

Minutes of HEFESTIS Board Meeting held at 11:45 am on Thursday 20 May 2021 online via MS Teams.

Present

Brian Henderson (Chair)	University of Aberdeen
James Morris (JMo)	University of Dundee
Nick Murton (NM)	Edinburgh College
Lisa Clark (LC)	Glasgow Kelvin College
Claire Taylor (CT)	Edinburgh Napier University
John Maher (JMa)	University of the Highlands and Islands
Anne Jamieson (AJ)	Independent

In attendance

Angus Warren (AW)	APUC Ltd. - Observer
Michael Caithness (MC)	Corporate Services, APUC Ltd
Elizabeth McFarlane (EM)	APUC Ltd. (for agenda item 4 only)

Welcome and Apologies

- 1 Chair welcomed everyone and extended a particular welcome to new board members CT and JMa.
- 2 Chair noted that there were no apologies for absence and that EM was attending to present the Finance Report.

Minutes of the previous meeting on 18 February 2020

- 3 The minutes were approved subject to correction of a few typos. (**ACTION: LC to provide details to MC**)
- 4 JMo asked for the board's view on publication of any sensitive information in minutes.
- 5 Chair suggested that the Board should have a discussion on what is acceptable to publish. (**ACTION: Board**)
- 6 A discussion on references to UCISA took place.
- 7 Chair asked if references to UniDesk should be excluded and JMo felt that it was acceptable to include such content.
- 8 AJ felt that minutes should be accurate and any 'off the record' discussions not recorded in them.
- 9 AW noted that APUC Board minutes often have vague references to sensitive items but without any detail reported.

- 10 LC stressed that there should not be two versions of the minutes and only one but with a note stating that some items have been redacted.

Matters Arising from the previous meeting (HEFESTIS/03/2021)

All actions are completed or in progress as per the following:

- 11 Actions 6 - A 'Working from Home' policy was in latter stage development at APUC, and AW had offered to share it once he had feedback from his team for consideration/adoption after being adapted to suit HEFESTIS requirements.
- 12 Actions 16 – HEFESTIS has secured £9k of the STOic funding as TTX facilitation going forward.
- 13 Action 30 – The customer satisfaction survey has not been progressed yet and will be followed up after the Board meeting. **(ACTION: JMo)**
- 14 All other actions are closed and will be removed from the list. **(ACTION: JMo/MC)**

Finance Report (HEFESTIS/05/2021)

- 15 EM presented the Finance Report and highlighted the following:
- Actual income for the period was £605k with £257k for CISO-Share, £262k for DPO-Share and £86k for Change Management and STOic TTX.
 - Actual expenditure for the period was £518k with £229k for CISO-Share, £259k for DPO-Share and £29k for Change Management and STOic TTX
 - Surplus was £87k, an increase of £76k more than budget.
 - The forecast balance sheet shows an increase in reserves of £74k, with the cash balance forecast to be £222k at the year-end.
 - Debtors at the year-end are expected to be £319k, an increase of £16k.
 - Creditors expected at the year-end amount to £405k, a decrease of £123k.
- 16 Chair noted that it was good to see that the Change Management service was now generating revenue.
- 17 JMa asked why the office expenses were above the predicted amount and EM advised that some new cost items were not included in the original budget.
- 18 Chair asked if laptops are included in the office budget and EM advised that they are covered under depreciation.
- 19 CT asked why City of Glasgow Colleges DPO costs were decreased and JMo explained that they were unhappy with the original DPO, recruited for them, being released and subsequently left the service.

- 20 NM asked how much Scottish Government had contributed to the surplus regarding resource costs and JMo noted that it was significant.
- 21 Chair stressed the need to continue to look for sources of revenue/funding and noted that an agreement with a leading sectoral body could attract more customers for the services.
- 22 Chair thanked EM for her usual detailed report, and she left the meeting.

Operations plan/metrics update (HEFESTIS/04/2021)

- 23 JMo presented updates to the Balanced Scorecard/KPI for tracking activities as follows:

24 *Increasing customers*

- CISO-Share added Ayrshire College effective 1 March (in discussions with an England based University possible community membership)
- Change-Share – Added MISP Grant from CRU (up to 50k) (Feb)
- West Highland College O365 SharePoint 20 days (May)
- Risk auditing Aberdeen (2 days)

25 *Target Sector/Service Map*

- Not progressed yet and dependent on outcome of UCISA agreement.

