# M I N U T E S

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| **SRUC Board Meeting** |

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| Date: 31 March 2022 |

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| Place: Norton House Hotel |

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| Status: Strictly Private & Confidential |

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| Distribution:<br><br>SRUC Board<br>ELT |

**Present:** Mr S Cumming (Chairman), Dr M Aitchison, Mr D Bell, Mrs A Bruton, Mrs J Craigie, Prof Sir P Downes, Mrs J Fortune, Mr J Hume, Mrs M Khnichich, Mrs E Murray, Mr A Peddie, Prof W Powell, Mr Z Reilly, , Mr C Sayers, , and Mr B Wood.

**In attendance:** Mr H Anderson, Mrs C Bysh, Mr I Grinbergs, Mr G Macgregor, Prof Jamie Newbold, Mr A Lacey, Dr M Thomson, Mrs D Taylor (minutes secretary), Prof E Wall (for item 22.08.04), Dr C Dwyer (for item 22.08.04), Dr G Miller (for item 22.08.04), Dr A McVittie (for item 22.08.04), Mr S Thomson (for item 22.08.04), Ms J Volk (item 22.09.03)

**22.01 Welcome and Apologies**

**Noted** that:

a) Apologies were received from Miss R Asli, Miss C Sangster, Mr I Ross, Prof M Smith, Mrs S Bolton, Mr C Peebles.

b) Duncan Mackay had resigned due to ill health. The Board thanked Duncan for his time as the academic staff member on the Board. An election would be held at the appropriate time.

c) The Chair welcomed Ian Grinbergs, Chief Digital Information Officer, and Mary Thomson, Director of Skills and Lifelong Learning, to their first Board meeting.

**22.02 Register of Interests, Conflict of Interest, Hospitality Register**

**Noted** that:

a) No conflicts of interest were raised. Any updates to the Register of Interest or Hospitality Register should be forwarded to the Assistant Company Secretary.

**22.03 Minutes of Previous Meetings**

**22.03.01 Minutes of Meeting held on 15 December 2021**

**Noted** that:

a) The minutes were approved as an accurate record of the meeting.

**22.04 Matters Arising *(not elsewhere on the agenda)***

**Noted** that:

a) 21.53.05, SAC Commercial Board: The Director of Finance updated the Board that work was progressing on confirming the governance arrangements for spin-offs but noted that this work was not just about governance but was linked to the wider strategic aims and principles of what SRUC is trying to achieve. The Chair outlined that he would provide headlines of the SAC Corporate Trustee meeting under AOB.

**22.05 Principal & Chief Executive and ELT's update (confidential, closed business)**

**22.06 Covid-19 Recovery Planning Update (confidential, closed business)**

**22.07 Items for Approval**

**22.07.01 2021/22 9+3 Forecast Update (confidential, closed business)**

**22.07.02 2022/23 Macro Budget Update (confidential, closed business)**

**22.07.03 RaVIC (pre-approved, for discussion)**

The Board received a "RaVIC budget" paper from the Director of Finance (paper 515).

**Noted** that:

a) The Board had received the paper by email on the 21st March and asked to approve an increase in the RaVIC budget. An increase in EDRF funding of £1.95M left only an additional contingency of £0.3M to be funded by SRUC if required. The Board unanimously approved the budget increase. It was noted that the F&E Committee had scrutinised the paper and recommended it for Board approval.

b) The Director of Finance outlined that negotiations with the contractor around costs were ongoing. An update would be brought to the Board if necessary.

**22.07.04 SFC FT Loan Funding (pre-approved, for discussion)**

The Board received a "SFC FT Loan Funding" paper from the Director of Finance (paper 516).

**Noted** that:

a) The Board had received the paper by email on the 21st March and asked to approve £8.0M of new loan funding by the SFC. The Board unanimously approved the loan funding. It was noted the F&E Committee had scrutinised the paper and recommended it for Board approval.

**22.08 Academic Business**

**21.50.01 Academic Board Report and Minutes**

The Board received the "Academic Board Report and Minutes" from the Chief Academic Officer (paper 517).

**Noted** that:

a) The Chief Academic Officer outlined the proposed changes in programme leadership. The current structure puts pressure on few individuals and does not facilitate growth or development potential.

b) The Curriculum Review is currently underway and will look at "what we teach" as well as "how we teach it". It was noted that the student experience is woven into the review.

c) An effectiveness review of the Academic Board would be taking place by way of survey to gather views, structured interviews with staff, discussions with some SRUC Board members, and student discussions.

d) It was requested that acronyms be spelled out in reports.

**22.08.02 Quality Enhancement Action Plan (confidential, closed business)**

**22.08.03 University of Edinburgh Report**

The Board received "SRUC's Programmes Leading to Awards of the University of Edinburgh Annual Report 2020-21" from the Chief Academic Officer (paper 519).

**Noted** that:

a) A working group has been set-up with the Universities of Edinburgh and Glasgow to discuss the relationship with SRUC post TDAP.

b) The Chair asked if there were further points highlighted by UoE. The Chief Academic Officer noted that the following points were discussed and that the tone of the discussion is collegial and focuses on sharing best practice.

- SRUC's National Student Survey (NSS) score had gone up, although it was recognised there was work to do to improve further and achieve a higher score.
- Differences in the residence models.
- Online security and gender based violence.
- Mechanisms used for feedback.

c) The report notes that some problems with student transitions were identified (e.g. HND to Degree). Progression was also impacted due to covid. It was noted that a working group had been put in place to address this.

d) The ethnicity data of all SRUC HE enrolments showed there had not been an increase in black and minority ethnic students despite efforts to improve recruitment. The Chief Academic Officer recognised that this was a challenge and noted that work was being done on contextualised admissions.

**22.08.04 RESAS Strategic Research Programs (confidential, closed business)**

**22.09 Items for Information**

**22.09.01 SRUCSA update including Speak Week report**

The Board received the "SRUCSA update" from the SRUCSA co-Presidents (paper 520).

**Noted** that:

a) The Co-Presidents were not able to attend the meeting in person so provided a video update for the Board.

b) The Winter Warmer Campaign had been a success. Key points were:
   - Secured a donation of 600 hats for our students
   - Bought in branded SRUCSA hats and fleecy scarves
   - Distribute the goodies with the help of PL's and Support Staff
   - Gave out over 700 hats across all SRUC Campuses, over 250 Baxter Story free hot drink vouchers and over 200 scarves across all SRUC campuses

c) The Gender Based Violence "walk arounds" were complete at Elmwood, Edinburgh, Ayr, Barony and Oatridge. The Campus & Estates staff had been very involved and supportive of this work.

d) The SRUCSA elections for 2022/23 were complete and the incoming team were ready to go. The best voter turnout since 2012 elections had been achieved.

e) The Board enjoyed the video update and recognised the significant contributions Cara and Roz make to the Board. It was agreed the co-President model was working well.

f) Cara had served 2 terms as a student member on the Board and would be taking up the post of Women's Liberation Officer. Roz had been re-elected as a co-President for South & West and would remain on the Board in 2022/23. It was agreed having this consistency of student members was beneficial for the Board. The incoming co-President for the North, Claire Williams, would attend the June Board meeting as an observer and join as the newest student member in September.

g) The Board decided to discuss the SLC update here and not under item 22.10.06 since it was closely linked to the SRUCSA update.

h) The co-Chair of the SLC, Annette Bruton, noted that attendance at the online SLC meeting had gone down. People are getting online fatigue and this was not a great time of year for engagement as student were busy. November numbers should be better.

i) The new agenda structure is working well and the Deans have been providing updates. The co-Presidents have been contributing the main topics for the agendas. The agenda for the next meeting will be 1. Faculty/Deans update, 2. New chair role, 3. Key items the Board is looking at, 4. How the Board relates to students, 5. Rebuilding campus community.

j) Jane Craigie, co-Chair of SLC, commented how appreciative she was of the level of engagement and commitment shown by the student representatives.

k) It was clarified that the responses from the Speak Week campaign are shared with the Academic Leadership Team and SRUCSA leadership who take the actions forward. The Speak Week report would be shared with the Board. The Director of Skills & Lifelong Learning agreed to circulate it.

**Action: MT**

l) Developing a programme of work with Sparks UK is to be looked at again. This had started but progress had stalled during the pandemic.

**Action: AB**

**22.09.02 Risk Register and Risk Management**

The Board received the "Risk Register, Risk Management update and the Risk Appetite Statement" from the Chief of Staff (paper 521).

