

**WEST COLLEGE SCOTLAND
BOARD OF MANAGEMENT**

**MONDAY 9 OCTOBER 2017 at 4.00 p.m. in
Ardgowan 1&2, Finnart Street, Greenock Campus**

Please note that there will be a development session on CONTEST, which is the overarching strategy for PREVENT. This will start at 3.00 p.m.

AGENDA

1. Welcome
2. Presentation: Equality, Diversity and Inclusion
Clare Fraser (Equality, Diversity and Inclusion Manager)
Including presentation of College's Equality Report 2017

General Business

3. Apologies
4. Declaration of Interests
5. Minutes of the meeting held on 21 June 2017

Enclosed		KM
.1 Actions from the minutes	Enclosed	KM
6. Matters Arising from the minutes
(and not otherwise on the agenda)

Main Items for Discussion and/or Approval

7. Chief Executive's Report

Paper 7		AC
.1 Regional Outcome Agreement Review Report 2016/17	Paper 7.1	SG
.2 SFC/Education Scotland Quality Arrangements Evaluative Report and Enhancement Plan	Paper 7.2	SG
	To follow	
.3 Key Performance Indicators: Update on progress	Paper 7.3	LC
	To follow	
8. Chair's Report

Paper 8		KM
.1 Board Membership	Paper 8.1	KM
.2 Board Development Action Plan: Update	Paper 8.2	KM
9. Students Association Report

	Oral report	MM
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10. Financial Forecasts

Paper 10		AR
	To follow	

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| 11. Estates Developments: Paisley Campus | Paper 11 | AR |
| 12. Corporate Parenting Briefing | Paper 12 | SG |

Committee Reports

- | | | |
|---|--------------------------|----------|
| 13. Corporate Development Committee
Minutes of the meeting held on 5 September 2017 | Paper 13 | MN |
| 14. Audit Committee: Minutes of the meetings held on
.1 8 June 2017
.2 7 September 2017 | Paper 14.1
Paper 14.2 | JM
JM |
| 15. Estates Committee
Minutes of the meeting held on 12 September 2017 | Paper 15 | NA |
| 16. Organisational Development and HR Committee
Minutes of the meeting held on 13 September 2017 | Paper 16 | LL |
| 17. Nominations Committee
Minutes of the meeting held on 14 September 2017 | Paper 17 | KM |
| 18. Remuneration Committee
Report from meeting held on 14 September 2017 | Paper 18 | MN |

Risk

- | | | |
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| 19. Consideration of Risk | Paper 19 | AR |
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Items for Information

- | | | |
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| 20. Board of Management: Membership, Dates of meetings
and Proposed Schedule of Business 2017/18 | Paper 20 | GM |
| 21. Report on Delegated Action Taken since last meeting | | |
| 22. Any other business | | |
| 23. Next meeting: Monday 4 December 2017 at 4.00 p.m. at the Paisley Campus | | |

Gwen McArthur
Secretary to the Board

BOARD OF MANAGEMENT

Minutes: 21 June 2017

Present: Keith McKellar (Chair)
Audrey Cumberland, Mike Haggerty, Jacqueline Henry, Andrew Hunter, Jenifer Johnston, Linda Johnston, John Leburn, John McMillan, Mark Newlands.

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

Apologies: Moses Apiliga, Nick Allan, Jim Hannigan, Andrew Hetherington, Lyndsay Lauder, Paul McFarlane, Alison Mitchell, Joyce White.

BM368 WELCOME

On behalf of the Board the Chair welcomed Jenifer Johnston to her first meeting since her return from maternity leave. He also welcomed Alan Ritchie, Director of Finance and Estates, to the meeting.

BM369 DECLARATION OF INTERESTS

John McMillan, Audrey Cumberland and David Alexander declared an interest as Trustees of the West College Scotland Foundation. Audrey Cumberland also declared an interest as a member of the Council of the Scottish Funding Council (SFC).

BM370 RESIGNATION

The Chair informed the Board that Paul McFarlane, the Teaching Staff member on the Board, had resigned from the Board with immediate effect. As the College was now approaching the end of the session it was considered that it would be better to seek nominations and run an election process following the summer break, once all the Teaching Staff had returned.

The Board, therefore

RESOLVED that the provisions of paragraph 2.6.4 of the Articles of Governance be set aside so that the nominations and elections process for a member of Teaching Staff to join the Board be initiated following the summer break.

[Action: GMcA]

BM371 MINUTES

The minutes of the meetings held on 15 and on 27 March 2017 were approved.

BM372 ACTIONS FROM THE MINUTES

The Board noted the actions taken since the last 2 meetings and particularly the following:

- i. Review of Governance Effectiveness (BM355)** – the Board was pleased to note that the Report of the Review of the Board Effectiveness and the Board Development Action Plan had both been forwarded to the SFC in time for its deadline of 31 March 2017. They had also been issued to all Board and Committee members and placed on the College website.
- ii. Regional Outcome Agreement and Access & Inclusion Strategy (BM358)** – the Board was pleased to note that the Learning, Teaching and Quality Committee had approved both these documents, without any changes. Both documents had then been forwarded to the SFC for its deadline of 31 March 2017.
- iii. Remuneration Committee (BM363.1)** – the Remuneration Committee had not met in May, as originally intended, and so had still to formally note its revised remit.

