the committee will approve by correspondence. The Audit Committee should then be in the position to confirm that the committee had discharged its responsibilities during 2021-22.</p> <p>Additionally, the Board was asked to note that the membership of the Audit Committee would need to be reviewed prior to the next scheduled meeting on 16 February 2023; currently there are only 3 members with one of the members due to leave the committee.</p> <p><b>Action: BoD A01: Audit Committee Annual report to be finalised and the committee will approve by correspondence.</b></p> <p><b>Action BoD A02: Membership of the Audit Committee to be reviewed prior to next scheduled meeting on 16 February 2023.</b></p>
2d.	<p><b>Student Support Funds and Credit Data Returns 2021-22 (Verbal)</b>  The Principal advised that the above reports are nearing completion.</p> <p>The Principal asked the Board to note however that the overall view from External Audit was that there were no substantive points of note.</p> <p>Following completion the reports will be circulated to the Audit Committee and copied to the Board for information.</p> <p><b>Action BoD A03: Student Support Funds and Credit Data Returns 2021-22 to be circulated to the Audit Committee and copied to the Board.</b></p> <p>Keith McPherson, External Audit left the meeting at this point.</p>
3.	<p><b>Minute of Previous Meeting held on 29 September 2022 (Paper 4) (P)</b>  The minutes of the previous meeting were accepted as an accurate record.</p>
3a.	<p><b>Action &amp; Decision Log (Paper 1a) (P)</b>  The Board reviewed the action and decision log as presented, noted for information the decision items, the completed items and the status of the open actions as follows:</p> <ul style="list-style-type: none"> <li>• The Health and Safety Committee will meet in the next week with a report to the next Board meeting. The action point will be updated accordingly.</li> </ul>
4.	<p><b>Matters Arising</b>  No matters arising that were not already include in the agenda for the meeting.</p>

## Part B – For Decision

### 5. **Strategic Plan 2022-26** (Paper 5) (P)

The Principal introduced Paper 2 presenting the final format of the Strategic Plan; subject to minor amendments. The Board was reminded that the Strategic Plan had been approved at the Board meeting on 29 September 2022.

The Board noted the following:

- the Chair details have been changed to reflect the appointment of Jan Polley.
- the Principal acknowledged the inclusive efforts and contribution of students and staff in bringing together the new strategic plan and format.
- in discussion, it was agreed that the timeline will be effective from 2023-2026.
- the Principal will put in place a supporting communications plan to include:
  - distribution via email to key partners in digital format.
  - a hard copy will be distributed to all staff and students, Board Members and also to MSPs.
  - Social media communication.
  - Upload to college website.

The Board commended the revised format of the Strategic Plan.

The Principal further confirmed that the plan will be finalised and circulated as a matter of priority.

**Decision: BoD D03: The Board approved the final format of the Strategic Plan, the further minor amendments, and the supporting communications plan.**

### 6. **Strategic Risk Register 2022-23** (Paper 6) (P)

The Principal introduced Paper 6 presenting the revised strategic risk register 2022-23.

The Board noted the following:

- the strategic risk register is aligned to the aims of the Strategic Plan and has been structured based on previous input from the Board. Therefore, the number of risks has reduced from 30 (including COVID risks) to the current 16.
- the risks have been aligned to the role and responsibilities of a relevant Board Committee or directly to the Board.
- the senior team have been involved in the scoring of the risks.
- the register was reviewed at the Chairs' Committee meeting on 17 November 2022.

The Board was asked to consider the register in terms of a current draft and the following was agreed:

- further consideration proposed at the Board Development Day on 23 February 2023 incorporating discussion on approach to determine college's risk appetite.
- noted further that the board planning day will focus on the current operating environment and priorities – but in this context associated risks will also be considered.
- Board committees will thereafter be asked to consider the risks as relevant to their committee remit during the next cycle of meetings Feb/March 2022.

**Decision: BoD D04: The Board approved the Strategic risk register 2022-23 as presented.**

**Action BoD A04: Board Development Day, February 2023 will incorporate further discussion on the college risk environment including any further update to the risk register.**

