

2.	<p>Minute of Previous Meeting held on 16 June 2022 (Paper 1)</p> <p>The minutes of the previous meeting were accepted as an accurate record, subject to the following amendments:</p> <p>Action: A01: Minute Point 4: The Terms of Reference for the Committees of the Board to be included and recorded as approved.</p>
3.	<p>Action & Decision Log (Paper 1a)</p> <p>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"> • BoD A02: Remuneration Committee meeting: date to be identified and meeting to be arranged. • BoD A04: Board Development Day – a skills-mix template will be circulated to Board Members in the next few weeks for completion. Thereafter, this item will be taken forward. • BoD A09: Health and Safety Committee Annual report – completion date noted as November 2022.
4.	<p>Matters Arising</p> <p>No matters arising that were not already include in the agenda for the meeting.</p>
<p>Part B – For Decision</p>	
5.	<p>Finance Report: 5-year Financial Forecast Return (Paper 4)</p> <p>The Principal introduced Paper 4 as presented.</p> <p>The Board noted:</p> <ul style="list-style-type: none"> • the 5-year FFR and accompanying commentary required by the SFC • the SFC guidance on key planning assumptions • the 2023-24 deficit position noting that submission of a balanced FFR will require further work • the extraordinary and severe financial difficulties facing the college sector. <p>The Principal advised that a draft FFR, or an approved final FFR, is required to be submitted to SFC by Friday 30 September 2022.</p> <p>The Principal took the Board through the supporting commentary and highlighted the significant issues and related context. The Principal specifically highlighted:</p> <ul style="list-style-type: none"> • All colleges are experiencing significant challenges in returning a balanced financial position, the sector is engaged with SFC and Scottish Government at a strategic level on the issues. • Colleges have been requested to plan the FFR against a set of assumptions. The draft FFR as presented is based on assumptions of income which are conservative but realistic. • Opportunities are presented through the commercial environment but neither income nor margins are significantly great against a challenging backdrop.

- Future pay negotiations and the impact of job evaluation reviews will come into effect as a recurring cost.
- The Board has the option to approve and submit the FFR as presented.

Overall, the Principal commented that he was confident that the college will be able to identify a way forward and can continue to deliver on its core objectives, whilst advising that what this will look like and what needs to be done to make this happen continues to be uncertain.

The Board further noted the challenges facing the sector and public finances.

In conclusion, the Principal put forward the suggestion that the FFR is returned as a draft taking account of comments from the Board with the commentary clearly stating the assumptions presented and the associated risks.

The following points were put forward and further considered by the Board:

- Consider including reference to position of college in terms of its Estate and in relation to being able to continue to achieve targets related to carbon agenda; given that this is a key priority for the Scottish Government and how this may impact on college Estates across Scotland as a whole.
- The principal acknowledged that opportunities to increase revenue from the estate or commercial activities exist but were very much challenged by other increases in costs together with other unknowns and may in effect therefore not cover gaps to any significance.
- Young Person's Guarantee (YPG) funding and a small allocation of Flexible Workforce Development Funds (FWDF) were available in 2021-22, and £75k grant funding from the Trustees has a last payment in January 2023; YPG and FWDF allocations are not yet currently confirmed for 2022-23 and may further alter the current position. These are all income streams that put the college in a reasonable position in 2021/22 and will not be available in the future.
- The associated risk in terms of the assumptions of a 2% increase for pay awards for 2023-24 against a possible 11% request from Unions was highlighted.
- Consider the opportunities related to the two streams of activity in parallel, ie SFC funding and commercial income, and what is within the college's power to control: maintaining the mission of the college whilst pushing the boundaries.
- Consider the risks and mitigation in terms of current and future student numbers

The Principal provided assurance that the college has and will continue to maximise its opportunities and will explore all avenues to increase income and utilize assets.

The Chair thanked the Principal, the Director of Operations and Business Development and the Board for their efforts and contributions to inform the FFR and encouraged a dynamic and positive approach going forward.

The Board noted that the college had informed SFC that, as the scheduled Board meeting takes place on 29 September 2022, a draft FFR may be submitted on 30 September 2022 with a final approved version to follow.

Action: A02

- Draft FFR to be forwarded to SFC, 30 September 2022
- Next iteration of draft FFR to be circulated to the Board for further review/comment.

