

**Minute of the Board of Management Meeting
Hybrid Attendance at Kilmarnock Campus and via Microsoft Teams
Thursday 18 June 2026**

Present:

Sharon Morrow	Interim Chair
Matthew Wilson	Vice Chair
Alison Sutherland	Senior Independent Member
Alicia Clyde	Non-Executive Board Member
Jason Currie	Non-Executive Board Member (Items 3-15)
Tracey Dalling	Non-Executive Board Member
Jane Grant	Non-Executive Board Member
Gillian Longmuir	Non-Executive Board Member (Item 7 onwards)
Michael Ross	Non-Executive Board Member
Chris Boyce	Elected Member, EIS-FELA Teaching Staff
Darcie Hamilton	Elected Student President
Lisa Keggans	Elected Member, UNISON Support Staff
Janette Steel	Elected Member, Curriculum Staff
Marko Prorocic	Elected Member, Professional Services Staff
Angela Cox	Principal, Ex-Officio

In attendance:

Sara Rae	Vice Principal – Skills and Enterprise
David Davidson	Vice Principal – People, Performance and Transformation
Hilary Denholm	Board Governance Adviser
Alan Ritchie	Vice Principal – Finance & Infrastructure
Angela Scoular	Executive Assistant to the Principal and Chief Executive (Minutes)
Demi Brown	Incoming Elected Student President
Natalie Bestwick	Incoming Elected Student Vice President

1. Welcome and Declarations of Interest

The Chair welcomed all present to the meeting including the newly elected Student President and Vice President who officially take up their posts on 1 July 2026.

There were declarations of interest from A Cox and S Rae regarding membership of SAI Board.

2. Apologies

Apologies were received from Brian Green, Non-Executive Board Member and Iain Shearer who resigned as a Non-Executive Board Member in May.

The meeting was confirmed as quorate.

3. Minutes of the Previous Meeting held on 26 March 2026 (Paper 1) (P)

The minutes were approved as a correct record.

Proposed: M Ross Seconded: A Cox

Board of Management Action & Decision Log (Paper 1a) (P)

All actions due in the period were noted as complete.

4. Matters Arising

There were no outstanding matters arising from the minutes.

5. Student Association Report Q4 (Paper 2) (P)

The Board received an update on Student Association activity across Student Voice and Student Community, including work to ensure the student voice is reflected in relevant forums.

D Hamilton introduced Paper 2 and highlighted key points from the report.

The Board noted activity in relation to:

- Student Voice
- Student Community
- Campaigns and Events
- Projects
- End of Year Celebrations
- Heralds Awards
- The election of Demi Brown as Student President and Natalie Bestwick as Student Vice President for 2026/27, taking up post on 1 July 2026.

The Interim Chair, on behalf of the Board, thanked the Student President for her contribution over the previous two years.

The Board welcomed the report and noted the updates provided.

6. Interim Chair's Report (Paper 3) (P)

The Interim Chair presented the report, which was taken as read, and provided an update on activity since the March Board meeting.

In addition to the information noted within the paper, the Interim Chair advised that she had met recently with the new Leader of North Ayrshire Council, Councillor Tony Gurney, and no appointment had been made for the Chair position and further information would be provided by the Scottish Government. The Interim Chair would continue in the role until an appointment has been made.

The Board noted the report as presented.

12. SAI Articles of Association (*Paper 9*) (*P*)

A Ritchie summarised the key differences between the approved December 2025 Articles of Association and the proposed June 2026 version, including the rationale and governance implications of the proposed changes.

The Board was requested to:

- Note the key changes to the Articles of Association.
- Conclude that the revised Articles strengthen governance and control.
- Approve the signing of the written resolution at the end of the paper for forwarding to Companies House.

Decision - BOM54-D05: The Board approved the signing of the written resolution at the end of the paper for forwarding to Companies House.

14. 2026-27 Internal Audit Plan (*Paper 10*) (*P*)

A Ritchie presented the final 2026-27 Internal Audit Plan, noting its development from the March 2026 risk-aligned draft to a more operational and deliverable-focused programme.