26 *Annual conference scheduled and leads generated*

- UCISA conference/s coming in the Autumn

27 *Service pricing model*

- Complete for the board within 21/22 budget and plan

28 *Partner map*

- JISC not responsive to HEFESTIS, discussed alternate approach with UCISA

29 *Services*

- Live (CISO, DPO, Change, Office365, STOic TTX, Risk Auditing)
- Active (Circular ICT, UniDesk, Itrain)
- Planned (DPO – Subject access requests, FOI requests, DPO advisory service, Open access requests)

- 30 *Updated 3 Year forecast*
- Ready for the next full board in November (**ACTION: JMo**)
- 31 *Customer satisfaction/Retention*
- To complete Service management actions/survey and report to next full board (**ACTION: JMo**)
- 32 *Branding/Cyber essentials*
- Branding is now complete
- 33 *Success stories*
- At least one completed success story for CISO, DPO and Change. Aim to have STOic and Audit complete by end of June
- 34 *Customer portal usage*
- DPO-Share - Usage slightly down
 - CISO-Share – No change
 - Change/Office365 – No permanent members on site yet
- 35 *Idea Generation*
- Simple staff ideas process is now running
- 36 *Relationship awareness*
- Progress being made but CISO-Share more complex
 - Update for the next Board (**ACTION: JMo**)
- 37 *Employee satisfaction*
- Good engagement in all staff meetings – good team, looking at options for learning opportunities for team.
- 38 AW advised that APUC has a £100k fund allocated for Circular ICT purposes and that availability of this has been extended due to COVID.
- 39 Chair noted that the Balanced Scorecard was a valuable way to measure progress and invited questions from the Board.
- 40 CT noted that she would like to study the Strategy before commenting on the score card.

- 41 JMo made the Board aware of the fact that demands on his time are causing delays in some activities and Chair agreed that the Board needs to consider the impact of future demands on available resources. **(ACTION: Board)**
- 42 AJ stressed that a systematic approach needs to be taken when deciding on moving to the next stage.

Strategy Development update

43 JMo summarised the updated Strategy document as follows:

- Budget presentation uses the same template as before
- If service status quo applies, revenue will be £865k and expenditure £852k
- If services expand as below, revenue will be £1,340k and expenditure £1,298k.
 - UniDesk - £298k
 - STOic TTX - £9k
 - Risk/Audit - £4.8k
 - SG Grant - £100k
 - Circular ICT - £25k per year
 - Two new services – unknown

These are conservative estimates but achievable.

- 44 Agreement with a leading sectoral body could attract more customers for CISO-Share and DPO-Share and there is also potential for an O365 shared service.
- 45 Chair noted the good approach and accepted that the SG Grant would not provide any profit as it would be expected to apply to developing the services.
- 46 NM felt that it was a sensible and positive position and asked what the confidence level was. JMo advised that the 2021/22 budget would be at the lower end of what will be achievable and noted that there have been a few unsolicited enquiries for HEFESTIS's services. He added that, if four new members joined, the current DPO staff could cope but one new CISO would be required. It is encouraging to note that there are good potential candidates in the job market.
- 47 JMa noted the good cautious approach but stressed that we need to be prepared for new demands without adversely affecting the current workforce. He also felt that UniDesk value-add was a concern going forward and HEFESTIS would need to clarify the benefit.
- 48 JMo noted that UniDesk is an attractive cost vs TOPdesk for the same service.
- 49 CT said that she was not wholly in favour of UniDesk and would be interested to see the justification for adopting the service.

- 50 CT also asked if the Circular ICT proposal was available for review and JMo advised that it was in preparation. He added that it was mainly about refurbishing laptops instead of buying new.
- 51 CT noted that there would be a pent-up demand for resources if the services increased and asked if there was a plan to apply an upper limit. JMo advised that it will be important to attract high calibre people and not simply to add numbers to meet demand. He noted that it was the intention to get the existing CISOs involved in the regional management of new CISO's to ensure the quality of the service was maintained.
- 52 LC noted that, since cyber attacks are a major risk, there could be more customers attracted to the service.
- 53 JMo advised that UniDesk could also be marketed through UCISA to a wider audience.
- 54 AJ asked if the budget forecast could be extended to future years to allow more understanding of potential resource requirements.
- 55 JMo noted that predicted new services would generate more surplus and plans will be needed for how best to utilise it and he added that more management resources will also be necessary.
- 56 NM felt that as long as service benefits can be demonstrated to members, increased growth can be justified and managed.
- 57 CT felt that the MD's time will become a pinch-point quite soon and JMo agreed that the workload was indeed challenging at present and suggested that a full time MD would be required by 2023/24.
- 58 JMo predicted the following growth expectation in customers and services:
- 2021/22 – 36 customers and 9 shared services
 - 2022/23 – 41 customers and 10 shared services
 - 2023/24 – 44 customers and 12 shared services