7.	<p><b>SFC Outcome Agreement 2022-23 and Self-Evaluation report 2021-22 (Paper 7) (P)</b>  The Principal introduced Paper 7 as presented and advised that the above reports would be required to be submitted to the SFC by 5 December 2022 following approval by the Board. The Principal advised that the college is required to publish the Outcome Agreement 2022-23 on its website; but there is no requirement to publish the Self-Evaluation report. He advised that it was relevant for the Board to review both documents concurrently.</p> <p>The Board noted the following:</p> <ul style="list-style-type: none"> <li>• the reports reflected SFC published guidance and took account of feedback received on the 2021-22 outcome agreement and the self-evaluation report.</li> <li>• the report is set out to define current deliverables (where we are now) but also defines future aims for 2022-23 (our aims for the future).</li> <li>• the outcomes are interwoven to support delivery of the strategic plan.</li> <li>• the college has been assigned a new outcome agreement manager and the leadership looks forward to working with her.</li> </ul> <p>The Board commended the report as presented commenting that it provides a powerful statement of the overall college identity. The Board expressed their thanks to the Principal for the work involved in developing the report.</p> <p><b>Decision: BoD D05: The Board approved the SFC Outcome Agreement 2022-23 for submission to the SFC by 5 December 2022.</b></p>
<b>Part C – For Discussion</b>	
8.	<p><b>Chair’s report (verbal)</b>  The Board received a verbal report from the Chair noting the following:</p> <ul style="list-style-type: none"> <li>• A Board Member recruitment programme has commenced with a closing date of 15 December 2022.</li> <li>• The programme is supported by an advertising campaign on the NAC website, Changing the Chemistry and on Good Moves and across social media.</li> <li>• The link to NAC website has been sent to Board Members – Board Members are asked to share as much as possible across their own networks.</li> </ul> <p>In discussion, it was agreed to also send the supporting advert to the Board Members to share across their networks.</p> <p><b>Action BoD A05: Advert for Board Member recruitment to be circulated to Board Members.</b></p>
9.	<p><b>Principals Report (Paper 8) (P)</b>  The Principal introduced Paper 7 and requested the Board to note the content of the report as presented.</p> <ul style="list-style-type: none"> <li>• the Principal paid tribute to Joyce Clark for her significant commitment and continued support under continual pressures.</li> <li>• the Principal also acknowledged the arrival of Kirsty Adamson, Depute Principal who has very quickly and effectively taken forward her portfolio and responsibilities.</li> <li>• SFC and college sector finances: <ul style="list-style-type: none"> <li>○ clarity on the sector wide financial position going forward is awaited. The senior team will continue to scenario plan and develop contingency plans against the financial outlook; with the responsibility to consider the Newbattle lens.</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>○ As previously noted the Board Development Day will take place on 23 February 2023 and will focus on the current operating environment and priorities and will be informed by any other developments.</li> <li>○ The Board recommended the approach to pursue continued engagement and build strong partnership with the SFC in respect of promoting a sound understanding of the unique profile and nuances of NAC and its students and in defining the college's place across the wider college sector. The role of the Board in also supporting this approach was similarly acknowledged.</li> </ul> <ul style="list-style-type: none"> <li>● Trustee discussions: <ul style="list-style-type: none"> <li>○ the Board noted that the new Chair will arrange to meet with the Trustees.</li> </ul> </li> </ul> <p><b>The Board noted the content of the report as presented.</b></p>
10.	<p><b>Depute Principal's report (Paper 9) (P)</b> The Depute Principal introduced Paper 9 as presented advising also that the report had been considered at the recent Learning and Teaching Committee meeting on 17 November 2022.</p> <p><b>No further queries were raised, and the Board noted the content of the report as presented.</b></p>
11.	<p><b>Operations and Business Development report (Paper 10) (P)</b> The Director of Operations and Business Development introduced Paper 10 as presented advising also that a similar update had been provided at the PARC meeting on 7 November 2022.</p> <p><b>No further queries were raised, and the Board noted the content of the report as presented.</b></p>
12.	<p><b>Articles of Association</b></p> <p><b>Confidential</b></p>
<p><b>Part F – Standing Committee Business</b></p>	
13.	<p><b>Report from Committee Chairs (Verbal)</b> The Board noted the Committee meetings that had recently taken place as follows:</p> <ul style="list-style-type: none"> <li>● Chairs' Committee, 17 November 2022</li> <li>● Audit Committee, 10 November 2022</li> <li>● L&amp;T Committee, 17 November 2022</li> <li>● PARC, 7 November 2022</li> </ul> <p>No further additional information over and above what had previously been reported at the meeting was highlighted.</p> <p>It was confirmed that Stuart Moir as recently appointed Chair of Learning and Teaching Committee would be a member of the Chairs' Committee going forward.</p>
<p><b>Part G – For information only</b></p>	
14.	<p><b>Minutes of meetings (approved) (Papers 12 ,12a (R) and 13 (P))</b> The approved minutes of the following meetings were submitted to the Board to note for information.</p> <ul style="list-style-type: none"> <li>● Chairs Committee, 31 August and 21 October</li> <li>● PARC, 12 September 2022</li> </ul>

15.	<p><b>Any other business</b></p> <p><b>Friends of Newbattle Abbey College</b></p> <p>The Principal advised of the above initiative and sought representation from the Board to be part of shaping the approach going forward. Stuart Moir and Neil Hargraves both confirmed that they would be happy to represent the Board/College in this regard and the Principal advised that he would put forward their names to the lead contact.</p> <p><b>Resignation of Chair</b></p> <p>Brian Lister advised that this would be his final meeting as Chair of the Board prior to his resignation at the forthcoming AGM. He expressed his thanks to all current and previous Board Members and the College Leadership for their support over the years.</p> <p>The Principal and the Board extended their best wishes to Brian for the future and expressed their thanks for all the work, support and commitment to the college over his 8-year tenure as Chair.</p>
16.	<p><b>Date of next meeting:</b> 30 March 2023.</p>

**Note:** (P): Non-confidential – Open business (R): Confidential – Restricted for redaction as required.