

Minutes of HEFESTIS Board Meeting held at 10:00 am on Friday 1 May 20120 online via MS Teams.

Present

Participated by MS Teams

Brian Henderson (Chair)	University of Aberdeen
Andrew McCreath (AM)	HEFESTIS Ltd.
James Morris (JM)	University of Dundee
Angus Allan (AA)	South Lanarkshire College
Lisa Clark (LC)	Glasgow Kelvin College
Nick Murton (NM)	Edinburgh College
Anne Jamieson (AJ)	Independent
Angus Warren (AW)	APUC Ltd. - Observer
Elizabeth McFarlane (EM)	Corporate Services, APUC Ltd.
Michael Caithness (MC)	Corporate Services, APUC Ltd

Welcome and Apologies

- 1 Chair thanked everyone for attending.
- 2 Chair noted that Elizabeth McFarlane was attending to present the Finance Report and that Kathy McCabe had resigned from the Board due to other work commitments and would not be attending this meeting.

COVID-19 Impact

- 3 AM informed the Board that there had been one staff member absence due to presumed coronavirus but that person was now back at work, and he was aware of at least one other member of staff who had lost a close relative.
- 4 He added that all HEFESTIS staff had been effectively working remotely since before the lockdown was put in place and that feedback from institutions had been positive.
- 5 Staff absences had been effectively covered by other members of staff..
- 6 AM noted that staff had been encouraged to take due annual leave and not to accumulate too many days that would ultimately be difficult to 'carry over'.
- 7 AA commented that it is important for staff well being to take time off and Chair agreed.
- 8 AM explained that staff were experiencing performance issues with the current issued laptops and in some cases were using personal equipment – for example for video editing. AM noted that laptops were due to be replaced soon and would discuss with APUC the specification required.

- 9 AM informed the Board that HMRC was allowing companies to pay a 'work from home' tax free allowance of £16 but advised that this was not being paid at present as there was no indication that institutions were generally applying this allowance. Members of staff can, however, apply directly to HMRC for tax relief on £16 per month of their salary and EM will provide guidance to staff on how to do this. **(ACTION: EM)**
- 10 Chair stated that the ability of Aberdeen to improve its information security had not been undermined by the current situation and it was heart warming to see this benefit from the CISO-share service.

Minutes of the previous meeting on 19 March 2020

- 11 The minutes were approved as an accurate record of the meeting subject to an AM 'comment' being removed.

Matters Arising from the previous meeting

- 12 Chair noted that all but one of the matters arising from the previous meeting were complete and that item 28 (AM to obtain an update from JS on CRU proposal for seconded FTE) was delayed due to disruption during Covid-19 restrictions but would now be progressed. **(ACTION: AM)**
- 13 There followed a discussion on award of 'cost of living' increase for staff and it was decided the following should be applied:
- There should be no decision at present but potential for a pay freeze should be considered.
 - Any decision should be in line with APUC's approach and should also factor in how the sector decides under the current situation. AW to feed back information on how APUC is approaching pay and other costs in the next financial year. **(ACTION: AW)**
 - An extraordinary Board meeting should be held "no later than first week in June ". **(ACTION: MC to canvas for a date)**

Financial Management Report

- 14 EM presented a summary of the Financial Management Report to the end of March 2020 highlighting the following:

Results for period to end October 2019

- Income for the period was £533k (£269k for CISO share and £283k for DPO share) less £19k inter-company transactions.
- Expenditure for the period was £512k (£261k for CISO share and £270k for DPO share) less £19k inter-company transactions.

Forecast Outturn

- Income is expected to exceed expenditure by £29k.
- Income is forecast to be £784k compared to an original budget of £773k
- Expenditure is forecast at £755k compared to an original budget of £713k due mainly to a CISO cross charging adjustment £26k.
- Forecast balance sheet shows an increase in reserves of £29k
- Forecast cash balance at the end of the financial year is £68k.

- 15 Chair stressed the need to look at forecasts and make realistic reductions in costs.
- 16 AM added that the budget needs to be reviewed and noted that an allowance for CISO training had not been used and could be frozen,
- 17 AM advised that the major costs were for salaries and APUC expenses and added that expenses for CISO and DPO are, in fact, very low.
- 18 EM added that very little in the way of travel expenses were being submitted and only £5k of the £10k budget was likely to be spent.
- 19 AM recommended that there should be a freeze on any unnecessary spending and EM suggested that target areas for saving should be travel, training and recruitment.
- 20 AJ suggested that there should be a reserve to ensure that we retain good staff.
- 21 It was agreed that any expenses should be approved by AM before submission to EM.
(ACTION: AM)
- 22 AM advised that a workshop on Change Management and Office 365 had been well received and it was likely that there was sufficient interest for the Office 365 service to commence although this was still being finalised. He added that institutions might want to take advantage of shared services to reduce their costs.
- 23 AM stressed that we would not commit to recruitment for new shared services without firm commitment from institutions using the new services.
- 24 AJ enquired what the realistic financial outlook for the sectors was over the coming months and Chair advised that the loss of international students will be hugely significant. AW confirmed that this was estimated at around £700m.