Risk Register (HEFESTIS/06/2021)

- 59 JMo explained that the risk register had a few updates highlighted red but nothing significant.
- 60 Chair asked if staff resourcing for expansion of services be added to the risk register and asked the Board members to review the register and respond with any suggestions. **(ACTION: Board)**
- 61 JMo suggested that he review for staff pinch-points with AJ offline and Chair agreed that it was a good approach. **(ACTION: JMo/AJ)**

Board members recruitment plan

- 62 JMo advised that he was seeking a new Board member with finance expertise and reported that a member of the University of Dundee's staff was keen to join subject to university approval.
- 63 He added that no FE candidate had been identified yet and that he was meeting with AW to discuss options. **(ACTION: JMo/AW)**.
- 64 Chair informed AJ that the Board had unanimously approved the extension of her term on the Board for a further two-year period and she was happy to accept. Chair to contact AJ offline regarding contract details. **(ACTION: Chair/AJ)**
- 65 JMo suggested the need for a review of directors' term periods. **(ACTION: JMo/MC)**

Key Collaboration Relationship Progress Update

- 66 JM advised that following recent discussions, the draft agreement had been reviewed by their legal team and they are concerned about indemnity cover and the need for a formal exit strategy. He added that, subject to these issues being resolved, they are keen to proceed.
- 67 He added that HEFESTIS will need its own legal input to the final agreement.
- 68 CT asked how HEFESTIS is currently covered for indemnity and JMo explained that the membership agreement specifies that the service is providing guidance as opposed to advice and that HEFESTIS has PI insurance in place.
- 69 Chair left the meeting at 13:13 and JMo assumed the role of Chair for the remainder of the meeting.
- 70 NM thanked JMo for the good progress and JMa noted the strength of the relationship that has been established.
- 71 JMo advised that a response on the agreement was due early the following week.

UniDesk Update

- 72 JMo advised that he had been having weekly meetings with University of Edinburgh who run the UniDesk service, and that good progress was being made. He added that a decision was needed on when and if HEFESTIS takes on UniDesk.
- 73 He noted that UniDesk is a mature service and that UoE had resolved some issues arising from hosting the service.
- 74 JMa reiterated that UniDesk has attractive value-added features and stressed the need to ensure resilience of the service with members.

- 75 CT explained that Edinburgh Napier University relies heavily on UoE for support of UniDesk and does not have inhouse resource.
- 76 JMo advised that support has been discussed with UniDesk and added that some of UniDesk's member have strong technical skills that could prove beneficial.
- 77 He added that the agreement would need to be reviewed and agreed at an extra Board meeting before going ahead.

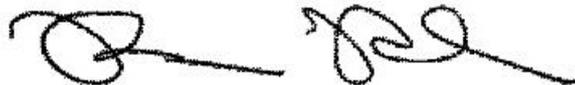
Any Other Business

- 78 CT asked if there was a Teams Group set up for Board communications and JMo confirmed it has been done and would work with Mike to enable access for the board. **(ACTION: JMo/MC)**
- 79 JMo advised the board of a disciplinary process that had been undertaken following activity that was prejudicial to the good standing of the company. A policy is in development to cover the gap identified as a result of this. **(ACTION: JMo)**

Date of Next Meeting

- Wednesday 25 August – 11:30 to 13:30 Board, venue tbc
- Wednesday 20 October – 13:00 to 14:30 Audit Committee, Edinburgh tbc
- Thursday 25 November – 11:30 to 13:30 Board, venue tbc

There being no further business, the meeting closed at 13:35

A handwritten signature in black ink, consisting of a stylized, cursive script that is difficult to decipher.