**Noted** that:

a) The Chief of Staff outlined that this was a fuller report because it includes the actions as outlined in the KPMG Risk Management audit.

b) Much work has been done to consolidate all risk registers across SRUC. Much of this work has taken place at the Senior Leadership Team meetings and includes a bottom-up approach, not just top down. Movement of items between the strategic risk register and the operational risk registers demonstrates that the process is working.

c) Further work to review and define each risk is still to take place but we are not quite ready to do this big piece of work.

d) The Chair of the Audit & Risk Committee confirmed that the internal auditors, KPMG, were pleased with the revised risk register and risk management process and agreed it matched the requirements outlined in their audit.

e) It was suggested that any risk that could lead to a high risk should include a contingency plan as well as mitigation points.

**Agreed** that:

a) The Risk Appetite statement was approved by the Board. It was noted that the A&R Committee and the internal auditors had reviewed it previously and were content to recommend it to the Board for approval but felt that future work should be done to further apply the different levels of risk appetite in different areas.

**22.09.03 Balanced Scorecard Update**

The Board received the "Balanced Scorecard report featuring performance reporting actuals as of March 2022" from the Chief of Staff and Business Intelligence Manager (paper 522).

**Noted** that:

a) The exact details of targets, timelines and measures are being finalised with the ELT. While this work is ongoing it was felt it was worthwhile showing the BSC in its current state to get Board feedback. At this stage of development, the RAG ratings are indicative only but give a good overview.

b) The Strategic Performance subgroup has been kept up to date with developments and their feedback incorporated.

c) It was important to use the current BSC for about 2 to 3 Board cycles before any further changes are made. It was also recognised that it is not possible to measure every element and it must be strategic and targeted.

d) The BSC, Risk Register and Corporate Planning all need to be connected.

**Agreed** that:

a) Work should progress on the current BSC and it should be used for a few Board cycles. Any comments should be sent directly to the Chief of Staff or Business Intelligence Manager. The Strategic Performance subgroup should continue to provide input.

b) The BSC should continue to come to the Board at mid-year and year-end.

**22.09.04 Corporate Planning Update**

The Board received a "Corporate Planning update" from the Chief of Staff (paper 523).

**Noted** that:

a) It was clear from the paper and from the Chief of Staff's presentation that SRUC's strategy and ambition were being embedded in a suite of planning activities, such as the 10-year plan, new ELT appointment, the development of the Balanced Scorecard, transitioning to outcome based budgeting, and the Transformation Map.

b) Making Performance Matter and performance reviews helped to link individuals and their work to the contribution they make to delivering SRUC's strategy.

**22.09.05 Chair Handover and Induction**

The Board received a verbal update on "Chair Handover and Induction" from the Assistant Company Secretary.

**Noted** that:

a) Linda Hanna would take up her role as SRUC Chair on the 6th April. Initial meetings had been arranged with the incoming Chair and the current Chair, the Principal & Chief Executive, and ELT members. Further meetings would be arranged with each of the non-executive directors.

b) A meeting with the Company Secretary and Assistant Company Secretary had also been held to begin discussions on governance and related topics.

c) Thanks was extended to Elma Murray for Chairing the Chair Election Committee and the members of the Chair Election Committee for their dedication throughout the election process.

**22.10 Board Sub-committee and SAC Commercial Board updates (confidential, closed business)**

**22.10.01 Finance & Estates Committee**

**22.10.02 Audit & Risk Committee**

**22.10.03 Remuneration & Appointments Committee**

**22.10.04 Transformation Steering Group**

**22.10.05 SAC Commercial Board**

**22.10.06 Student Liaison Committee (SLC)**

**22.11 2022 Dates of Future Board meetings**

Upcoming Board meetings are scheduled for 14 June, 15 September, 15 December.

**22.12 Any Other Business**

**22.12.01 Committee/Board papers**

**Noted** that:

a) The Academic Board and Transformation Steering Group papers would be made available to the SRUC Board for information.

**Action: JN/GM**

**22.12.02 SAC Corporate Trustee**

**Noted** that:

a) The Principal & Chief Executive reported that the SAC Corporate Trustee had met on 30 March. The discussions focused on four main items:
    a. Clarifying the roles and responsibilities of the various entities.
    b. The process for the SAC Commercial Business Plan approval. There was good dialogue around this and agreement approval sat with the SRUC Board.
    c. An IP Policy would be developed for the June Board meeting.
    d. Testing, validating and optimising governance arrangements into the future. Advance HE are to be asked to quote to do a piece of work on this.

**22.12.03 Thank you Sandy**

It was acknowledged that this was Sandy Cumming's last meeting as Chair of SRUC. Gratitude and thanks were extended on behalf on the Principal & Chief Executive, the ELT, and the whole Board. His firm but fair style was noted as was his vast institutional knowledge which had been accumulated over 12 years in numerous committee and Board roles. He leaves a positive legacy and impact on SRUC.

**Devon Taylor**
**Assistant Company Secretary**
**March 2022**

# M I N U T E S

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| **SRUC Board Meeting** |

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| Date: 14 June 2022 |

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| Place: Norton House Hotel |

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| Status: Strictly Private & Confidential |

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| Distribution:<br><br>SRUC Board<br>ELT |

**Present:** Mrs L Hanna (Chairman), Dr M Aitchison, Miss R Asli, Mr D Bell, Mrs A Bruton, Mrs J Craigie, Mr C Davidson, Prof Sir P Downes, Mrs J Fortune, Mr J Hume, Mrs M Khnichich, Mrs E Murray, Mr A Peddie, Prof W Powell, Mr Z Reilly, Mr I Ross, Miss C Sangster, Mr C Sayers, and Mr B Wood.

**In attendance:** Mr H Anderson, Mrs C Bysh, Mr I Grinbergs, Mr G Macgregor, Prof Jamie Newbold, Mr A Lacey, Mr C Peebles, Dr M Thomson, Mrs D Taylor (minutes secretary), Claire Williams (observing), Prof E Wall (for item 22.20.03), Prof Peter Watson (TDAP observation), Joseph Mulholland and John Laird from Education Scotland (for item 22.20.02)

**22.13 Welcome and Apologies**

**Noted** that:

a) Apologies were received from Susannah Bolton, Annette Bruton, Jane Craigie, Prof Pete Downes, and Elma Murray.

b) The Chair congratulated Craig Davidson on being elected as the academic staff member on the Board and welcomed him to his first meeting. Claire Williams was congratulated on being elected as SRUCSA Co-President and it was noted she would be joining the Board as a student member in September. Peter Watson, who was observing for TDAP, was welcomed to the meeting.

**22.14 Register of Interests, Conflict of Interest, Hospitality Register**

**Noted** that:

a) No conflicts of interest were raised. Any updates to the Register of Interest or Hospitality Register should be forwarded to the Assistant Company Secretary.

**22.15 Minutes of Previous Meetings**

**22.15.01 Minutes of Meeting held on 31 March 2022**

**Noted** that:

a) The minutes were approved as an accurate record of the meeting.

**22.16 Matters Arising *(not elsewhere on the agenda)***

**Noted** that:

a) There were no matters raised.

**22.17 Board Sub-committee and SAC Commercial Board updates (some items confidential closed business)**

The Board received verbal updates and a "Sub-committee and SAC Commercial Board Updates" paper from the Sub-Committee Chairs (paper 524).

**22.17.01 Finance & Estates Committee**

**Noted** that:

a) The Chair of F&E, Margaret Khinichich, outlined that the pay claim for last year had been approved and the Committee was pleased with the outcome.

b) The Committee had asked for renewed effort around the three main trusts and that a joint meeting be held soon.

c) **(confidential closed business)**

d) **(confidential closed business)**

**22.17.02 Audit & Risk Committee**

**Noted** that:

a) The Chair of A&R, Bruce Wood, noted that the Health & Safety Annual Report and the Risk Register had been discussed by the Committee and were both on the Board agenda and would be discussed in more detail later.

b) Two items the Chair of A&R wished to highlight were:
    a. Reappointment of Internal Auditors (KPMG): The appointment committee had been impressed with a revitalised KPMG tender. A good understanding of where the internal audit work will focus over the next 5 years and is linked to delivering SRUC's strategy.
    b. Estates Audit: Record keeping for PPM had been raised as a critical finding and was discussed by the Committee. It was understood why the record keeping was as it was and actions would be followed up in August.
    The Estates Strategy is a long standing issue and work continues on developing a road map and bottoming out the issues that will inform the Estates Strategy (e.g. teaching portfolio, student numbers, digital, hybrid teaching, residence models…)

c) The F&E and A&R Chairs clarified that while the Committees receive the same finance papers F&E's remit is firmly financial scrutiny and approvals, and the A&R Committee review from a risk perspective.

