

**WEST COLLEGE SCOTLAND**

**BOARD OF MANAGEMENT**

**THURSDAY 25 FEBRUARY 2016 at 4.00 p.m. in**

**Room106, Renfrew North Building, Paisley Campus**

**AGENDA**

**General Business**

1. Apologies
2. Declaration of Interests
3. Minutes of the meeting held on 7 December 2015 Enclosed KM

.1 Actions from the minutes Enclosed KM

1. Matters Arising from the minutes

(and not otherwise on the agenda)

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

1. Chief Executive’s Report Paper 5 AC
2. Chair’s Report Paper 6 KM
3. Public Audit Committee Report on Coatbridge College Paper 7 KM

Review of Main Findings

1. Students Association Report Paper 8 AH

**Committee Reports**

1. Audit Committee Paper 9 JM

Minutes of the meeting held on 24 September 2015

**Items for Information**

1. Board of Management: Dates of Meetings and Paper 10 GM

Schedule of Business 2015/16

1. Report on Delegated Action Taken since last meeting

None

1. Any other business
2. Next meeting: Monday 21 March 2016 at 4.00 p.m. at the Paisley Campus

Immediately prior to the March meeting there will be a presentation and demonstration of the sharepoint site set up for the Board and its Committees. This will start at 3.00 p.m.

 Gwen McArthur

Secretary to the Board

**BOARD OF MANAGEMENT**

**Minutes:** 25 February 2016

**Present:** Keith McKellar (Chair – in the chair except for item BM239)

Maggie McManus (Vice Chair - in the chair for item BM239)

Audrey Cumberford, Nick Allan, Jim Hannigan, Jacqueline Henry, Andrew Hetherington, Andrew Hunter, Jenifer Johnston, Lyndsay Lauder, John McMillan, Alison Mitchell, Mark Newlands.

**Attending:** Stephanie Graham (Vice Principal Educational Leadership), David Alexander (Vice Principal Operations), Liz Connolly (Vice Principal Corporate Development), Gwen McArthur (Secretary to the Board).

**Apologies:** Mike Haggerty, David McDonald, Stacey MacWhirter, Karen Walker, Joyce White.

**BM233 WELCOME**

The Chair welcomed the members to the meeting which had been re-scheduled from 1 February 2016 due to adverse weather conditions. In the interim, additional papers had been issued which would be discussed at this meeting. Unfortunately it had not been possible to re-schedule the training session on Risk, so another date would be found for this. **[Action: GMcA]**

**BM234 DECLARATION OF INTERESTS**

John McMillan, Audrey Cumberford and David Alexander declared an interest as Trustees of the West College Scotland Foundation. Keith McKellar and Audrey Cumberford declared an interest as members of the National Joint Negotiating Committee.

**BM235 MINUTES**

The minutes of the meeting held on 7 December 2015 were approved subject to the following amendment:

**BM225.1 Financial Statements: Report from External Auditor**

2nd paragraph, line 9, to be changed

From “..need to assist the College in enabling cash to be released to support this.”

To “need to assist the College in ensuring cash was available to support this.”

**BM236 ACTIONS FROM THE MINUTES**

The Board noted the actions taken since the last meeting, and in particular the following:

 **.1 Induction Training for Board Members (BM223.2)**

 It was noted that agreement had been reached with Ayrshire College and with New College Lanarkshire regarding the possibility of holding a joint induction training session for Board members. College Development Network, who would be running this training session, had been supportive of this move and potential dates were being investigated. It was the aim that this joint session would be held in late May/early June in a central Glasgow location. Board members would be kept informed of developments. **[Action: GMcA]**

 **.2 Financial Statements: Unspent Capital Funding (BM225.1)**

Further discussions with the Scottish Funding Council (SFC) had been held regarding the unspent £3.2M estates maintenance funding which was still retained on the College balance sheet, with the most recent of these meetings being held the previous week. SFC had confirmed that the financial position of the sector was challenging and the funding settlement for 2016/17 was still not finalised. Given the challenging financial position of the sector and the change in operating environment, the SFC advised that the College could not use cash generated from business operations to support expenditure of this grant funding on its estates plans. The SFC would require to work with the College and its auditors to agree a technical solution in order to release the grant funding from the College balance sheet. Discussions remained on-going in this regard. However, although cash generated by the College could not be applied to estates purposes, the cash would still be generated. The SFC was of the view that any cash generated by a college should be used to support strategic priorities within the sector, and the College would therefore look to continue discussions with SFC as to whether this could be applied to meet other strategic regional priorities within the West Region going forward, such as student support funding.