The Board noted:

- The 2026-27 plan includes additional audit work on implementation assurance, governance maturity and follow-up of prior recommendations, including reviews of the new finance system, strategic planning, the strategic risk register and follow-up activity.
- Several audit areas have been consolidated, including curriculum planning, timetabling and resource management into one broader review of curriculum delivery and operational efficiency.

Decision - BOM54-D06: The Board approved the final 2026-27 Internal Audit Plan.

16. Committee Chairs' Reports on 4th Quarter Committee Meetings (*Papers 12, 13 and 14*)

The Board received written reports from each Committee Chair/Vice Chair summarising key matters considered by the Standing Committees since the previous Board meeting.

The confirmed minutes of these meetings will be received by the Board at its next meeting.

The Board noted the reports from each Committee.

17. Confirmed Minutes: Standing Committees (Papers 15, 16 and 17)

The following confirmed Standing Committee Minutes were received by the Board:

- Learning, Teaching & Quality Committee
- People, Infrastructure and Finance Committee
- Audit & Risk Committee

The Board received the above minutes for noting.

18. AOCB

There were no other items of business for discussion.

Date of Next Meeting: Thursday 08 October 2026 at 4pm in Kilmarnock

(C/P) Confirmed minutes will be published on College Website; (P) – Paper will be published on the College Website; (R) – Paper is reserved, because it contains data or information of a personal nature, which is restricted by legislation, or because it contains commercially sensitive information, and will not be published on the College Website

Reserved items on next page

Reserved Items

The following items are reserved for reasons of commercial confidentiality or because the item contains information which is covered by data protection legislation.

7. Principal's Report (*Paper 4*) (R)

The Principal introduced Paper 4, which updated Board members on key activities and developments not covered elsewhere on the agenda.

The Principal highlighted some key points to the Board:

- The paper presented was structured in a different format to previous reports and provided an update on the priorities that were set out for 2025-26 and priorities that will be the key focus for 2026-27.
- Planning for next academic year's priorities has already commenced and an update will be provided at the next Board Development Day in September as well as an evaluation of the current Strategic Ambition.
- A Cox advised that discussions have been taking place with English colleges regarding partnerships opportunities. One of the colleges, Weston College Group, has recently received recognition as one of only four Technical Excellence Colleges (TECs) for Advanced Manufacturing in England. Weston College Group has approached Ayrshire College to join them as a spoke college which will offer additional funding at a later stage.

The Board noted the report and the update as presented.

8. Board Recruitment Proposals (*Paper 5*) (R)

H Denholm advised the Board of the outcomes and recommendations from the Chairs with Search and Nominations Committee following the Board member recruitment process.

The Board was requested to:

- Approve the three Non-Executive Board Member appointments
- Approve the Co-opted appointment to the Audit & Risk Committee
- Approve the Co-opted appointment to the Learning, Teaching and Quality Committee

The Board noted:

- Three Non-Executive Board Member positions were available, comprising one expected leaver on 31 July 2026 and two existing vacancies.
- A Board Member recruitment programme commenced in February 2026 to fill the three Non-Executive Board Member vacancies.
- Fourteen applications were received. Following shortlisting, six applicants were invited to interview; five were interviewed on 27 April 2026, following one withdrawal.

- The CSNC recommended three candidates for appointment as Non-Executive Board Members and two candidates for co-option to Committees.

Decision - BOM54-D01: The Board approved the five proposed appointments.

9. Management Accounts as at 30 April 2026 (*Paper 6*) (*R*)

Liz Walker and A Ritchie introduced Paper 6, summarising the College's financial position at 30 April 2026 and the key variances for members' information.

The Board noted:

- The 2025-26 operating surplus before exceptional costs is forecast at £1.664m, £0.641m ahead of budget.
- A positive operating surplus of £1.79m is required to meet NPD, lease and early retiree obligations without reducing trading cash.
- The improved position against the deficit budget, and that cash balances held for strategic projects would be applied in line with forecast spend.

Decision - BOM54-D02: The Board approved the Management Accounts as at 30 April 2026.

10. 2026-27 Budget (*Presentation and Paper 7*) (*R*)

A Ritchie introduced the proposed 2026-27 budgets for the College, its subsidiary and the Student Association, including the cash position, medium-term outlook, assumptions, risks and affordability.