**22.17.03 Remuneration & Appointments Committee**

**Noted** that:

a) The Board noted the R&A report and any further comments or questions should be sent directly to the Chair of R&A, Elma Murray.

**22.17.04 Transformation Steering Group (TSG)**

**Noted** that:

a) The Chief of Staff noted that the TSG report gave updates on key project activities and pipeline plans.

b) The Academic Director is overseeing the SFC transformational funding work at King's Buildings . The plan should be finalised in mid-July.

c) Supply costs for infrastructure capital projects continue to increase. A procurements strategy to decrease cost is being considered.

d) Dairy Nexus: Approval has been received from Project, Programme and Transformation Portfolio Group to advance to RIBA Stage 3. Considering the best value strategically and carbon impact continues to be a priority. It was recognised that getting approval from the Board on the final business case will likely take place outside the regular meeting schedule but a mechanism will be put in place to ensure correct approvals are received.

e) Updates on Vertical Farming and Seedpod were available in the written report.

**Agreed** that:

a) There should be a future Board item on Culture and People.

**Action: GM**

b) Succession planning for the non-executive directors who currently sit on the TSG should be considered.

**Action: GM**

**22.17.05 SAC Commercial Board**

**Noted** that:

a) The VP Commercial Services provided a verbal update from the SAC Commercial Board which had been held on the 7th June.

b) The IP Policy was discussed by the SACC Board and will be discussed later on the SRUC Board agenda (item 22.24.04). The SACC Board also received their usual operation updates from SAC Consulting, Farms, Vet Services, Contract Research, and Commercialisation and Innovation.

c) The SACC Board spend time discussing strains on people due to Covid and the economy and how the rural sector has been particularly hit. They also discussed the need to not just attract new staff but to retain talent.

d) Financials have been added to the Commercial Business Plan which will come to the SRUC Board for approval in September.

**Action: AL**

e) Agrecalc – The SACC Board fully supports the development of Agrecalc. It is recognised work needs to be done on the company structure, and the correct route for appointing a CEO and Board members. A proposal will come to the SRUC Board for approval as soon as possible.

**Action: AL**

e) **(confidential closed business)**

**22.17.06 Student Liaison Committee (SLC)**

**Noted** that:

a) Annette Bruton, co-Chair of SLC, was unable to attend the Board meeting but provided comments on the SLC by email in advance.

b) The most recent round of SLC meetings had had a low turnout but this time of year usually had a lower turnout and there was an element of "online meeting fatigue". The next round of meetings will be in person and during a time of year when there is generally more engagement. The Student Members and SRUCSA co-Presidents agreed in person meetings would be received more positively and saw them as an opportunity to have Board members attend and speak with students and increase the Board's visibility.

c) The Student Members noted that rebuilding campus communities after Covid has been a focus for SRUCSA this academic year. Student engagement, identity to SRUC and mental heath are interlinked and would be a focus of SRUCSA this upcoming year.

d) The communication of discussions/decisions at the SLC and the Student Liaison Group (SLG) to students who could not attend the meetings was important. These are separate committees with distinct remits.

**22.18 Chair's update**

The Board received a verbal update from the Chair.

**Noted** that:

a) The Chair reflected on her first two months in post noting this was an exciting time to be joining SRUC with an ambitious transformation agenda and much opportunity. She has received much positive feedback from external stakeholders on SRUC.

b) SRUC is well placed to address many of the key issues facing the world and help direct policy and implement strategy in Scotland and wider. People and IT are our big enablers.

c) The Chair has met with most of the non-executives at this time. There is a desire to increase the visibility of the Board across SRUC staff and students.

d) In addition to bringing more visibility of the Board to staff and students, the Chair also highlighted the importance to bring more visibility externally to what SRUC does and the impact it creates.

e) The chair highlighted the importance of the Board role in SRUC Health and Wellbeing of staff and students and this would be an ongoing focus of the Board's agenda.

f) The Chair noted that she would be considering the board skills/development programme, agenda setting and how best to use the Boards' time during meetings.

g) The September Board meeting would be extended to include a strategy day prior to the meeting. Details would be confirmed shortly.

**22.19 Principal & Chief Executive and ELT's update (confidential, closed business)**

**22.20 Academic Business**

**22.20.01 Academic Board Report and Minutes**

The Board received the "Academic Board Report and Minutes" from the Chief Academic Officer (paper 526).

**Noted** that:

a) Elections the Academic Board would be taking place later in the year and the Academic Board had approved changes to the election rules.

b) The Academic Board would be holding an effectiveness review which would include an all-staff questionnaire and a more targeted survey for members of the Academic Board with follow-up interviews. The SRUC Board **approved** the process and agreed for the Chair and sub-committee chairs to be interviewed as part of the process.

c) A short life working group has been formed to review the structure of the Academic year. While this work continues, it has been agreed with SRUCSA that the timetable will be issued quickly.

d) Planning for Research Degree Awarding Powers has begun and from next year a shadow SRUC PhD programme validated by a partner institution will be in place. This will help enable us to evidence that we set, monitor and maintain our own academic standards.

e) An academic promotions policy and process has been launched. The Academic Leadership Team and the joint trade unions were consulted throughout. It was confirmed there are no caps on promotion applications or the number that can be awarded each year but there are specific criteria that must be met to apply.

**22.20.02 Education Scotland Progress visit update (confidential, closed business)**

**22.20.03 REF 2021 Results**

The Board received a presentation on "SRUC's REF2021 results" from the Head of Research.

**Noted** that:

a) The presentation will be circulated to the Board. REF scores are bases on outputs (60%), impact (25%), and environment (15%).

b) The Head of Research summarised SRUC's 2021 submission versus the 2014 submission noting the increase in people submitting, papers (more 4*) and impact cases being submitted, and a stronger environment statement.

c) The REF2021 results ranked SRUC 1st in UK for impact, 4th in UK in research power amongst single subject institutions, and 4th in UK in research quality for all UK post '92 higher education establishments. SRUC was the only Scottish organisation to see an increase in REF grant.

d) A contributing factor to SRUC's REF success is that research at SRUC is a cross institution, largely collaborative and interdisciplinary. The Head of Research outlined that next steps will include measuring, monitoring and managing impact case studies (which will continue to increase in importance for REF and funding); maintaining, growing and improving our people profile; and solidifying an inclusive research culture rather than research environment.

e) SRUC jointly submit with the University of Edinburgh and there was discussion about future joint submissions. The Head of Research noted SRUC's success at creating research with impact and a strong place-based element which reflects well in REF. Any continued or future partnerships would need to align with SRUC's strategy and mission.

f) The Board congratulated all involved in the excellent REF submission and emphasised to the ELT the need to consider how to maximise and leverage the very successful REF results internally and externally in communications to help build SRUC brand and recognition.

**22.21 Finance**

**22.21.01 Year-end Out-turn**

The Board received the "FY21/22 Year End Draft Financial Result" from the Director of Finance (paper 527).

**Noted** that:

a) The paper indicates the draft financial result for the year ended 31st March 2022 and provides an overview of the FY22/23 Budget relative to this result. The F&E Committee had reviewed the paper and recommended it for submission to the Board.

b) **(confidential closed business)**

c) It was also recognised that the reduction is largely due to the impact of ongoing Covid restrictions and the significant increase in input costs due to the war in Ukraine.

d) **(confidential closed business)**

e) There was discussion on how the change in ways of working and delivery of teaching impacts the Estates Strategy but also the Learning & Teaching and Digital Strategies. Work being done to improve student data (e.g. recruitment figures/journey but also ability to identify students who could potentially drop out) was noted.

f) The Chair of F&E confirmed that the committee had discussed the increase in staff costs and were comfortable with this investment to deliver the strategy but would continue to monitor delivery on investment.

**22.21.02 22/23 Capex Budget**

The Board received the "2022/23 Capex Budget" from the Director of Finance (paper 528).

**Noted** that:

a) The 2022/23 Capex Budget was presented in context with the strategic narrative and the 10 Year Plan. The budget needed to be looked at holistically, although there will be choices and priorities within this.

b) **(confidential closed business)**

c) **(confidential closed business)**

d) Funding remains a significant challenge and all funding options are being explored.

e) The F&E Committee reviewed the 22/23 Capex Budget at their meeting in May and recommended it for Board approval.

f) The Board **approved** the 22/23 Capex Budget.

