

**WEST COLLEGE SCOTLAND**

**BOARD OF MANAGEMENT**

**MONDAY 3 MARCH 2014 at 4.00 p.m. in**

**Ardgowan 1, Greenock Campus**

**AGENDA**

1. Appointment of Chair of the Board of Management MY
2. Curriculum Update Presentation SG

Presentation from Stephanie Graham, Vice Principal

Educational Leadership

**General Business**

1. Apologies
2. Declaration of Interests
3. Minutes of the meeting held on 20 January 2014 Enclosed MY

.1 Actions from the minutes Enclosed

1. Matters Arising from the minutes

(and not otherwise on the agenda)

 .1 BM57 Saudi Arabia Bid Proposal Oral report LC

**Main Items for Discussion and/or Approval**

1. Chief Executive’s Report Paper 1 AC
2. Budget 2014/15 Paper 2 AR
3. Development of Estates Strategy Paper 3 DA
4. Project Management Report Paper 4 SR

**Items for Information**

1. Committee Reports
2. Audit Committee Paper 5 MMcA

Minutes of the meeting of 14 January 2014

1. Estates Committee Paper 6 JM

Minutes of the meeting of 4 February 2014

1. Organisational Development & HR Committee Paper 7 MMcM

Minutes of the meeting of 12 February 2014

1. Finance and Business Enterprise Committee Paper 8 GK

Minutes of the meeting of 18 February 2014

1. Board Business Update: Schedule of Business and Paper 9

Dates of Meetings

1. Report on Delegated Action Taken since last meeting

None

1. Any other business
2. Next meetings:
3. Special meeting to be held on Thursday 27 March 2014 at 4.00 p.m. in the Abercorn Centre, Paisley Campus
4. Monday 19 May 2014 at 4.00 p.m. at the Paisley Campus
5. Monday 23 June 2014 at 4.00 p.m. at the Greenock Campus

 Gwen McArthur

Secretary to the Board

**Confidential**

**BOARD OF MANAGEMENT**

**Minutes:** 3 March 2014

**Present:** Gerard Kelly (in the Chair), Audrey Cumberford, Esther Denning, Jim Hannigan, Jacqueline Henry, Andrew Hetherington, Johnpaul Johnston, Lyndsay Lauder, Michael McAuley, Michelle McCrorie, David McDonald, John McMillan, Joyce White, Michael Yuille (for items BM69 and BM70 only).

**Attending:** Stephanie Graham (Vice Principal Educational Leadership), David Alexander (Vice Principal Operations), Liz Connolly (Vice Principal Corporate Development), Stephanie Robertson (Project Manager), David Gunn (Director of Organisational Development & HR), Alan Ritchie (Director of Finance and Estates), Gwen McArthur (Secretary to the Board).

**Apologies:** Mike Haggerty, Maggie McManus, Maggie Morrison.

**BM69 APPOINTMENT OF CHAIR OF THE BOARD OF MANAGEMENT**

Mr Yuille informed the Board that, following the enactment of the next stage of the Post-16 Education (Scotland) Act 2013, the College was now designated as a Regional College and would have a new Chair appointed by the Scottish Ministers as of 3 March 2014. Unfortunately the timing of the official announcement had been delayed and it was not yet known who the new Chair would be. The Board would be informed as soon as the announcement was made.

**BM70 MR YUILLE**

Mr Yuille informed the Board that he would not be continuing as a Board member and had resigned from the Board with immediate effect. He wished the Board and the College every success for the future.

On behalf of the Board the Principal thanked Mr Yuille for the role he had played in successfully steering the College through the merger process. Not only had Mr Yuille been Chair of the Board and Lead Chair of West Region, but he had also worked with both the Scottish Government and the Scottish Funding Council on wider issues that affected the whole College sector. He had previously been Chair of the Board at Clydebank College and his knowledge and experience had been invaluable to help steer the merger process. The merger had involved a significant amount of hard work but his approach had been fundamental to setting to the tone for the merger and for ensuring a successful outcome. The Board thanked Mr Yuille and expressed their appreciation for his hard work and dedication. Mr Yuille left the meeting.

**BM71 CURRICULUM UPDATE**

Ms Graham, Vice Principal Educational Leadership, provided the Board with an overview of the outcomes of the curriculum restructuring to date and the curriculum planning for 2014/15. The College had three Faculties (Care and Life Sciences, Business and Technologies, and Creative and Essential Skills) each headed by an Assistant Principal. Following the recent restructuring 10 Heads of Sector (Curriculum) had been appointed who would be responsible for delivering and developing the curriculum in their subject areas. Additionally, three further Heads had been appointed to Quality and Professional Standards, Learning Communities, and Student Services. Now that the Heads had been appointed the next stage of the curriculum restructuring was about to take place. A consultation document on the structure of the sectors had been prepared and would be issued to staff in the next few days.