	<ul style="list-style-type: none"> • Chair's committee meeting (21.10.22) will review comments received from the Board. • Final FFR will be submitted to SFC by end of October as per required timeline.
6.	<p>NAC Strategic Plan 2022-26 (Paper 2)</p> <p>The Principal introduced Paper 2 as presented and circulated a copy of the first draft publishable version of the Strategic Plan.</p> <p>The Principal advised that the Plan had been published by a local company but that he was disappointed with the outcome, commenting that further expertise may be needed to support the college to develop a more relevant product. The Principal explored the opportunity to do this in collaboration with Majella Sweeney and students from QMU, and this was agreed.</p> <p>Format notwithstanding, the Board approved the NAC Strategic Plan 2022-26. The Principal advised that he would circulate a revised format as soon as possible.</p> <p>Decision: D01: The Board approved the Strategic Plan 2022-26.</p>
7.	<p>Articles of Association (Paper 3)</p> <p>J Polley introduced Paper 3 as presented.</p> <p>The Board noted the following:</p> <ul style="list-style-type: none"> • the summary of main changes as detailed. • the requirement to seek consent for approval of the revised Articles from the Board of Trustees. • the requirement to apply to OSCR to seek approval to alter the existing objectives of the company. <p>The Board sought clarity on the objects as defined and on the term of office for Staff Members. The following was agreed:</p> <ul style="list-style-type: none"> • Article 2.1.3: continues to define the college as an 'adult education college' and therefore could set restrictions in terms of provision of education to under 16s given that the college has been engaging in support and interaction with secondary and primary schools and pupils. • The Principal suggested that, in order to give the college as much scope as possible, the objects should be amended and the college defined as 'an education college,' and this was agreed. • Term of Office of a Staff member: timeline for appointment to be incorporated into the Articles as relevant. <p>It was agreed that the above amendments will be incorporated into the next version and submitted to the Trustee Board and then to OSCR for their consent. Subject to completion of these actions, the Board noted that the aim was to present the final revised Articles of Association for adoption at the AGM on 24 November 2022.</p> <p>Decision: D02: The Board approved the draft Articles of Association as presented subject to the agreed amendments.</p>

8.	<p>LRPA – UNISON (Paper 6)</p> <p>The Principal introduced Paper 6 as presented.</p> <p>The Board noted:</p> <ul style="list-style-type: none"> • Broad agreement on the LRPA has been reached with UNISON. • The request by UNISON to secure a route to the Board as part of the Disputes Process. <p>The Principal sought the Board’s view on UNISON’s request to secure a route to the Board. The Principal outlined the management’s position advising that the internal process for dispute resolution as detailed in the Disputes Procedure is correct. The Principal also directed the Board to the related delegated authority of the Principal as outlined in the Scheme of Delegation (4.16) and therefore any further route to the board would be unnecessary and inappropriate.</p> <p>The Chair of PARC advised also that the Disputes Procedure had been considered at the previous meeting of PARC with the outcome that the Committee had expressed their full support to the management position.</p> <p>The Board confirmed their agreement to the position presented by management and confirmed their approval for the Principal to report the Board’s position and rationale to UNISON.</p> <p>Decision: D03: The LRPA and Disputes Procedure were approved by the Board. The Principal will advise UNISON accordingly.</p> <p>The Principal further advised that the LRPA with EIS is currently also being progressed and will be submitted to the next Chairs’ Committee meeting for consideration.</p>
Part C – For Discussion	
9.	<p>Chair’s report (verbal)</p> <p>The Chair expressed his thanks to management team and acknowledged their level of commitment to the college whilst operating under the current significantly challenging circumstances being experienced across internal and external environments.</p> <p>The Board joined the Chair in commending the work of the management team.</p>
10.	<p>Principals Report (Paper 7)</p> <p>The Principal introduced Paper 7 as presented.</p> <p>The Board noted:</p> <ul style="list-style-type: none"> • the current state report on the Business Park Operating model, noting that discussions continue and that the Board will be advised as these develop. • the new Depute Principal & Director of Academic Development, Kirsty Adamson will join the college on Monday 3 October 2022. • the Principal expressed his thanks to the Curriculum Manager, Paul Lennon who will retire at the end of December 2002 and advised that the vacancy had been advertised. <p>The Board agreed to share the financial outlook with the Trustees providing a summary of the college position with supporting context. The Principal advised that he would include this in the report to the next meeting of the Trustees on 21 October 2022.</p>

	<p>Action: A03: The financial outlook to be shared with the Trustees at the meeting on 21 October 2022.</p>
<p>11.</p>	<p>Curriculum report (Paper 8)</p> <p>The Principal introduced Paper 8 as presented and provided a summary report on the content.</p> <p>The Board noted the following key points from the report:</p> <ul style="list-style-type: none"> • student attainment and retention rates fell in 2021-22. Indications are that retention reduced across the sector as a whole, however, the college will continually look to identify further improvements that can be taken forward. • student demographic is changing with a corresponding impact on increased requirements for support for care experienced students and students with multiple disabilities and needs. However, this shift in demand reflects the college’s unique offer, which is not provided by other colleges. • SWAP applications are significantly reduced but impact mitigated by the new NC route. • the demand for rural skills courses supports the further development of a ‘green curriculum,’ which includes the Forest College activity. • the college sector view is that cost-of-living crisis will undoubtedly have an impact on people with financial commitments considering taking on ‘full-time’ education. • no guidance on the outcome agreement framework has been received to date. <p>The Board noted the report as presented.</p>
<p>12.</p>	<p>Board Membership and recruitment (Paper 9)</p> <p>The Board Governance Advisor introduced Paper 9 as presented.</p> <p>The Board was asked to consider the current membership status, review and advise on the recommendations presented and confirm if there is a requirement to commence a Board Member recruitment programme.</p> <p>Following consideration, the Board agreed:</p> <ul style="list-style-type: none"> • to direct the Nominations Committee to commence a Board Member recruitment programme. • that the skills matrix for each Board Member should be updated to inform the recruitment process and to identify any skills gaps on the Board and its Committees. • the process and indicative timeline options for a Board recruitment programme to be developed and approved by the Nominations Committee. • to commence a Staff Member support staff election programme. <p>The Principal further confirmed that student election to the Student Representative Council, including Student President and Student Vice-President, will soon commence.</p> <p>Decision: D04: The Board approved to proceed to a Board Member recruitment programme.</p> <p>Action: A04</p> <ul style="list-style-type: none"> • Indicative timeline options to be developed for discussion at the Chairs' Committee meeting 21 October 2022. • Skills-matrix for all Board Members to be updated.