**22.22 Communication Plan**

The Board received a presentation and paper on "Unlocking the power of a distinctive, integrated institution" from the Director of Marketing, Digital and Communications (paper 529).

**Noted** that:

a) The Director of Marketing, Digital & Communications outlined the following in her presentation:
- Headlines from the paper – what you already know
- How far SRUC has come – all the activities that have taken place to develop and then deliver SRUC's strategy
- RHS June 2022 – the plans for SRUC's presence at the RHS, the pavilion, the stakeholder event
- Celebrating our 10th anniversary – activities throughout the year, message is about building on our heritage, what stakeholders can expect to see in the next 10 years
- Convening beyond Scotland – convening and influencing dinners in London, wider showcase and a collaborative sustainability showcase
- Taking this conversation forward together

b) The top line messages for the Board to recall at the RHS and during other discussions with stakeholders is:
- We are Scotland's natural economy institution – *We are specialist and expert*
- We are focused on productivity and outcomes – *We are disruptive*

- We operate through a unique combination of talents and reach – *We are distinctive*
- We are ambitiously meeting the moment, through rapid strategic change – *The time is now for SRUC*

c) International, people, and student recruitment are embedded in the communications plan and activities. Sustainability is also implied, and it was suggested it could be more predominant in the messaging.

d) What is being described in the Communications Plan is a university. This is deliberate.

e) There was a discussion about branding. We currently have two brands that are sometimes in the same market. SRUC is a younger brand but is gaining traction. SAC Consulting is a older and recognised brand. Would like to have one brand but recognise this cannot be rushed and needs to be done in a thoughtful way. Having one brand would help amplify the "one institution" message.

**22.23 Items for Discussion**

**22.23.01 SRUCSA update**

The Board received the "SRUCSA update" from the SRUCSA co-Presidents (paper 530).

**Noted** that:

a) The report was taken as read. Cara Sangster, outgoing SRUCSA Co-president, noted that she would be returning to SRUCSA as the Women's Liberation Officer and would continue to work with the Equality, Diversity & Inclusion Committee. She was very pleased that SRUC would be signing up to the EmilyTest Gender Based Violence (GBV) charter. The Board agreed GBV should be added to the Risk Register.

**Action: GM**

**22.24 Items for Information**

**22.24.01 Risk Register and Risk Management**

The Board received the "Risk Register, Risk Management update and the Risk Appetite Statement" from the Chief of Staff (paper 531).

**Noted** that:

a) The Chief of Staff outlined the work that had been done by the Senior Leadership Team (SLT) Risk Management Group to align the corporate risk register and the operational risk registers.

b) The current risk register was presented for comment. There was discussion about the Farms risk rating, which is based on their purpose (academic/ student experience) and not comparable to commercial farms. It was noted that the Farms Strategy Group have transformed the farm operations over the past few years and this work is almost complete. There work to be done on the charging of research etc activities on farms.

c) There was discussion about having high risks after mitigating actions. For most risks this would be unacceptable, but for Estates and Cyber Security these would remain high risks

despite mitigating actions at the moment. The Chair of A&R confirmed the committee monitor these closely.

**22.24.02 Health & Safety Report**

The Board received the "Health & Safety Annual Report April 2021-March 2022" from the Chief of Staff and the Lead H&S Business Partner (paper 532).

**Noted** that:

a) The Chief of Staff noted that the report had been to the Health & Safety Group, the ELT and the A&R Committee. It has been asked to add benchmarking on the number of days lost to ill health and the absences due to depression/anxiety/psychological reasons. This will be done for the final version.

b) The Non-executive H&S Champion, Ian Ross, confirmed he was content with the work the H&S Group were doing. The H&S culture is changing but there is still work to be done and we need to demonstrate we are taking the right steps and cascade the message from ELT to other groups.

c) The Board noted the high number of staff absences due to depression/ anxiety/ psychological reasons compared to other reasons.

d) There was discussion around the figures for mandatory training and the importance of ensuring this takes place so it does not become a governance risk. The Chief of Staff confirmed that electronic reminders have gone out and the next step is for lists of non-compliant individuals to go to managers to address directly.

**22.24.03 IP Policy**

The Board received a "IP Policy paper" from the VP Commercial Services and Head of SAC Consulting (paper 533).

**Noted** that:

a) The VP Commercial Services outlined that to date the suite of IP policies have received input from the Academic Director, ELT, SAC Commercial Board, and other senior colleagues. This was seen as the first step in SRUC having an IP Policy and creating an environment to facilitate collaboration and IP development.

b) This was seen as a good first step but it was recognised it would go through a another iteration. It was suggested the policy should be tested for its ease of use.

**22.24.04 Chair Election Committee**

The Board received a "Review of Chair Election 2021/22" from the Chair of the Remuneration & Appointments Committee (paper 534).

**Noted** that:

a) The Board noted the paper and would pass any comments to the Chair of R&A.

**22.25 Any other business**

a) Strategy Day – The Board meeting in September would be extended to include a Strategy session. The exact dates would be confirmed and diary invites updated. Likely location is Craibstone Campus in Aberdeen.

b) Outgoing Student member – It was recognised that this would be Cara Sangster's last meeting as a Student member on the Board. She has served two years and has made significant contributions during this time. The Board thanked her and were delighted to hear she would be remaining involved in her newly elected role as Women's Liberation Officer for SRUCSA.

c) Congratulations to the new Chair – The Board congratulated the Chair on her election and thanked her for chairing this meeting.

**22.26 2022 Dates of Future Board meetings**

Upcoming Board meetings are scheduled for 12 & 13 September, 15 December.

**22.27 Private Session for Non-executive Directors**

**Devon Taylor**
**Assistant Company Secretary**
**June 2022**

# M I N U T E S

| SRUC Board Meeting |
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| Date: 13 September 2022 |
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| Place: TR5, Craibstone Campus, Aberdeen |
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| Status: Strictly Private & Confidential |
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Distribution:

SRUC Board
ELT

**Present:** Mrs L Hanna (Chairman), Miss R Asli, Mr D Bell, Mr C Davidson, Prof Sir P Downes, Mrs J Fortune, Mr J Hume, Mrs M Khnichich, Mrs E Murray, Mr A Peddie, Prof W Powell, Mr Z Reilly, Mr C Sayers, Dr C Williams, and Mr B Wood.

**In attendance:** Mr H Anderson, Dr S Bolton, Mrs C Bysh, Mr I Grinbergs, Mr G Macgregor, Prof Jamie Newbold, Mr A Lacey, Mr C Peebles, Dr M Thomson, Mrs D Taylor (minutes secretary), Mrs L Armstrong (for item 22.39.01) and Mrs W Smith (for item 22.39.02).

**22.28 Welcome and Apologies**

**Noted** that:

a) Apologies were received from Dr Mia Aitchison, Jane Craigie, Ian Ross, Professor Mike Smith.

**22.29 Register of Interests, Conflict of Interest, Hospitality Register**

**Noted** that:

a) No conflicts of interest were raised. Any updates to the Register of Interest or Hospitality Register should be forwarded to the Assistant Company Secretary. The Chair updated the Board on a recent appointment.

**22.30 Minutes of Previous Meetings**

**22.30.01 Minutes of Meeting held on 14 June 2022**

**Noted** that:

a) Craig Davidson is to be added to the list of attendees and "Peter Wilson" is to be corrected to "Peter Watson". With these corrections the minutes were approved as an accurate record of the meeting.

**22.31 Matters Arising *(not elsewhere on the agenda)***

**Noted** that:

a) There were no matters raised that were not covered elsewhere on the agenda.

**22.32 Board Sub-committee and SAC Commercial Board updates (Confidential, Closed business)**

The Board received verbal updates and a "Sub-committee and SAC Commercial Board Updates" paper from the Sub-Committee Chairs (paper 535).

**22.32.01 Finance & Estates Committee**

**22.32.02 Audit & Risk Committee**

**22.32.03 Remuneration & Appointments Committee**

**22.32.04 Transformation Steering Group (TSG)**

**22.32.05 SAC Commercial Board**

**22.33 Chair's update**

The Board received a verbal update from the Chair.

**Noted** that:

a) The Chair outlined that she has been focused on external engagement and has had discussions with Mark Logan, the newly appointed Chief Entrepreneur for the Scottish Government, and Barry White, the co-Chair of the National Strategy for Economic Transformation Delivery Board.

b) Aspiration remains to get out and meet as many staff and students as possible and visit campuses.

c) The Chair outlined she has attended meetings at Moredun, JHI, and SFC. Attending the in-person graduations in Glasgow was a privilege.

d) The Chair has met with all the committee chairs, the ELT, and the Company Secretary.

e) The Strategy Session which had been scheduled for the 12th Sept will be rescheduled asap. A risk appetite session will also be held and planning for this piece of work has started.

