

Minutes of HEFESTIS Board Meeting held at 11:45 am on Thursday 25 August 2021 online via MS Teams.

Present

Brian Henderson (Chair)	University of Aberdeen
James Morris (JMo)	University of Dundee
Carol Prokopyszyn (CP)	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 member CP. A 'round the table' introductions was carried out.
- 2 Chair noted that there were no apologies for absence, but AJ would be joining the meeting later and EM was attending to present the Finance Report.

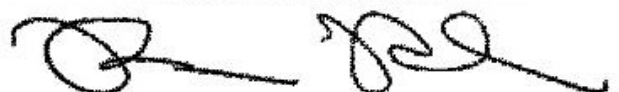
Minutes of the previous meeting on 10 May 2021

- 3 The minutes were approved.

Matters Arising from the previous meeting (HEFESTIS/07/2021)

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

- 4 Action 13 – JMo reported that customer satisfaction feedback had been good but that there were some staff concerns. CISO-Share feedback was good from the West but not so in the East due to CISO support issues that are now being addressed with a new managing CISO now on board. Change-Share users were happy, but more support is needed now. 59% of NB time is being charged to Change-Share and she will be full time support for the next 3 months.
Chair enquired what was driving the demand for DPO-Share and JMo advised that the colleges in particular were increasingly aligning processes with the ICO accountability framework and this was driving up utilisation.



- 5 Actions 36 – JMo advised that the new relationship agreements would be finalised before the next Board meeting.
- 6 Action 41 – JMo advised that the subject of demands on his MD time would be covered under AOB, and it was agreed to close this action.
- 7 Action 60 – It was agreed that the action regarding staff resourcing for the expansion of services would be placed on the November meeting agenda. **(ACTION: MC)**
- 8 Action 61 – JMo requested more time for the review of staff pinch-points. This was approved.
- 9 Action 63 – JMo advised that he would draft a board composition proposal for the November Board meeting. Chair noted that consideration for future requirements was needed, and AW added that the FE vacancy had not been filled for the above reasons. This was agreed to be appropriate. **(ACTION: JMo)**
- 10 65 – JMo advised that a review of directors’ terms would be covered in the November meeting. BH requested to attend the discussion. **(ACTION : JMo)**
- 11 All other actions are closed and will be removed from the list. **(ACTION: JMo/MC)**

JMa joined the meeting at 11:54

Finance Report

- 12 EM presented the Finance Report and highlighted the following:
 - Actual income for the period amounts to £801k with £385k for CISO share, £360k for DPO share and £56k for Change Management and STOic TTX.
 - Actual expenditure for the period totals £701k - £303k for CISO share, £355k for DPO share and £43 for Change Management and STOic TTX.
 - Surplus was £14k for the period and the actual position is a surplus of £100k, an increase of £86k.
 - The forecast balance sheet shows an increase in reserves of £96k, with the cash balance forecast to be £296k at the year end.
 - Debtors at the year-end are expected to be £251k, a decrease of £52k.
 - Creditors expected at the year-end amount to £281k, a decrease of £246k.
- 13 JMo noted that it had been a positive year, but that the DPO service was forecasting a loss which the colleges had agreed to cover, CISO was less of an issue but there was less likelihood of the type of revenue from STOic and MISP . He added that a reforecast of the budget would be done in November.
- 14 CP observed that the revenue side was positive, but that care was required about recruiting and that service sustainability needs some focus.

- 15 AW suggested that STOic TTX should be moved into Change management and JMo agreed.
- 16 NM asked if there was a 3-month expenditure cover surplus yet and JMo advised that the level was at 65% with progress being made. He added that DPO/CISO run 'at cost' but Change-Share makes a good margin.
- 17 JMo thanked EM for her valuable support and Chair concurred.

Strategy

- 18 JMo, referring to the Strategy document on the Teams site, made the following comments:
- A1.1 - Roll out existing services to FE/HE institutions in the rest of the UK was progressing well.
 - A1.2 - Too much to do at the moment regarding identifying sectors and services for future roll out activity.
 - A1.3 - Delivering an annual conference was progressing well.
 - A1.4 - Reviewing pricing and creating a robust pricing model was progressing well.
 - A2.1 - Maintaining high standards on shared services but CISO-Share has some issues as identified above.
 - A2.2 – Teams site in place to underpin roll out of broader services but not ideal.
 - A2.3 - Identifying and engaging with strategic delivery partners and associates is going well.
 - A2.4 - Product and services roadmap is in place.
 - A3.1 - Scheme of delegation to ensure clarity of decision making in place.
 - A3.2 – Balances scorecard in place and 3-year plan for financial forecasting model and KPI's ready for November board.
 - A3.3 – Concerns exist about review of staff and legal structures for growth and succession planning.
 - A3.4 – Plan in place to encourage and empower staff to identify and assess opportunities.
 - A4.1 - Mapping out the relationships between key providers in progress.
 - A4.2 – Positive situation with Scottish Government to create a more proactive relationship but SFC is problematic.
AW advised that the right contact at SFC was important and offered to discuss the situation with APUC's contact.
 - A4.3 - Success stories are done and developing a marketing plan idea but not firm yet.