 The Curriculum Teams were currently in the process of reviewing and refreshing the curriculum to be offered. It was the aim to produce a simpler framework of courses to be offered and to harmonise the curriculum across the College as far as possible. This was considered important for student movement and progression as it would allow them to move Campus if desired or required. It would also be helpful to staff as they could deliver the same course on different Campuses and share the facilities and resources available across the College. It was acknowledged that there might be good reason for retaining some variation in certain subject areas in order to meet local needs. It was noted that the College was offering more national courses which would make it easier for students to move to another College or to articulate into a University if this was the route they chose. It was noted that applications for entry in August were now open and, to date, some 9,000 applications had been received from some 7,000 individuals (approximately 2,000 individuals having applied to more than one Campus).

 The Board welcomed the progress made and congratulated Ms Graham and her team for having achieved so much in such a relatively short space of time. It was noted that discussions with local planning partners and employers were taking place to identify future learning and skills needs so that this information could also inform the curriculum development. It was further noted that there would likely be roles for the majority of staff affected by the next phase of restructuring and, where this did not occur, then alternative employment would be considered. The Board thanked Ms Graham for her presentation.

**BM72 DECLARATION OF INTERESTS**

 None.

**BM73 MINUTES**

The minutes of the meeting held on 20 January 2014 were approved.

**BM74 ACTIONS FROM THE MINUTES**

The Board noted a report on the actions taken since the last meeting.

**BM75 SAUDI ARABIA BID PROPOSAL (BM57; FM48; AM30)**

Ms Connolly, Vice Principal Corporate Development, informed the Board that there had been no official response from the Colleges of Excellence regarding the outcome of the Scottish Consortium bid (of which the College was a partner) to run a cluster of colleges in Saudi Arabia. In the interim West College Scotland was taking the lead on behalf of the Consortium and was continuing to develop the risk register for this venture as more information became available. The Audit Committee had received the risk register and had confirmed that it was satisfied with the level of due diligence being conducted and the input from external professional advisers in developing business models and addressing the various financial and legal matters arising. It was hoped that the Consortium would hear soon, as timing was now becoming critical if it was to commence the process of establishing and running a cluster of colleges. The Board would be kept informed of developments.  **[Action: LC]**

 The Board noted that the College had been invited to bid for a smaller project in Saudi Arabia. This would involve running one college formed from a partnership between the Colleges of Excellence and General Electric. The College had submitted an expression of interest and was now considering the detail of this proposal in order to determine if it should submit a bid or not. The Board would be kept informed of progress. **[Action: LC]**

 The Board welcomed this news and considered that, even if unsuccessful, the experience gained in being involved in this process would help the College in bidding for other projects in the future. In discussion it was queried if the College, and the Board, should consider ethical matters when deciding to bid for commercial projects or not. This point had been debated before and it was acknowledged that there was no easy answer to this. Each project would be considered on its merits and if the positive factors outweighed any negative factors then the College would consider being involved in such projects, particularly if it could be demonstrated that this could help improve social education and development in the area concerned. The Board confirmed that it was satisfied with this approach.

**BM76 RECLASSIFICTAION OF COLLEGES (ONS) (BM61)**

Mr Alexander, Vice Principal Operations, informed the Board that he had just received information that had emerged from the ONS Project Board (which had been established to advise Colleges of the steps they needed to take to move to ONS reporting) which appeared to indicate that colleges could possibly retain an accounting year-end date of 31 July, and that this was under consideration by the Scottish Funding Council and Scottish Government. However, if the change to an accounting year end date of 31 July did occur, colleges would still be required to provide financial information on a fiscal year basis and so would have various financial returns to make at 31 March each year. Consultation with the sector was now underway to obtain views quickly. In considering this matter the Board was aware that if the College retained its accounting year-end date as 31 July, then financial information would still have to be provided on a fiscal year basis, which would potentially increase the workload on the Finance staff within the College and, possibly, also the External Auditors which could lead to increased costs. While the Board considered it would be helpful to know what the view of the sector and the SFC was, it was clear that it would not wish to have two separate financial reporting dates and the additional work that this would bring. It was **agreed** that this view could be communicated to SFC. The Board would be kept informed of developments. **[Action: DA]**