**22.34 Principal & Chief Executive and ELT's update (confidential, closed business)**

**22.35 Accounts**

**22.35.01 Annual Financial Statements**

The Board received the "Annual Financial Statements to 31 March 2022" from the Director of Finance (paper 537).

**Noted** that:

SRUC accounts:

a) The Director of Finance introduced the SRUC accounts to 31 March 2022 noting that the responsibilities of the Board were listed on page 34 and that the Finance & Estates and Audit & Risk Committee had both had the opportunity to discuss and comment on the accounts and recommended them for Board approval.

b) The Director of Finance drew attention to the strategic narrative, which clearly demonstrates the progress made to date, and that the accounts show an underlying operational surplus.

c) The support of RSM and the good working relationship which has developed with them since their appointment as external auditors just prior to the completion of the 2020/21 accounts was recognised by the Board.

d) The Director of Finance highlighted two points which required approval from the Board. The A&R Committee had discussed these points with RSM and recommended them for approval by the Board: 1) that no further impairments were required in relation to the fixed asset valuations and 2) that the management's approach to booking the accrued but unpaid final payment in respect of the Craibstone sale to Cala was appropriate.

e) It was recommended that information on gender split on the Board should be included in the annual accounts next year.

**Action: HA**

**f) The following was approved by the Board:**

a. The SRUC Annual Accounts to 31 March 2022 were approved.
b. The accounts could be signed electronically and submitted electronically.
c. That no further impairments were required in relation to the fixed asset valuations that the management's approach to booking the accrued but unpaid final payment in respect of the Craibstone sale to Cala was appropriate.

<u>SAC Commercial accounts:</u>

g) The Director of Finance outlined the SACC accounts had received a clean audit report from RSM and the audit process had been smooth.

h) The SAC Commercial Board had reviewed the accounts and recommended them for approval. The F&E and A&R Committees had also reviewed the accounts and supported their approval.

i) It was recommended that the dates of joining for the non-executives be added to the accounts next year.

**Action: HA**

j) The SAC Commercial Ltd accounts to 31 March 2022 were **approved** by the SRUC Board and could be signed with an electronic signature.

<u>SAC Corporate Trustee and SAC Foundation accounts:</u>

k) The list of Trustees/Directors should be corrected and should be the same on both sets of accounts.

**Action: HA**

l) The SAC Corporate Trustee and the SAC Foundation accounts had been reviewed by the F&E and A&R Committees and both recommended for approval.

m) The SAC Corporate Trustee and the SAC Foundation accounts to 31 March 2022 were **approved** by the SAC Corporate Trustees and the SRUC Board. Electronic signatures for submission were approved.

Roland Sutton Trust, Cruickshank Trust, WJ Thomson Trust accounts:

n) The final and approved accounts for the three main trusts were provided to the Board for information. The Trustees had previously met and approved their accounts.

**22.35.02 Letters of Representation**

The Board received the "Letters of Representation" from the Director of Finance (paper 538).

**Noted** that:

a) The Letters of Representation for SRUC, SAC Commercial Ltd, SAC Corporate Trustee, and the SAC Foundation were provided to the Board for approval. Again, these had been reviewed by the F&E and A&R Committees.

b) The Director of Finance outlined that the SRUC and the SAC Commercial letters had been updated to reference the fraud incident and give reassurance that the was no evidence of fraud.

c) The Letters of Representation were **approved**.

**22.35.03 Going Concern Report**

The Board received the "Going Concern Report" from the Director of Finance (paper 539).

**Noted** that:

a) The Director of Finance presented the Going Concern Report and outlined that although these were challenging times the auditors has supported the report.

b) The Board **approved** the Going Concern Report.

**22.36 Finance**

**22.36.01 3+9 Forecasts**

The Board received the "3+9 Forecasts" from the Director of Finance (paper 540).

**Noted** that:

a) The Director of Finance outlined that Q1 has been challenging with the combination of lingering real effects of Covid and macroeconomic cost pressures. As a result, the first quarter revenue delivery of £18.6m is £1m behind both budget and last year. He highlighted the increase in energy costs, the projects/transformation delivery (which had previously been covered by SFC funding), and the Agrecalc accelerated costs.

b) Risks remain around staff costs, inflation, and energy costs. Operational/mitigating actions are being reviewed closely.

c) Mitigating actions and growth levers will be considered further for the 6+6 update, without losing strategic oversight, but it is unlikely that a balanced budget will result.

d) The staff cost risk was discussed further and getting the balance between cost control and investment for growth was recognised.

e) Linking the potential financial risks to strategic decisions and risk appetite was noted (i.e. what level of deficit was considered acceptable by the Board). Operating at the correct scale was noted in order to allow turbulence to be absorbed while still being able to respond to opportunities.

f) In response to discussion about hardship funding and difficult economic circumstances for staff/students, the VP External Relations & Student Experience outlined discussions the ELT had begun to have about actions that could be taken. Current ideas included – offering free breakfast on campus, maps that show where showers are on each campus plus toiletries available, collect warm coats (adult/children) for distribution, community lauders, and different methods for paying fines (e.g. library). Costing are still to be done but the impact these actions would have are seen as important.

**22.37 Academic Business**

**22.37.01 Academic Board**

The Board received the "Academic Board Report" from the Deputy Principal (paper 541).

**Noted** that:

a) The Deputy Principal outlined that the Academic Board had not met since the last SRUC Board meeting (meeting scheduled for November) but in the sub-committees had met.

b) Key items being discussed in the academic domain at the moment were: the governance around the creating of the new Vet School, workload allocation model, TDAP, curriculum portfolio review, Academic Board effectiveness review, and Academic Board elections. Further details were included in the report provided to the Board.

**22.37.02 ILR Annual Report**

The Board received the "ILR Annual Report" from the Deputy Principal (paper 542).

**Noted** that:

a) The Deputy Principle outlined that the SRUC's Annual Report on Institution-Led Review for the Scottish Funding Council AY2021/22 (ILR Report) required endorsement from the Board.

b) 2021/22 saw three subject groupings undergo ILR: Golf and Greenkeeping, Horticulture and Landscape, and Veterinary and Animal Science. Agriculture and Business Management will undergo ILR in 2022/23.

c) Recommendations from the 2021/22 ILR will go back to the Board of Study and action plans drawn up.

d) The Board were particularly pleased with the Benchmarking Performance data and noted the revalidation from Royal College of Veterinary Surgeons (RCVS) of Veterinary Nursing, which was a positive indicator for the Vet School.

e) The Board **approved** the "Board Endorsement statement" on page 1 of the report to be signed by the Chair.

**22.37.03 Education Scotland Report**

The Board received the "Final Education Scotland Report" from the Deputy Principal (paper 543).

**Noted** that:

a) The Deputy Principal reminded the Board that a verbal report on Education Scotland's visit to SRUC was provided at the June Board meeting by Education Scotland representatives and the final report was now included for the Board's comment.

b) The Board noted the positive report.

**22.38 Items for Approval**

**22.38.01 Agrecalc (confidential, closed business)**

**22.38.02 rUK Advisory Services – update (confidential, closed business)**

**22.39 Items for Discussion**

**22.39.01 Vertical Farm**

The Board received "the Business Case for the Vertical Farm" from the Senior Project Manager (paper 531).

**Noted** that:

a) The Senior Project Manager introduced the proposal for building a vertical farm at King's Buildings, the general cost and funding/grants secured to date, the impact the vertical farm would have for research, partnerships and student recruitment/experience, and the visual impact it would have at KB representing SRUC's ambition to be an enterprise university.

b) It was clarified that the land for the proposed build was owned by SRUC, although the 20% ownership of the Peter Wilson Building by the University of Edinburgh was recognised but not seen as an issue. Discussions would continue to be held with UoE who were aware of the proposal.

c) The Business Case for the vertical farm was provided to the Board and had been reviewed and discussed by the F&E Committee who supported the project.

d) It was clarified that planning permission had been granted and the tender process was currently underway with submissions due on the 30th September. On completion of the tender process the Business Case with costings would need to be brought to the Board for approval outside the usual meeting schedule.

e) The current proposal was for a tower style model of vertical farm. It was suggested a business case for a container model, which could be a more commercial model, should also be considered.

f) The Board confirmed their support for the vertical farm proposal and **agreed** the full Business Case with costing should be circulated for approval once the tender process was complete.