13.	<p>AGM, 24 November 2022: draft agenda (Paper 10)</p> <p>The draft agenda for the AGM on 24 November 2022 was noted as presented.</p> <p>The Chair suggested hosting an event to thank all current and previous Board Members for their commitment to the college, suggesting that the event should be arranged to coincide with the Board Meeting/AGM.</p> <p>It was agreed that further discussions on arrangements will take place at the next Chairs' Committee meeting.</p> <p>Action: A05: AGM Informal event and invitation list to be discussed at Chairs' Committee meeting, 21.10.22</p>
Part D – For Information	
14.	<p>Governance Action Plan 2022/23 (Paper 11)</p> <p>The Board received Paper 11 for information as presented.</p>
15.	<p>Annual programme: Board of Directors and Committee meeting dates 2022/23 (Paper 12)</p> <p>The Board Governance Advisor introduced Paper 12 as presented.</p> <p>Board Members were asked to note the programme of meeting dates for 2022/23 and were advised that formal meeting invitations will be sent at least one month in advance of each meeting.</p>
Part E – Standing Committee Business	
16.	<p>Report from Committee Chairs</p> <p>The Board received the following verbal reports from recent Committee meetings:</p> <ul style="list-style-type: none"> • Chairs Committee, 31 August 2022: the Chair advised that the main items discussed had been included the agenda for the Board meeting. • PARC, 12 September 2022: Dorothy Welch, Chair of PARC provided a verbal update from the meeting held on 12 September 2022. The Board noted that the main item discussed related to the LRPA. Additionally, the Board was asked to note that the meeting had not been quorate and that the number of members of the Committee was very limited, commenting that the approval to proceed to recruitment of new Board Members was welcomed.
17.	<p>Minutes of meetings (approved)</p> <p>The approved minutes of the following meetings were submitted to the Board to note for information.</p> <ul style="list-style-type: none"> • Chairs Committee, 9 June 2022 (Paper 13) • PARC, 9 May 2022 (Paper 14) <p>The Principal provided assurance that the Equality and Diversity Committee meeting will be reinstated.</p>
18.	<p>Any other business</p> <p>No other business was raised.</p>

19.	<p>Chair recruitment process: update</p> <p>Note: The Declaration of Interest recorded on page one of the minute of this meeting refers.</p> <p>Gill Hogg, as Chair of the recruitment panel, provided a verbal report on the progress with the Chair’s recruitment process.</p> <p>The Board noted that, subject to a successful interview process, a recommendation on appointment will be submitted to the Board for approval.</p>
20.	<p>Date of next meeting</p> <p>24 November 2022 at 4.30pm – 6.30pm followed by the Company Members AGM 6.30pm - 7.30pm.</p>

Restricted business – Confidential and not for inclusion in open business

21.	<p>Trustees Discussions (Paper 5) – Confidential</p> <p>The Principal introduced Paper 5 as presented.</p> <p>The Board was asked to consider two issues and advise on a response to the Trustees:</p> <ul style="list-style-type: none">• to agree an annual return on investment to the Trustees in return for upgrading the residences to ensute throughout.• further consideration of the £1 leases for units used by the college. <p>1. Residences upgrade</p> <p>The Principal summarised the background, the further discussions, additional proposals and requests from the Trustees, the detail of which is outlined in Paper 5.</p> <p>Following deliberation, the Board agreed to direct the Principal to present the following position to the Trustees:</p> <ul style="list-style-type: none">• The Board was content in principle with the annual return on investment proposals as presented with the caveat that the College would be in the financial position to meet these.• The additional information requests as detailed will be provided to the Trustees ie<ul style="list-style-type: none">○ an estimate any additional costs associated with the additional income projected.○ at least three estimates for the upgrading work. <p>The Board noted that the college’s position will be presented to the Trustees at their meeting scheduled for 21 October and an update provided at the Chairs’ Committee meeting thereafter.</p> <p>Action: D05: The Board approved the approach to ROI proposals related to residences upgrade in principle subject to the college’s financial position to support. The Chair and Principal will meet with Trustees on 21 October and will advise on the feedback from the Board.</p> <p>2. £1 Leases</p> <p>The Principal summarised the discussions that had taken place to date and the revised advice for Board consideration as outlined in Paper 5.</p> <p>The Board supported the suggestion that the Principal will have further discussions with the Trustees to explain the wider context and added complexities in relation to £1 leases, including those for specific units in the business park, the gatehouse and the rural skills unit.</p>
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