- A4.4 - Considering whether there is a need to rebrand and to update the website to make it more user friendly.
- 19 CT asked how to resource any expansion in services and stressed that staff coming up with suggestions to add to the portfolio was too informal a process.
- 20 JMo said that there was interest from 3 or 4 institutions for an Information Governance service.
- 21 Chair suggested that there was a need to discuss any wider range of services with SFC as it views the digital arena as a 'bit messy'. He added that the Marketing Plan will need to ensure that current services are not diluted by adding more services.
- 22 JMo added that expertise from south of the border could be harnessed.
- 23 NM asked about the Information Commissions Accountability Framework (with 300 item list for reference) that it could be used for guidance and Chair noted that the University of Aberdeen was already using it for upward feedback and support.
- 24 Chair noted the good update on the Strategy.

Hybrid Working

- 25 JMo opened the discussion on hybrid working and noted the following:
- Hybrid working has been discussed at steering group meetings and CISOs are happy with the current home working hybrid, with DPOs likely to continue for a further year.
 - Institutions are still reviewing what their plans will be.
 - It is employees' own decision to work from home and they must be responsible for setting up their workspace, but IT will be supplied by HEFESTIS. AW advise that 3 desks might be available from APUC's Glasgow office.
 - A draft policy will be communicated to staff in due course.
- 26 LC advised that her institution had offered desks and chairs for staff working from home but stressed that PAT testing was problematic as well as other safety issues.
- 27 JMo advised that a DSE assessment form would be used to gauge safety at home.
- 28 JMa agreed with LC comments and noted that UHI has at home risk assessments. He added that 'lone' working both at home and on campus was also a concern.
- 29 JMo advised that Employee Assistance was available to staff who were experiencing problems with the hybrid model. He added that he had good discussions with staff and that they are generally comfortable with the hybrid model of working.
- 30 CT advised that ENU has provided desks and chairs and stressed the need to ensure that appropriate insurance cover was in place.

- 31 JMa stressed the importance of PAT testing and the need for a policy for ensuring safety at home. JMo added that staff contracts were not being changed to reflect home working. AW advised that APUC had also not changed contracts. (ACTION: JMo)

AJ joined the meeting at 12:40

Any Other Business

Change-Share

- 32 AW, noting that there was a contingency built into **Change-Share** for marketing purposes that hadn't been used, asked if the surplus would be refunded and if it was written into contracts. JMo confirmed that the membership agreements do not cover this and noted that due to the change share by nature not having permanent membership that the board would act as the steering group. Therefore, the Board needs to decide what to do with the excess funds. Chair indicated that Change-Share had not reached its target surplus in terms of salary protection, and this was the first call on the money

OKR appraisals

- 33 JMo informed the Board of the intention to use **OKR** to replace staff appraisals and noted that training would be related to company goals.

UCISA

- 34 JMo reported that the **agreement with UCISA** had been signed the previous Tuesday and that the new services planning process would begin in the week commencing 6 September. He added that UCISA would have a representative on the HEFESTIS Board. JMo also asked for Board approval for a £10k fund for consultancy to develop a marketing plan and update the website to make it more user friendly.
- 35 CP noted the good achievement in getting this agreement completed and was happy to approve the funds.
- 36 LC and AJ also agreed and noted that the website update was needed.
- 37 JMa queried if the £10k was enough and added that the dark branding of the website was a concern. He added that UCISA will be a good partner for HEFESTIS.
- 38 JMo advised that the website uses WordPress template that are available at no cost and suggested that the website content needs to be re-organised.
- 39 Chair noted that HEFESTIS's strength is its legal constitution and resultant financial benefit, and that it needs to be well presented at the forefront of its marketing. He asked if there were any good contacts south of the border who might be able to help with this effort, perhaps through UCISA contacts and JMo advised that it would be via a UCISA working group. Chair noted that the final say on the material would be HEFESTIS Board.
- 40 AJ agreed with all comments and stressed that communications expertise is important to get the message out and the design of the website is crucial.