**Action: LA**

**22.39.02 People and Organisational Development**

The Board received a paper on "People and Organisational Development" from the Head of HR and the Chief Operating Officer (paper 547) and a presentation from the Head of HR.

**Noted** that:

a) The Head of Human Resources joined the meeting and outlined the history that led to the development of the 2018-23 People Strategy and the key elements that have been delivered and their impact. She also outlined SRUC's currently position, emerging from the pandemic, workforce transformation, and strategic ambitions.

b) SRUC's response to the pandemic was viewed favourably by staff. A pulse survey showed that staff felt supported and thought the tone and topics of communications had been correct. There is a need now to establish what "normal" working looks like and what expectations and requirements are across SRUC.

c) Health and wellbeing is an important focus with approximately 1136 days lost to stress/depression/anxiety in 2021/22. Improvements to the HR system would help achieve better quality data for reporting/monitoring/normalising. The various health & wellbeing support options currently available to staff were listed.

d) Employee experience is the overarching theme for the 2023-28 People and Organisational Development Strategy. The next steps for its development will be ELT providing strategic direction, delegated to the Senior Leadership Team to develop, the report to the Board.

e) There was discussion around workload and links to the earlier discussion about staff/workforce expenses. Discussions around work priorities and ways of working were important factors in solving workload issues, although it was recognised these can be difficult discussions.

**22.39.03 SRUCSA Report**

The Board received the "SRUCSA Report" from the SRUCSA Co-Presidents and student members on the Board (paper 548).

**Noted** that:

a) The Board welcomed the SRUCSA report, the update on welcome week activities, and the introduction to the newly elected SRUCSA co-Presidents. The format of the report and inclusion of photos/visuals made it impactful.

**22.39.04 Balanced Scorecard**

The Board received the "Balanced Scorecard" from the Chief Operating Officer and the Business Intelligence Manager (paper 549).

**Noted** that:

a) The Chief Operating Officer thanked the Balanced Scorecard (BSC) working group and the Business Intelligence Manager, Jennifer Volk, for getting the BSC to this stage. Much progress had been made and the structure of a suitable BSC was now in place.

b) This work was started and the purpose of the BSC was to have a "strategic contract" between the ELT and the Board. Outcomes from the strategy session would help populate the BSC further.

c) There was agreement that the two page summary format articulated the "why" elements well, the "what" elements were becoming clearer, but the "milestones" required clarification, which would come after the strategy session.

**22.39.05 Risk Register**

The Board received the "Risk Register" from the Chief Operating Officer (paper 550).

**Noted** that:

a) The Board noted the risk register and that the overall main corporate risks for SRUC at present were listed as: 1. Economic volatility and inflation impact, 2. Cyber-security threats, 3. Estates- severity of condition risks, and 4. Staff/student health & wellbeing.

**22.39.06 Risk Management Group update**

The Board received a "Risk Management Group update" from the Campus & Estates Group Manager (paper 551).

**Noted** that:

a) The Chief Operating Officer highlighted that the Senior Leadership Team (SLT) have developed their own risk register now and a consistent format for presenting risks. This is due to the Risk Management Group which has been set up to co-ordinate and standardise the management of operational risk within SRUC and had address the key actions raised in the KPMG Risk audit report.

b) The Chair of A&R confirmed that the committee had discussed this at the meeting and had received an update from Sean Gillespie, who led the Risk Management Group. A final step would be for the group to ensure consistent scoring across all risks.

**22.40 Any other business**

**Noted** that:

a) No other business was raised.

**22.41 2022 Dates of Future Board meetings**

Upcoming Board meetings are scheduled for 15 December.

**22.42 Private Session for Non-executive Directors**

**Noted** that:

a) This session was not held this round but would be picked up at the next meeting time permitting.

**Devon Taylor**
**Assistant Company Secretary**
**September 2022**

# M I N U T E S

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| **SRUC Board Meeting** |

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| Date: 15 December 2022 |

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| Place: Teams |

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| Status: Strictly Private & Confidential |

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| Distribution:<br><br>SRUC Board<br>ELT |

**Present:** Mrs L Hanna (Chairman), Miss R Asli, Mr D Bell, Mrs A Boyle, Mrs J Craigie, Mr C Davidson, Prof Sir P Downes, Mr J Hume, Mrs M Khnichich, Mrs E Murray, Mr A Peddie, Prof W Powell, Mr Z Reilly, Mr I Ross, Mr C Sayers, Prof M Smith, Dr C Williams, and Mr B Wood.

**In attendance:** Mr H Anderson, Dr S Bolton, Mrs C Bysh, Mr I Grinbergs, Mr G Macgregor, Prof Jamie Newbold, Mr A Lacey, Dr M Thomson, Mr C Peebles, Mrs D Taylor (minutes secretary), Mrs L Armstrong (for item 22.52.02), Prof D Hopkins (for item 22.51.02) and Dr A Hamilton (for item 22.51.02).

**22.43 Welcome and Apologies**

**Noted** that:

a) Alison Boyle was welcomed to her first Board meeting as a union member on the Board. Julie Fortune was thanked for her commitment and input to the Board during her time as a union member on the Board.

b) Apologies were received from Dr Mia Aitchison.

**22.44 Register of Interests, Conflict of Interest, Hospitality Register**

**Noted** that:

a) No conflicts of interest were raised. Any updates to the Register of Interest or Hospitality Register should be forwarded to the Assistant Company Secretary.

**22.45 Minutes of Previous Meetings**

**22.45.01 Minutes of Meeting held on 13 September 2022**

**Noted** that:

a) The minutes from the 13 September Board meeting were approved as an accurate record.

**22.45.02 Notes from Strategy Session held on 1 November 2022**

**Noted** that:

a) The notes from the 1 November Board strategy session were approved as an accurate record.

**22.46 Matters Arising *(not elsewhere on the agenda)***

**22.46.01 Fraud update (confidential, closed business)**

**22.46.02 Governance SLWG progress update**

**Noted** that:

a) Chris Sayers, the Chair of the Governance SLWG, provided a verbal update. He recapped the Principles that had been agreed and informed the governance discussions.

b) The SLWG met on the 12th December and had used the Principals as the framework for high level mapping of governance. Additional detailed thinking is to take place to fully map options. The group will meet in the new year to further work.

c) Overall the governance model needs to be future fit and an enabler for success and strategic delivery.

**22.46.03 rUK Advisory Services – update (confidential, closed business)**

**22.47 Board Sub-committee and SAC Commercial Board updates**

The Board received verbal updates and a "Sub-committee and SAC Commercial Board Updates" paper from the Sub-Committee Chairs (paper 557).

**22.47.01 Finance & Estates Committee**

**Noted** that:

a) The Chair of F&E outlined that most items are listed in the F&E update report. She highlighted that the vertical farm project was on hold due to concerns over the rise of anticipated costs which has created a gap in funding. The Provost & Deputy Head provided reassurance that they are actively reviewing the project to reduce the costs and are in discussions with Scottish Enterprise and the Scottish Government in order to make the project workable.

**22.47.02 Audit & Risk Committee**

**Noted** that:

a) The Chair of A&R provided an update on the recent A&R Committee meeting highlighting the following points:
    1. Health & Safety compliance training has improved by 77%. This has been aided by a new front facing system that makes the required training modules more visible. The committee will continue to monitor.
    2. A favourable draft Financial Controls audit was reviewed.
    3. The Farms Audit was reviewed. Research pricing has been addressed and education is on course. A final Farms Strategy should be reviewed at the March committee meeting.

4. The Draft Estates Roadmap was reviewed by the committee and it was recognised difficult decisions would need to be made. The Estates Strategy would be reviewed in March.
5. An expected result of "partial assurance" was received in the Internal Audit Annual report. This is due to previous red items that are still to be closed. If marked now, result would likely be "significant assurance".

**22.47.03 Remuneration & Appointments Committee**

**Noted** that:

a) The Chair of R&A outlined that equalities issues were the focus of the meeting, where the Gender Pay Gap and the EDI update reports were discussed.

b) An Athena Swan SLWG is being put together to take forward the recommendations from the last assessment. Focus to date has been on data collection but this needs to move to implementation and actions. The R&A committee will be kept informed as the plans are progressed.

c) The committee reviewed the Mercer pension report which was compiled in 2018. The committee is interested in understanding how SRUC's pension portfolio impacts staff.

d) The committee discussed the Student Liaison Committee chair role and recommended Andy Peddie as chair of SLC. The Board **approved** this recommendation.