 The College was currently in the process of developing a business case for the Greenock Campus, as previously agreed with SFC. However, if this unspent balance could not be used to support estates developments, alternative use of this funding would need to be found as the College would continue to generate this cash through its normal business operations. The Chairs of the Audit, Estates and the Finance & General Purposes Committees were aware of this situation.

 The Board was disappointed at this development and would be kept informed of developments. **[Action: DA]**

 **.3 Regional Outcome Agreement: Role of Audit Committee (BM203)**

 The Chair of the Audit Committee confirmed that this matter had been resolved and the Audit Committee was clear on the matters it would be reporting back to the Board on in relation to monitoring the Regional Outcome Agreement.

**BM237 CHIEF EXECUTIVE’S REPORT (BM220)**

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

* + - * **SFC 2 Year Post-Merger Evaluation –** the Board noted the draft report from SFC following the 2 year Post-Merger Evaluation carried out recently. The Principal also tabled a letter from the Chief Executive of the SFC to the Head of Colleges, Young Workforce and SFC Sponsorship Division at the Scottish Government, which confirmed that SFC considered this merger to be a success and the draft report was now finalised. It was a very positive report, highlighting many areas considered to have achieved a successful outcome and identifying a few areas where further improvements could be considered. Steps had already been taken within the College to address these areas for improvement. The Board welcomed this report and thanked the Executive Team and their staff for all their hard work in ensuring such a positive outcome. The Merger Evaluation report would be published on the SFC website shortly and the link provided to the Board. **[Action: AC]**

* **Memorandum of Understanding between West College Scotland and the Golden Jubilee Foundation –** the Board noted that a Memorandum of Understanding (MOU) had been agreed between the College and the Golden Jubilee Foundation. The purpose of this MOU was to facilitate collaboration between the two bodies to develop education through training courses, qualifications and employment. This would re-enforce the College’s commitment to working with partners, employers and contribute to the economic development of the region through education and skills development. The Board welcomed this development.
* **Adopt a Class Scheme -** the College was also in the process of developing a particular scheme with employers, ‘Adopt a Class’, where employers would be encouraged to engage with particular classes offered by the College. While many employers were already engaged with particular courses, there were other employers and classes that would benefit from a closer engagement. The Board welcomed this initiative.

* **Ministerial Letter of Guidance to SFC –** the letter of guidance for 2016/17 issued to the SFC by the Cabinet Secretary for Education and Lifelong Learning on 8 February 2016 had been circulated as a late paper. The combined Autumn Statement and Spending Review had been announced by the Chancellor on 25 November 2015 resulting in a delay by the Scottish Government in issuing the guidance setting out the priorities for funding next session to the SFC. The Principal drew the Board’s attention to some of the main points contained within this letter of guidance:
* It re-enforced the importance of the STEM (Science, Technology, Engineering and Mathematics) strategy. This was important to the College, where not only was a College STEM strategy being developed, but also a Regional strategy with the College leading this development with key stakeholders, including employers.
* The letter set out an indication of what the future learner journey might look like, which could lead to further reforms in the Post-16 education landscape.
* The funding settlement for Universities and other Higher Education institutions had already been announced for 2016/17. This showed that funding for research had been protected but funding for teaching had been reduced. It was known that some Universities were already revisiting their admissions policy in light of this reduction in funding which might impact on College students. Also the current economic climate, and the downturn in certain sectors, had impacted on courses being run at some institutions. This situation was being closely monitored.
* The Cabinet Secretary had acknowledged the challenging financial situation of the college sector and the need to ensure sustainability across the sector. The sector, SFC and the Scottish Government had been invited to provide advice to the Cabinet Secretary on how best the available funding could be used to support the sector. This work had already been undertaken and advice provided. However, the outcomes were not known yet.

In discussion of this letter the Board expressed its disappointment at the very short timescale that the SFC had been permitted before having to respond, having consulted with the Sector, to provide information to the Cabinet Secretary on the current funding situation. A number of matters contained in the letter raised questions, but there would only be a very short space of time for any dialogue to take place before the current Scottish Government went into recess prior to the elections in May. The Board would be kept informed of developments.  **[Action: AC]**

**BM238 CHAIR’S REPORT (BM222)**

The Board noted a report from the Chair which provided a brief update on a range of matters affecting the College as well as feedback from the various meetings the Chair had attended. In particular the Chair drew attention to the following:

* **The College Good Governance Task Group –** the Scottish Government had established this Task Group to produce an initial assessment of the overall quality and resilience of college governance as a number of matters had come to light in the sector. The Board noted the remit and membership of this Task Group which would report before the end of March 2016.
* **Code of Good Governance –** a review of this Code was currently underway and the sector would be consulted shortly, with views being sought by April. The views of the Government Task Group would be taken into account before the revisions to the Code could be finalised.
* **External Assessment of compliance with the Code of Good Governance –** all colleges would shortly be informed of the need to conduct an external assessment of their compliance with the current Code of Good Governance. The details of this assessment, including who could act as an assessor, were awaited. It was known that the colleges would have to meet the cost of employing these external assessors and it had been queried if the college auditors could be used for this purpose, as this might help keep costs down at a time when colleges were already under severe financial pressure. Another alternative might be peer review. However, no final instruction on this matter had been issued yet.
* **Board Member Annual Reviews –** the Chair was pleased to report that he was nearly complete the annual reviews of the Committee Chairs. The Vice Chair and the Senior Independent Person would conduct the remaining reviews.

**BM239 NATIONAL BARGAINING (BM222)**

The Vice Chair took the Chair for this item.

.1 The Board noted the recent correspondence that had been circulated. This comprised: a letter from EIS dated 11 February 2016; an update from Colleges Scotland regarding National Bargaining dated 12 February 2016; and advice from Colleges Scotland on behalf of the Chair of their Employment Relations Committee dated 15 February 2016. In relation to National Bargaining it was noted that the Support Staff unions (UNISON, UNITE and GMB) had all accepted the 1% pay offer (or a flat payment of £300 for those earning £30,000 or less), for 2015/16 and this would be paid to support staff in March 2016. The EIS was the only union not to accept the pay offer and was currently in the process of balloting its members on industrial action. This ballot was underway at present and would close on 4 March 2016. Under the National Bargaining procedure, which the College had signed up to, where agreement was reached this would be implemented by the colleges. However, because agreement had not been reached between the Management Side and the EIS it was now up to each Board to decide the course of action to be taken. The Management Side of the National Joint Negotiating Committee (NJNC) had recommended to award the pay offer to lecturing staff and this decision had been endorsed by the Board of Colleges Scotland.

However, more recently a date had been set for the NJNC Side Table meeting with the EIS (i.e. a meeting between the EIS and the Management Side of the NJNC) to be held the following week. While this would not affect the outcome of the EIS ballot, a return to negotiations was welcomed with the prospect of reaching an agreement and finding an acceptable way forward.

.2 In discussion the following points emerged:

* The conflicted position of the Chair and the Principal was noted.
* The Board was also in a position it would prefer not to be in as it was aware of the current good working relationships between the management and the unions at the College and the Board did not wish to take any action that might have a negative impact on this. It was also aware that half the staff (i.e. the Support staff) at the College would receive the pay award for 2015/16 in their March salaries while the lecturing staff might not, unless a settlement could be reached quickly. The Principal had asked for arrangements to be put in place that would allow the lecturing staff to receive this pay award in their March salaries if agreement could be reached. However, a decision on whether to pay this or not needed to be taken by mid-March in order for this to be achieved.
* The Board was disappointed at the tone of the letter from the EIS and the stance the union had taken. EIS had rejected the 1% pay offer and, as a matter of EIS policy, will not discuss terms and conditions as part of a pay settlement. Both the Management Side and the EIS were committed to the harmonisation of pay, terms and conditions across Scotland and modernisation of the work force.
* Industrial action by EIS appeared to be a strong possibility and the Senior Management Team (SMT) at the College were currently preparing to take action to mitigate the impact this could have on the work of the College and particularly the impact it could have on the students. The form that any industrial action by the EIS might take was not known yet.
* The Management Side at the NJNC and the Board of Colleges Scotland had wished to move on from this impasse and had, therefore, recommended that the 1% pay award be implemented in order to conclude matters for the 2015/16 pay round. Thereafter both sides could start afresh with negotiations for 2016/17.
* The Scottish Government had made clear that there would be no additional funding to meet any agreement reached and that the pay award would have to be met from existing funds.

.3 It was known that all college Boards would be meeting at this time of year and would be discussing this matter but their decisions were not yet known. The Board was aware of the recommendation from Colleges Scotland and also the potential consequences of implementing the pay award without agreement of the EIS. However, in light of the most recent information, which indicated that a meeting between EIS and the Management Side would take place the following week, the Board **agreed** that it would prefer to wait until the outcome of this meeting was known before it took a decision.