The Board noted:

- The 2026–27 budget is balanced, with a forecast operating surplus of £1.706m and a small cash inflow of £10k.
- The position has improved since the earlier forecast, reflecting a stronger SFC settlement, staff savings and planned income growth.
- The budget remains fragile, with tight liquidity, continued reliance on SFC capital-to-revenue flexibility, income delivery risk, cost pressures and ongoing subsidiary risk.
- The medium-term forecast confirms that further recurring savings will be required and that close in-year scrutiny remains necessary.

The Board of Management was requested to:

- Note the changing context within which the College operates, including the increasingly fixed nature of the College's cost base.
- Note the change in the assumptions used in preparing the 2026-27 budget and the impact on the budget.
- Note the fragility of the College cash position.
- Approve (i) the College 2026-27 budget, (ii) the SAI 2026-27 budget, and (iii) the 2026-27 Student Association budget for presentation to the Board of Management.

Decision - BOM54-D03: The Board approved the College 2026-27 budget, the SAI 2026-27 budget, and the 2026-27 Student Association budget.

The Chair took the opportunity to inform Board members that an email had just been received from Scottish Government to confirm that they had not been successful in recruiting a new Chair and the process would commence again as soon as possible with a view to making an appointment for the start of 2027.

11. Subsidiary Company Loan (*Paper 8*) (R)

A Ritchie introduced Paper 8, which set out the business case submitted to the Scottish Funding Council seeking approval for the College to establish a revolving loan facility of up to £400,000 for SAI Aerospace Training Ltd.

Members considered approval for Ayrshire College to provide a revolving loan facility of up to £400,000 to SAI Aerospace Training Ltd, to support near-term working capital and contracted training activity on commercial terms and in compliance with SPFM and SFC requirements.

The Board noted:

- The proposal is regular, proper and represents value for money when assessed against SPFM standards
- The proposal is not novel, contentious or repercussive in the College context; however, SFC approval is being sought to ensure compliance with the Financial Memorandum and wider public finance controls.
- The College has continued to work with Anderson Strathern on the legal and governance framework supporting the subsidiary and the proposed facility.

Decision - BOM54-D04: The Board approved the establishment of a revolving loan facility of up to £400,000 for SAI Aerospace Training Ltd.

Action – BOM54-A01: The Board are to be informed once legal due diligence is complete.

13. Q4 Performance Dashboard Update (*Verbal*) (R)

D Davidson noted that staff satisfaction remained positive and the annual Staff Engagement Survey would be circulated to staff in August 2026. PIFCo received a detailed update on the People Strategy which has been included with the Board papers for information.

S Rae provided an overview of the Student Experience and Skills Alignment elements of the Performance Dashboard and the Committee noted that FE Full-Time, HE Full-Time and HE Part-Time are all currently above target. It was noted that FE Part-Time is slightly below target however only by a small margin. The College has surpassed its credit target.

Positive feedback was received from students in the Student Satisfaction and Engagement Survey and showed an increase of 3% to 96% in the level of satisfaction.

With regards to partnerships, the College has surpassed the target for new business connections and the number of places for MAs has increased. Income figures are on track and focus for the coming year will be on networking events, innovation and knowledge exchange.

The Chair stated that it was fantastic to hear that all areas are on track and some have surpassed their targets and thanked all of the teams involved.

The Board noted the update as presented.

15. Strategic Risk and Opportunities Register (*Paper 11*) (*P summary*)

A Ritchie introduced Paper 11, outlining the rationale for the revised Strategic Risk Register format introduced in May 2026 and the key changes from the February 2026 version.

The Board noted:

- The revised format represents a significant enhancement in the College's approach to risk management and assurance.
- The move to a dedicated software platform supports consistency, transparency and auditability.

The Board was invited to:

- Note the rationale for the revised format.
- Acknowledge the strengthened assurance and governance capability provided by the May 2026 Strategic Risk Report.
- Support the ongoing use and development of this enhanced approach to risk reporting.
- Approve the Strategic Risk Register.

Decision - BOM54-D07: The Board approved the Strategic Risk and Opportunities Register.