**22.47.04 Transformation Steering Group (TSG)**

**Noted** that:

a) The Chief Operating Officer outlined that there were two main issues discussed at the TSG:
1. The Chief Digital & Transformation Officer gave an overview of the Digital Strategy, and
2. The Dairy Nexus funding gap was discussed.

b) The digital discussion recognised the importance of culture in delivering the strategy and not just hardware. Also linked to Estates Strategy with a holistic view.

c) **(confidential closed business)**

**22.47.05 SAC Commercial Board**

**Noted** that:

a) The VP Commercial outlined that the SACC Board had met at Auchincruive and took the opportunity to meet with Ayrshire-based SAC Consulting staff.

b) The SACC Board reviewed the SAC Consulting business update. Farm Advisory Service (FAS) success is high. The FAS contract has been confirmed to SACC for £1.6M over next 2 years. In contrast, it was noted that the English universities lost their contracts.

c) A valuable discussion took place on how best to accelerate growth in the number of partnerships between business and SRUC researchers. The VP Enterprise & Knowledge Exchange presented the enterprise and commercial business plan. This will be developed further and be brought to the SRUC Board.

d) The Head of SRUC's Innovation Hub and SACC's Head of Industry Partnerships were present to summarise progress made with the Orchard. Discussion focused on how to accelerate the growth in the number of innovations successfully commercialised through our incubator, and also how we might position the Orchard to become the incubator for innovations, not just within SRUC but across Scotland.

e) The Board received an update and discussed the SeedPod. Discussion focussed on how SRUC best capitalises on the many commercial opportunities SeedPod presents for us and the board position on the ONE Food & Agri. Board. The original Partnership Agreement is also to be revisited.

f) The SRUC Board discussed branding and that this will need to be considered at the appropriate time. The SAC Consulting branding in Ayr had been strong at the SACC Board meeting.

g) The Chair of F&E, Margaret Khnichich, referenced the 6+6 forecast and noted that while full details of SACC's finances were not required, she would like to understand what of SRUC is in SACC. The Director of Finance and the F&E Chair would pick this up offline.

**22.47.06 Student Liaison Committee**

**Noted** that:

a) Verbal updates were provided by Linda Hanna, Jane Craigie, Andy Peddie and Mike Smith who had chaired the SLC meetings at Oatridge/Edinburgh, Craibstone, Elmwood, and Barony respectively. Andy Peddie was delighted to be taking on the SLC Chair role from January.

b) Oatridge / Edinburgh: There were different FE and HE components discussed at the different campuses. The Edinburgh session was TDAP assessed. Students were vocal and committed at both meetings and raised areas of good practice as well as areas of concern. All very practical comments – e.g. student enrolment system, timetabling, access to practical skills training, wifi access, cost of travel. They were positive about flexibility in return to campus, teaching, and access to tutors.

c) Craibstone: Also TDAP assessed. 9 students attended (online and in person). It was an open conversation and concern was raised about the disruption the building work was having on teaching, lecture theatre access (i.e. moving some classes online), and parking. There was also concern about the bus/transport timetable which is not consistent and class timetabling. Students were positive about the quality of teaching, being back on campus, good skills training options, and industry outreach.

d) Elmwood: The students were well prepared for the meeting. They would like to promote the campus in local schools and are clearly very proud of it.

e) Barony: 30 students attended and questions had been collated from all students in advance of the meeting. There was positive dialogue. Mental health was a theme throughout all items.

**22.48 Chair's update**

The Board received a verbal update from the Chair.

**Noted** that:

a) Externally, the Chair had attended the following events/meetings:
   - the Committee of Scottish Chairs (CSC) meeting which had focused on a detailed analysis of the Higher Education (Scotland) Governance Act.
   - The British Farming Awards had been a pleasure to attend with an SRUC student winning a prize.
   - The Chair had also attended two tertiary pathfinder groups and the parliamentary reception.
   - SRUC's first convening dinner had been a great success and a good start to these dinners.

b) Internally, the Chair had attended the following events/meetings:
   - Two Student Liaison Committees (SLC)
   - Philanthropy meeting
   - Board Strategy Day
   - Risk Appetite workshop
   - Governance work

**22.49 Principal & Chief Executive and ELT's update (confidential, closed business)**

**22.50 Finance**

**22.50.01 6+6 Forecasts**

The Board received the "6+6 Forecasts" from the Director of Finance (paper 554).

**Noted** that:

a) The Director of Finance outlined the latest financial forecast for the full year 2022/23 based on 6 months actual plus 6 months forecast. The F&E and A&R Committees had been given the opportunity to review the 6+6 and recommend it for approval.

b) Staff cost are a risk and a higher contingency for the pay award has now been built into the figures. On the academic side, student numbers are lower than expected and the ELT are looking hard at how to improve these as well as control operation costs such as energy consumption.

c) Student numbers were discussed. The Provost & Deputy Principal outlined that there had been high withdrawal rates the previous year. While the withdrawal rate had decreased this year, the previous year's withdrawals impacted current numbers because they were not there to progress in their studies. Work is currently being done to map progression numbers so growth targets can be reset.

d) SRUC students are very employable and many took up work in covid and did not return to study, which has impacted student numbers but is also a positive message and recruitment tool.

e) The Provost & Deputy Principal outlined that rUK and international student numbers were up and all quotas on University of Edinburgh courses for international students had been

filled. The VP Skills and Lifelong Learning reported that 119 new apprenticeship starts were starting in the upcoming year.

f) The Board **approved** the 6+6 Forecast.

**22.51 Academic Business**

**22.51.01 Academic Board**

The Board received the "Academic Board Report" from the Deputy Principal (paper 555).

**Noted** that:

a) The SRUC Board noted the Academic Board report and minutes.

**22.51.02 Taught Postgraduate Programmes**

**Noted** that:

a) The Board received a presentation on Taught Postgraduate Programmes post-TDAP from Professor David Hopkins, Dean of Central Faculty, and Dr Alistair Hamilton, Senior Lecturer.

b) SRUC bases MSC programmes currently run through three University of Edinburgh (UoE) schools – Vet School (3), School of Biological Sciences (1), and School of Geosciences (4). There are four Geosciences courses, one of which has been running for over 25 years. These attract over 1500 applications per year. The majority (>80%) are overseas students, however, international recruitment is changing radically and can be a risk.

c) The next steps, before TDAP, include: continuing to write new courses (Geosciences offering), increase income and student satisfaction, bed in new courses that may become part of post-TDAP offering (e.g. sustainable entrepreneurship, phytoremediation, costal environments and communities).

d) The next steps, post TDAP, include: continue existing programmes, launch SRUC new programmes (e.g. MSc Environmental Consultancy, MSc Spatial Data and Modelling, MSC Environmental Entrepreneurship), complement existing provision.

e) It was questioned whether SRUC could handle such a large volume of applications/students or would numbers decrease because not a UoE course. It was outlined that there are caps on programmes to control enrolment numbers, and that there was possibility for brand confusion or a decrease in numbers. However, Edinburgh as a city is still SRUC and feedback from current students is that they appreciate the practical approach of SRUC. Need time to build international brand.

f) There was discussion about being internal student dependent and international hybrid delivery. It was recognised that the international market has been difficult the past few years and will continue to be in current economic climate. The Dean of Central Faculty noted he would encourage more rUK applicants. He also noted that it is not possible to deliver a hybrid model in China since we do not have DAP in China. It would take much time and effort to build such a relationship and QAA would likely view it as a risk.

**22.51.03 Skills and Lifelong Learning**

The Board received a presentation on "Skills and Lifelong Learning" from the VP Skills & Lifelong Learning.

**Noted** that:

a) The VP Skills & Learning provided an overview of the role and key achievements in 2022:
   - Apprenticeships - Increasing apprentice enrolments (>10% growth); and Development of higher level apprenticeships (launch 2023)
   - Skills academy – Upskilling, training and CPD, addressing skills gaps; and Schools – increasing enrolments and new courses
   - Further education – Further education delivery and FE credits; and Teaching, learning and assessment and meta-skills
   - Veterinary profession at SRUC - Vet Services & CPD; and Vet school developments
   - SRUC wide - ED&I Chair; and Fair Work First and Emily Test

b) Skills and Learning works across people and partnerships.
   - Apprenticeships - 3 way delivery partnerships
   - Skills Academy - identifying skills gaps and developing provision
   - Education - pathfinder projects and partnership delivery
   - Industry - through consultancy, business engagement and sector groups
   - SRUC - across consultancy, research and education e.g. ED&I; Emily Test and Fair Work First

c) The 2023-2026 Plan includes:
   - Apprenticeships - new subjects and grow student numbers
   - Further Education - improved student and staff experience
   - Schools - new subjects and senior phase pathways to degree entry
   - Skills Academy - grow student numbers and upskill workforce to address global challenges
   - Veterinary profession at SRUC - develop the team and lead skills and CPD approach

d) Skills and Lifelong Learning in 2027 will look like
   - Apprenticeship pathways to higher level qualifications in the natural economy sector
   - Apprenticeships and alternative education pathways widen participation
   - SRUC holds university title and delivers relevant CPD as 'stackable microcredentials' to upskill the workforce and improve productivity
   - Accredited quality assured training and CPD delivery by academics and consultants
   - Veterinary students prepare to graduate with the knowledge, technical skills and meta-skills required to thrive in the workplace

e) The VP Skills & Lifelong Learning was thanked for her presentation and the Board were invited to contact her with any questions.