- 25 Chair noted that there has been a good influx of application from potential students, but AW advised that if campuses don't open for the first term then students may defer their courses for a year.
- 26 AM suggested that the budget could be revised on the assumption of no travel for the remainder of the calendar year at least. He added that the CISO-Share newsletter now has wider circulation (HEIDS, UCISA etc.) and that this might open up other opportunities for HEFESTIS which could be serviced remotely at least in the first instance.
- 27 AW advised that APUC is planning to do more remote working when the lockdown is relaxed and suggested that HEFESTIS could promote itself as a 'virtual' company. He added that this could provide a 'good value' service due to reduced costs.
- 28 AJ cautioned that the current established services were built on an established physical presence basis and that should be borne in mind in considering any 'virtual' approach.
- 29 JM asked if RGU could be provided with a full service now and AM suggested that this could be done whilst services were being delivered remotely. **(ACTION: AM to discuss with RGU)**

Service Status Report

- 30 AM introduced the CISO and DPO status reports and asked if there were any question on their content. He noted that both steering groups reported that feedback from members was positive.
- 31 AA stated that South Lanarkshire College's DPO had been very helpful on other support issues i.e. Teams etc.
- 32 AM advised that Mairead Wood has been providing short term cover at City of Glasgow College since Guy Clinton's departure, and was hopeful that the College would agree to recruiting a replacement shortly.

Strategy Development

- 33 AM started the strategy discussion by asking if there was any feedback after the strategy away day and subsequent report.
- 34 The Board were generally happy with resulting draft strategy document.
- 35 AM said it was 'almost there' and suggested that it would be good to get CISO and DPO inputs, He added that it would be best to focus on the education sector and not expand the service too much at present.

- 36 NM suggested revisiting other opportunities in 18 months and JM asked if they should not just be closed off.
- 37 AM suggested that we should perhaps look at other opportunities in the sector and Chair added that this could be included in a further discussion by the Board on the impact and responses to the COVID-19 situation. He proposed that a meeting should be convened later in the month. **(ACTION: MC to set up)**

Chair left the meeting at 11:00.

- 38 AW noted that COVID-199 had caused us to look more closely at our ways of working and that this would be useful to explore further.
- 39 NM also felt that the HEFESTIS mission statement should also be review again and he offered to draft some suggestions for the Board's consideration. **(ACTION: NM)**
- 40 AM asked if Helen Mill should be involved in this discussion and it was felt that the Board could now take this forward to the next stage without further external input, but that some external feedback and challenge would remain important from time to time.
- 41 NM recommended that the Board should acknowledge Helen's good work in arranging the away day and preparing the outcome documents. **(ACTION: AM)**
- 42 It was suggested that a further Board discussion needs to be held on the strategy and a date later in the month should be scheduled. JM recommended that the strategy should be revisited on a regular basis, perhaps annually. **(ACTION: MC)**
- 43 The Board was happy for AM to invite inputs from CISO-Share and DPO-Share service leads.

Risk Register

- 44 AM presented the Risk Register and noted that there was no entry for a pandemic and noted that Brexit must not be forgotten.
- 45 He added that computer systems failure was well covered with cloud based back up and that the transition to 'working from home' had been smooth and efficient.
- 46 AM noted that the back up of the finance system needed to be verified. **(ACTION: AM to check with EM)**
- 47 JM suggested that the Office 365 system should be under HEFESTIS control and it was agreed that this should be progressed in due course and that the ucss.ac.uk email addresses should be replaced with hefestis.ac.uk. **(ACTION: AW/eSolutions)**
- 48 AM asked if the probability for funding not being supported by members should be higher.

- 49 AA noted that the reason that colleges buy into the service is that it is more efficient than inhouse options.
- 50 It was agreed after discussion that, on balance, the risk of members leaving the service was not changed as the Board believes that the service is of such a high value to members.
- 51 AM advised that work was in progress to review the reputational risk of commercially sensitive information entering the public domain, He noted that DPOs have access to members details in their daily work.
- 52 AM advised that HEFESTIS Business Continuity Plan was based on APUC's plan and AW noted that it had recently been updated to cover 'pandemic'. **(ACTION: MC to update and send to AM for approval)**
- 53 AM noted that there should be an annual review of the Business Code of Conduct and staff sent a reminder annually. **(ACTION: AM/MC)**
- 54 It was agreed that risk R11 'Key company records destroyed in fire' should be moved to the closed file. **(ACTION: MC)**
- 55 AM noted that not all members have signed up yet. There are currently 19 members. Other non-members should be chased up again. **(ACTION: AM)**
- 56 AJ recommended that the Business Continuity Plan should be review with respect to HEFESTIS service. **(ACTION: AM)**

Policy on Redundancy costs

- 57 The Board endorsed the revised policy on redundancies and resource changes.

Any Other Business

- 58 NM enquired if there was any interest from colleges for an Office365 shared service and AM confirmed that there was noting that 5 colleges and 3 universities had expressed an interest.
- 59 AM suggested that there should be enough workload for a single FTE staff member initially and that we should seek to start this service up if institutions commit. .
- 60 AM noted that there was also interest in the Change Management shared service but not as much as the O365 one. He suggested that the focus should be on O365 and should identify suitable resources to put it in place,

Date of Next Meeting

- Extra meetings to discuss strategy and COVID-19 response to be scheduled (**ACTION: MC**)
- 12 August 2020 – Virtual Board as required (via MS Teams)
- 20 October 2020 – Audit Committee, Edinburgh tbc
- 26 November 2020 – Board, venue tbc

There being no further business, the meeting closed at 11:45