41 The Board approved the £10k funding allocation.

UNIDESK

42 JMo proposed that HEFESTIS could develop a **UNIDESK service** and noted that discussions with the University of Edinburgh (UoE) (who currently run the TOPdesk service) had agreed to provide technical support to HEFESTIS for 18 months and ongoing support for a minimum of 3 years. He added that there would be a November target for transition of the service and that some recruitment would be necessary. He asked the Board to approve this proposal noting that it would run at cost and that some surplus funds would be transferred from UoE.

43 Chair noted that a lot of work had been done on this proposal and that it would be a risk-based decision for HEFESTIS.

44 AW asked about the pensions situation for any staff transferring over and JMo confirmed that the roles would be temporary so pensions would not be an issue.

45 Chair asked if the staff were keen to move over to HEFESTIS and JMo added that outline job offers had been prepared and he was confident that they would move over.

46 AJ asked if there would be an impact on existing HEFESTIS team and JMo advised that there was less risk as the service is mature and would be covered by 3 new staff moving over.

47 JMa welcomed the proposal put to the Board and suggested that an extra meeting could be arranged to review due diligence. He added that 'value add' was a concern and that there would be a risk if some members left the service.

48 JMo noted that there were other opportunities in the service and CT added that she was not a big fan of the UoE service and welcomed JMa suggestion of an extra meeting to review the opportunity and perhaps improve the service.

49 AW noted that the reason that UoE wants to move away from the service is due to new strategy/structure changes in the university. He added that there were longer term opportunities to improve the service by moving to an open-source development that would also yield cost reductions.

50 Chair agreed that an extra meeting should be arranged and JMo would issue papers prior to the meeting. (**ACTION: JMo**)

Circular IT

51 JMo proposed a service to refurbish IT devices for the HE/FE sector by adding more memory and providing a possible consultancy service. He suggested that the service would need to be live/available before it started to attract customers and asked the Board to approve a 'soft' start launch in October.

- 52 JMo advised that financial support had been committed from APUC and that staff for the service would be on zero-hour contracts (ZHC). He added that HEFESTIS was ready to market the service and commit to materials and property to house the service.
- 53 AW noted that there was a potential saving of £400 per laptop and that this had already been achieved by some colleges that had adopted the approach. He added that the service has full support from APUC's Board and Universities Scotland.
- 54 NM felt that it was a 'no-brainer' to try and supported the proposal.
- 55 CT stated that she did not understand what the benefit to HEFESTIS would be and what the quantities for upgrade would be and Chair added that there was a cultural buy-in from institutions and that the risks would be lease of a facility, employment of staff and insurance coverage.
- 56 JMo advised that a short-term lease of a facility was available in Stirling and that APUC had allocated up to £100k to support the first year of the service. He re-iterated that staff would be on a ZHC basis, and the venture would be fully insured and that it was therefore low risk but promised significant growth.
- 57 AJ asked if the funding from APUC was a gift, and AW clarified that it was from previously generated funds to help fund shared service developments. He added that the APUC Board had approved the funding and that SFC was also happy with this use of the funds available. He concluded that it was not a loan.
- 58 AW added that 7.5k devices processed at £115 each would generate good profits for HEFESTIS and add benefits for institutions.
- 59 AJ asked if market research had been done and AW added that there was a need to build the service and customers would follow and that it was a cost-effective way to extend the useful life of laptops etc. He added that the main challenge might be dealing with high demand.
- 60 JMo noted that the market for this service was the public sector in Scotland, not just the HE/FE sector.
- 61 CT commented that migration to laptops from desktops for working from home was a huge attraction for the service and LC added that saving the cost of disposal was also a motivator.
- 62 AJ supported the proposal and stressed caution on the possible effect on existing resources.
- 63 JMo advised that procurement/finance would be the potential champions of the service and noted that the benefits south of the border are greater as Scotland has a very good deal with HP for laptops.
- 64 Chair noted that the Board supported the proposal and JMo committed to provide fortnightly progress updates. **(ACTION: JMo)**

MD time

- 65 JMo proposed that the time allocation for the MD role should be increased to 2 days per week as more time needs to be devoted to support UCISA and Circular IT etc.
- 66 The Board unanimously supported this proposal and Chair thanked JMo for his invaluable contribution to date.

Date of Next Meeting

- Extra meeting to review UNIDESK 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 13:45