**22.52 Items for Approval**

**22.52.01 Agrecalc**

The Board received a paper on "Agrecalc" from the VP Commercial (paper 556).

**Noted** that:

a) The Agrecalc paper was taken as read and it was confirmed there was no conflict of interest for Agrecalc Board members to remain and participate in the discussion.

b) The Chair of the F&E confirmed support for the proposal from the committee and Pete Downes (the previously agreed working group to review the Agrecalc proposal) and that they accept, in principle, the recommendation that it should be owned by SACC. They noted Morton Fraser have confirmed the structure is legal but PwC need to do tax work. The group also discussed share options and the pros and cons of each.

c) At this stage, it is important to progress Agrecalc and commence fund raising, however there needs to be a better- way of leading, developing and governing spin outs, carve outs, etc, in the future.

**Agreed** that:

a) The Board **approved** the spin out of Agrecalc as proposed in the paper. While £600k was approved, this would drawdown in stages as required.

b) The spin out structure / process would be reviewed as part of the Governance SLWG.

**22.52.02 Business Case for the KB indoor / outdoor experience project**

The Board received a paper on "Business Case for the KB indoor/outdoor experience project" from the Provost & Deputy Principal (paper 557).

**Noted** that:

a) The Provost & Deputy Principal outlined that the University of Edinburgh works, which will impact the Peter Wilson Building's entrance, are to start imminently which is why this business case is being brought ahead of the full KB plan.

b) The Chair of F&E confirmed that the Committee supported the business case for the KB indoor/outdoor experience project and clarified that this did not commit to the whole KB project.

c) The Chair of A&R confirmed that the Committee supported the business case and had questioned road access and the relationship with UoE. It was clarified that road access is included in the plan and that legally UoE could not force a sale of land or the PWB.

d) It was suggested that there was scope to speak to UoE for a contribution since their actions were forcing this build.

e) The Senior Transformation Project Manager joined the meeting for this item and confirmed that, while these were uncertain times, they were confident in the costings and that a significant contingency was included (20% on overall construction and 15% on equipment).

f) The significance of SRUC having a presence at SRUC was discussed.

**Agreed** that:

a) The recommended option 3 in the business case was **approved**. The executive management was asked to work within the contingency and if cost raise to bring it back to the F&E Committee.

**22.52.03 Annual Audit & Risk Committee Report for the Board**

The Board received the "Annual Audit & Risk Committee Report for the Board" from the Assistant Company Secretary and the A&R Committee (paper 558).

**Agreed** that:

a) The report was noted and **approved**.

**22.52.04 Skills Matrix**

The Board received the "Skills Matrix" paper from the Assistant Company Secretary and the Chair of R&A (paper 559).

**Noted** that:

a) The paper was taken as read but the Chair of R&A highlighted that there had been a significant change in Board membership, the skills matrix was not the only tool that would be used during the recruitment process, and she would like all non-executives, including elected, to be included.

**Agreed** that:

a) Enterprise, digital, and cyber should be included in the skills matrix. With these additions the process and skills matrix was **approved**.

**22.52.05 Operational Plan**

The Board received the "Operational Plan" from the Chief Operating Officer & Deputy CEO (paper 560).

**Noted** that:

a) The Chief Operating Officer & Deputy CEO presented the Operational Plan which is the short term / in year focus of ELT. The link through from strategy to implementation was noted.

b) The Operational Plan was **approved** but the Board raised the following points for consideration.

- Would like to know more about the mix of research income that is required to impact the figures.
- Clear Agrecalc plan to grow margin through commercialisation but not clear how SRUC will get income from Agrecalc.
- Need to know how we get evidence base. Not just our research but from our analysis of others data. Links to being an Enterprise University.

**22.52.06 Terms of Reference**

The Board received a "Terms of Reference" paper from the Company Secretary (paper 561).

**Noted** that:

a) The terms of Reference of all three main SRUC Committees were considered at their recent meetings. Both Finance & Estates and Audit & Risk Committees had no substantive changes other than updating memberships, following the updates approved by the SRUC Board last year.

b) At the recent meeting of the R&A Committee, consideration was given to whether the committee should include in its remit certain aspects of staff related reporting, including certain pension issues, Organisational Development strategy and Health and Welfare, and EDI.

c) The intention is to provide relevant, meaningful information to the committee and on to the Board without cutting across executive responsibilities.

d) It was clarified that the pension item meant facilitating access to advice and not providing advice directly.

**Agreed** that:

a) The revised R&A Terms of Reference were **approved**.

**22.53 Items for Discussion**

**22.53.01 Estates Roadmap (confidential closed business)**

**22.53.02 SRUCSA report**

The Board received the "SRUCSA Report" from the SRUCSA Co-Presidents and student members on the Board (paper 566).

**Noted** that:

a) The SRUC Chair took the paper as read but noted the concern raised by the co-Presidents at the start of the report.

b) The Winter Wonderland had been a very successful internal and external event and the co-Presidents thanked Gavin Macgregor and Mike Smith for attending.

c) The recent National Lottering funding bid had been unsuccessful but SRUCSA planned to evaluate the feedback and continue with various funding applications.

d) It was noted that SRUCSA receive more requests for funding (e.g. pizza nights, curling events) then they can support. Their was discussion about how to best to support these requests while recognising not every request can be successful.

e) The Board found the link made in the report between student disciplinary issues and isolated /rural areas very astute and helpful. The need to provide activities and services was recognised.

f) The Principal & Chief Executive Officer thanked SRUCSA for their report and noted that the purpose of SRUCSA was student voice. Consideration needed to be given as to whether we were getting this right based on issues raised by SRUCSA and National Student Survey results. The Principal & Chief Executive and the Provost & Deputy Principal would review this along with the SRUCSA executive.

g) Alison Boyle, Academic Enhancement Lead (Student Journey) and Union representative on the SRUC Board, highlighted that student voice and experience is at the heart of all CELT projects. Academic Enhancement absolutely take onboard all student feedback. How we build community and relationships and promote at all campuses (e.g. via MyVoice) needs to be considered.

**22.53.03 Balanced Scorecard**

The Board received the "Balanced Scorecard" from the Chief Operating Officer and the Business Intelligence Manager (paper 563).

**Noted** that:

a) The Chief Operating Officer outlined that further progress on the BSC had been made and the approved format was now being used. The next step is to build up the data set.

b) Strategic Performance Sub-Group (SPG) were thanked for their significant input in getting the BSC to this stage and it was agreed their formal engagement would now be wound down.

c) The ELT would continue to work with a more granular version and the Board's BSC would continue to come to the Board as a standing item.

d) There was work to do to benchmark the BSC results.

**22.53.04 Risk Register**

The Board received the "Risk Register" from the Chief Operating Officer (paper 564).

**Noted** that:

a) The Risk Register had been reviewed by the ELT and the A&R Committee. The main corporate risks were: Economic volatility and inflation impact, Cyber-security threats, Estates- severity of condition risks, and Staff/student health & wellbeing.

b) Climate Change remained a "steady state" risk but it was noted that SRUC's annual Climate Change Action Plan (CCAP) review would come to the March Board for information.

c) The Risk Appetite framework has been updated following the workshop and will be recirculated to the Board for completion.

d) There was discussion about Cyber risk remaining high and if actions being taken were sufficient. The Chair of A&R outlined that the committee's view was that all organisations and personal devises have high risk. The focus in today's world is on response and recovery. Focus is on decreasing impact.

**22.54 Any other business**

**Noted** that:

a) No other business was raised.

**22.55 2023 Dates of Future Board meetings**

Dates were noted.

**22.56 Private Session for Non-executive Directors**

**Devon Taylor**
**Assistant Company Secretary**
**December 2022**