**BM77 CHIEF EXECUTIVE’S REPORT**

 The Board noted the report from the Principal and Chief Executive and in particular the following matters:

* **West College Scotland Foundation –** the Board noted that the West College Scotland Foundation had been established and documentation to register the Foundation as a private limited company had been submitted to Companies House. The Trustees had met the previous week where they had approved the Articles of Association. The appointment of the Chair of the Foundation had been discussed but had been deferred meantime. It had been proposed that Wylie & Bisset LLP be appointed as Auditors, on condition that the College lead partner was not involved in Foundation matters. Barclays would provide banking services to the Foundation. It was noted that some colleges had opted to use the ‘umbrella’ Trust established by the SFC; while most other colleges had opted to establish their own Foundation.
* **SFC Merger Evaluation –** the Board noted that a team from SFC were currently in the College to meet with staff and students as part of the post-merger evaluation. The team from SFC would return in a few weeks to meet with Board members and the Senior Management Team (SMT) as part of this evaluation exercise. The Board received the self-evaluation report that the College had produced for the SFC as part of this process. The Board welcomed this report and **agreed** that this was a useful document for the College to use for meetings with other external bodies and potential planning partners. Once the SFC had concluded its evaluation it would produce a report for the SFC Council to consider. Any issues arising would be brought to the Board for consideration.

**[Action: AC]**

* **2013/14 Financial Year Update –** it was noted that the year-end process was now well underway with the year-end audit planned for the first two weeks in June. Final year-end guidance from SFC was still awaited. It was hoped this would be issued soon, and before the year-end of 31 March. The College had budgeted for a modest operating surplus for the year. The Board welcomed this information and noted that the actual amount to be transferred to the Foundation before the end of March had not been finalised yet. This would be considered at the Special meeting of the Board on 27 March 2014.
* **Contract renewals –** the Board noted that three major contracts were due for renewal in the summer. It was noted that further consideration needed to be given to this matter. The Board **agreed** that, under the College’s Scheme of Delegated Financial Authority, this matter be referred to the Finance and Business Enterprise Committee for detailed consideration and decision. **[Action: FBE Committee]**
* **Financial Strategy –** at the recent meeting of the Finance and Business Enterprise Committee there had been some discussion of the development of a Financial Strategy for the College. The Committee had considered the Budget for 2014/15 and, in the light of the various uncertainties regarding the future funding position, and the lack of information available from the SFC and the Scottish Government on this matter beyond 2014/15, the Committee had decided that the Budget 2014/15 should form the base for the future financial direction of the College until further information was available. The Board endorsed this approach.
* **Structure implementation –** the Board noted that proposals for all the remaining departmental, manager level and staff structures across the whole College would be issued to staff and union representatives in the next few days. This would lead to the completion of the staff restructuring process across the College.
* **Pay Negotiations –** the Board noted that the Management had made an amended offer backdated to 1 August 2013 for all staff. A response from the unions was awaited.

**BM78 BUDGET 2014/15 (FM54)**

The Board received the proposed Budget for 2014/15. This was based on the previously submitted business case budget for West College Scotland, the indicative grant to be provided by SFC for 2014/15, together with other budgetary assumptions as outlined in the paper, and it was confirmed with this that the College was looking at a break-even budget.

 In consideration of this budget the view was expressed that the Board would find it more helpful if information on longer term financial planning could be provided. The Finance and Business Enterprise Committee had discussed this at it last meeting and had been clear that it would be very difficult to undertake longer term financial planning, or develop a financial strategy, at this stage due to the number of uncertainties regarding the future funding position. Neither the SFC nor the Scottish Government had provided any detailed funding information beyond 2014/15, other than to advise that no college would have a reduction of more than 1% under the new funding model from 2015/16. This limited the amount of future financial planning the College could do. It was also queried how this budget would support the College’s Corporate Plan/Outcome Agreement. The Board was aware that the SFC no longer asked for Corporate Plans from Colleges but sought Outcome Agreements. The latest Outcome Agreement had been considered at the last Board meeting and forwarded to SFC. However, consideration would be given to producing a Strategic Corporate Plan for the College. It was noted that, as more information became available, then a financial strategy could be produced which would address the issues raised.