 It was acknowledged that progress in negotiations between the EIS and the Management Side might not be made at this meeting, in which case the Board would have to consider this matter further and take a decision. It was **agreed** that if no progress was made in the discussions with the EIS the following week the Board would meet again as soon as possible to take a decision on the recommendation from Colleges Scotland. Any member unable to attend this additional meeting would make their decision known to the Secretary to the Board.  **[Action: All]**

**BM240 PUBLIC AUDIT COMMITTEE REPORT ON COATBRIDGE COLLEGE (BM220)**

The Board noted the Public Audit Committee (PAC) Report on The 2013/14 audit of Coatbridge College: Governance of severance arrangements. This report was highly critical of the governance of severance arrangements that had occurred in the former Coatbridge College and had led to the establishment of the Scottish Government’s Task Group that was currently looking at governance arrangements in the Colleges. While there had been significant changes in the college sector since the time of these events, nonetheless some consideration of the issues raised had to be undertaken in order to ensure that such a situation could not arise again.

 A paper had been prepared showing how the College compared to the issues raised in the PAC report and identified areas for further consideration and/or improvement. The Board was pleased to note that overall the College compared favourably but there were areas requiring further consideration. It was also noted that SFC had now published its revised guidance on severance schemes and settlement agreements (this had been issued on 23 February 2016). The Organisational Development and HR Committee had already given some early consideration to a severance process within the College and how this might operate. It would consider this further at its next meeting in light of the SFC guidance just issued.

 In light of the information presented and following discussion the Board **RESOLVED** that

i. the remit of the Remuneration Committee was consistent with the advice contained in the PAC Report but an additional statement be added to this to make it clear that the Principal was not present when her salary or performance was being considered;

ii. the Secretary to the Board continue to provide secretarial support to the Remuneration Committee;

iii. the Vice Chair of the Board should Chair meetings of the Remuneration Committee, and the Chair of the Board should remain a member of the committee;

iv. theSFC guidance be issued to all Board members for information;

v. the draft severance policy and process to support this that had been developed through the Organisational Development and HR Committee be reviewed to ensure that it was consistent with the guidance issued recently by SFC. This would be brought to the Board once available. **[Action: GMcA]**

**BM241 STUDENTS ASSOCIATION REPORT (BM226)**

The Board noted the report from the Student President on the activities of the Students Association. In particular the Student President reported to the Board on the following activities:

* The Student President was working hard to establish the structure of the Students Association and to get it better organised. The three Vice Presidents were now in post, as were the other elected Officers. Some further consideration would be given to the precise nature of the Vice President and Officer posts.
* The Student Representative Council (SRC) meetings were now up and running. Also some focus group meetings had been held to discuss particular matters. These had provided some very useful feedback which would be taken into account as plans for the future were being developed.
* The elections for the Sabbatical Officer posts would be held in April, so that these officers would be in post for the start of the next session. The President would be in post until 31 July, and the President Elect would be in post from June, so that there was a period of overlap before the next President took up post on 1 August 2016 which would allow for a hand over.
* The Student President had provided input to the project that was currently underway within the College on enhancing the student journey. The students were particularly pleased to have the opportunity to provide input to this project and would continue to do so.
* The Student President was clear that more work should be undertaken to get the class representative system working better. There had been a number of difficulties this year and improvements had been identified for next year.
* The Student President confirmed that the Students Association had received significant support and advice from the Vice Principals and the Student Services Team. This had proved invaluable to the Association.
* The Student President would produce an end of year report which would highlight what had worked well and what could be improved. The Board would welcome such a report.

The Board thanked the Student President for his report and **agreed** that consideration would be given to taking this report earlier in the agenda in the future.  **[Action: KM]**

**BM242 AUDIT COMMITTEE REPORT**

The Board received the minutes of the meeting of the Audit Committee held on 24 September 2015. While there had been a verbal report from the Audit Committee meeting to the Board, at its meeting on 5 October 2015 (BM212.6), the minutes themselves had not been available in time for the October meeting and had been omitted from the paperwork for the December meeting of the Board. The Board noted the minutes.

**BM243 BOARD: MEMBERSHIP OF COMMITTEES, DATES OF MEETINGS AND SCHEDULE OF BUSINESS 2015/16**

The Board noted information on the membership of its committees,dates of meetings and Schedule of Business for 2015/16.

**BM244 THANKS TO VICE PRINCIPAL EDUCATIONAL LEADERSHIP**

Ms Johnston informed the Board that she had met recently with the Vice Principal Educational Leadership to hear in more detail about how the curriculum was developed and formed. She had found this an extremely useful session and wished to record her thanks to the Vice Principal.

**BM245 NEXT MEETING**

Monday 21 March 2016 at 4.00 p.m. at the Paisley Campus. This would be preceded by a training session on sharepoint.

GMcA/29.02.16/Final