 The Board commended the College on its achievements to date and supported the plan to produce a financial strategy once further information was available. In light of this discussion and, on the recommendation of the Finance and Business Enterprise Committee, the Board

 **Resolved** that the Budget 2014/15 be approved as presented.

**BM79 DEVELOPMENT OF ESTATES STRATEGY (EM32 & 33)**

The Board received information on the development of an Estates Strategy for the College. The Estates Committee had visited each of the Campuses and considered a range of factors including the current estate holding of the College, its condition, its utilisation, the potential funding available for development, and what the College might require in the future. A Strategic Framework for the development of the Estates Strategy had been produced which set out the foundations, aims and outcomes that were core to the further development of the estate. The Estates Committee had considered this at its last meeting and had supported this approach.

 Mr Alexander, Vice Principal Operations, informed the Board that discussions with the Scottish Futures Trust (SFT) had been held. SFT was responsible for improving the efficiency and effectiveness of infrastructure investment, planning and delivery across the public infrastructure in Scotland. SFT was currently working with all local authorities in Scotland and was involved in a number of projects related to education. They had offered to work with the College and to assist in the development of a Statement of Strategic Intent by June 2014, which would set out the needs of the College, the focus and direction of travel, and what the College expected from its estate. In order to achieve this, a series of workshops would be held with members of the Senior Management Team (SMT) and then the Board to identify the future needs and direction of the College. The Board welcomed this approach and recognised the benefits that this could bring, both in terms of the provision of independent strategic advice and an insight into other projects which might provide opportunities to work collaboratively with other organisations.

 In light of the above discussion and, on the recommendation of the Estates Committee, the Board **agreed** that

1. the offer of assistance and independent strategic advice from Scottish Futures Trust be accepted;
2. the Estates Strategy be developed along the lines indicated, building from the Strategic Framework, and a Statement of Strategic Intent be provided to the June 2014 meeting of the Board for consideration. **[Action: DA; AR]**

**BM80 PROJECT MANAGEMENT REPORT**

Ms Robertson, Project Manager, presented the latest Project Management Report which provided information on the completed integration activities and a summary of progress with the other integration projects and activities. The Board was pleased to note the achievements to date and acknowledged that there was still quite a bit of work ongoing. Regular meetings of staff responsible for delivering these projects were held to discuss progress and any issues arising. Many projects were inter-dependant and quite a few were coming to a head at the same time. This placed a considerable burden on the staff involved, as they still had to continue with ‘business as usual’ as well. The Board noted that the College was achieving efficiencies as progress with these projects was made. However, it would take time for some savings to be realised.

 In discussion it was noted that the bulk of projects were proceeding as planned and on time. However, in relation to the introduction of flexi-time across all campuses for Support Staff it was noted that this was under review. Further discussions were required and, if it was to be introduced, then it was hoped that it would be timed to coincide with the introduction of the new payroll system. Whatever decision was taken it was the intention to achieve a consistent approach across the College. Further consideration also needed to be given to when the merger process as such ended and the College moved to ‘business as usual’. It was noted that there was scope for the College to develop synergies with partners to help deliver on some of these issues. The Board welcomed this information.

**BM81 COMMITTEE REPORTS**

The Board noted the following reports:

 **.1 Audit Committee**

The minutes of the meeting held on 14 January 2014 were noted, and particularly the following matters:

**Accounting Policy (AM24) -** On the recommendation of the Audit Committee the Board

**Resolved** that the revised Accounting Policy be approved for inclusion in the Financial Statements.

**External Auditors (AM21)** – the Committee had approved the Audit Planning Memorandum from Wylie & Bisset for the period ending 31 March 2014, and had also approved the audit fee.

**Internal Auditors (AM22 & 31)** – the Committee had approved the Internal Audit Plan for the period to 31 March 2014, and had agreed to re-appoint Deloitte LLP as Internal Auditors to the College for a further and final 12 month period to 31 March 2015.

**.2 Estates Committee**

The minutes of the meeting held on 4 February 2014 were noted.

**.3 Organisational Development and HR Committee**

The minutes of the meeting held on 12 February 2014 were noted.

**.4 Finance and Business Enterprise Committee**

The minutes of the meeting held on 18 February 2014 were noted.

**BM82 UPDATE ON BOARD BUSINESS MATTERS (BM67)**

 The Board noted that the next stage of the Post-16 Education (Scotland) Act 2013 had been implemented which affected the membership of the Board. The Nominations Committee would meet to consider this matter. The Board also noted the dates of meetings for the remainder of session 2013/14 and the updated Schedule of Business 2013/14.

**BM83 NEXT MEETING**

The Next meeting will be a Special meeting, on Thursday 27 March 2014 at 4.00 p.m. at the Paisley Campus. The following meeting will be held on Monday 19 May 2014 at 4.00 p.m. at the Paisley Campus.

GMcA/8.04.14/Final