BM373 NATIONAL BARGAINING (BM350)

The Board was aware that since the last meeting members of the Educational Institute of Scotland (EIS) had taken industrial action and had staged 6 days of strike action. Talks between the EIS and the Employers had continued throughout this period and were still continuing. The Principal provided the Board with a brief history of the dispute and what steps had been taken during this time by the College in response to the industrial action and the current position with regard to negotiations and the Employers Association. The main point at issue related to the implementation of the negotiated pay agreement and negotiations in relation to terms and conditions. ACAS had been involved in trying to find a resolution to this matter, but no agreement had been reached. Since then an independent mediator had been appointed by the Scottish Government.

A recent meeting had been held with the Deputy First Minister in order to identify what action could be taken and to try and find a resolution to this matter. The Employers Association had consistently argued that if National Bargaining was to be implemented then it had to be fully funded by the Scottish Government. The Deputy First Minister had indicated the Scottish Government was committed to National Bargaining and that there would be no additional funding in 2017/18 to meet these costs involved but consideration would be given to the costs associated with implementation of national bargaining within the next spending review period.

The Employers Association had met again on 19 June 2017 and had agreed to pay the first 25% of the negotiated deal.

In discussion the Board members expressed their concern regarding the ability of the College and the wider sector to be able to meet this increase in costs. While West College Scotland was committed to meeting the cost of the pay increase in 2017/18 from the available College budget, it was acknowledged that some colleges may not be in a position to do so. Also the position in subsequent years would be unsustainable if no funding was to be provided to meet the costs. The Board members were also concerned at the negative impact this national dispute had had on staff relations, not just with Teaching staff but with the Support staff. Reference was made to the risk register which identifies the potential impact of national bargaining on what are positive local relations. The Principal highlighted a recent meeting with local representatives where there was a collective commitment to maintaining these positive relations and a joint recognition that national events can and do impact locally. There was a concern that reputational damage to the College could impact on student recruitment, particularly if strike action was to resume. [REDACTED]

[REDACTED] The Board members were frustrated with the situation they now found themselves in, especially when they had no direct control over national bargaining implementation or impacts. The Board would be kept informed of developments. **[Action: AC]**

BM374 BUDGET 2017/18 AND FINANCIAL STRATEGY

- .1 The Board considered the proposed Budget for 2017/18 and the 5 year Financial Strategy (2017/18 – 2021/22) for the College. A small operating surplus of £39k (after accounting adjustments) was forecast, which was effectively a break even operating position. However, this would translate into a forecast financial accounting deficit of £1,490k for the year to 31 July 2018 due to the application of cash arising from net depreciation in order to meet strategic priorities agreed by the SFC. The Board was reminded that the top spending priorities for the College remained as: loan repayments; student support; and estates maintenance; and that there were certain budgets that were protected: investment in IT infrastructure and estates maintenance being the main areas protected.
- .2 In discussion the following points emerged:
 - Cash arising from net depreciation funds was being used to meet core funding gaps. When this arrangement had first been instituted two years ago the SFC had indicated that this would be for one year only. However, this was now an annual occurrence.
 - SFC had produced a document which provided an indication of the financial position for the College sector over the next 5 years. However, it was anticipated that these numbers would change over time. The College would also be reviewing its financial projections on a regular basis as more information became available.

- The College needed significant investment in its estate, with the Estate Strategy highlighting the need for £34M investment over the next 10 years just to maintain the current estate holding at Condition B. The level of estates maintenance funding provided by SFC in 2017/18 of £1.976M represented a reduction of £449k (18.5%) compared to that received in 2016/17. The College was in the process of developing a case for strategic investment in its estate which was now becoming a matter of some urgency.
 - The College had received additional funding from SFC for 2017/18 to deliver additional credits of Childhood Practice. This funding could not be used for any other purpose. The College had only recently been notified of this additional funding and was now working hard to promote the learning opportunities available so that it could recruit the number of students required to fill these places.
- .3 The Board was satisfied that the College budget was being well managed but it was now at the stage where, if continued cost pressures were not matched by increased levels of funding and investment going forward, the financial sustainability of the College would be challenging. The Board was, in effect, being asked to manage a period of decline. It was disappointed that the College was in the position of having to post a financial accounting deficit for the second year in a row due to the required use of cash arising from net depreciation. The College Executive would be meeting with the SFC to discuss this matter further and to draw attention to the financial position of the College and the need for investment.

It was noted that the Finance and General Purposes Committee had asked that the 5 year Financial Strategy be revisited going forward and different financial projections be provided showing different potential financial scenarios.

- .4 Following discussion and in light of the comments raised above and expressed through the Committee reports, the Board
- RESOLVED** that
- i. The Students Association budget for 2017/18 be set at £83,000;
 - ii. The College budget for 2017/18 be approved as presented;
 - iii. The 5 year Financial Strategy be approved, but this be revisited to provide information on different future financial scenarios for further consideration.

[Action: DA; AR]

On behalf of the Board the Chair thanked the Vice Principal Operations, the Director of Finance and Estates, and their team in light of the significant amount of work undertaken to produce the Budget and the Financial Strategy.

BM375 CHIEF EXECUTIVE'S REPORT (BM356)

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

- i. Audit Scotland Report 2017** – it was noted that the Audit Scotland Report on Scotland’s Colleges 2017 would be published the following day. Copies of this report would be made available to the Board. **[Action: AC]**
- ii. Enterprise and Skills Review: Phase 2** – it was noted that the Report on the second phase of the consultation regarding the Enterprise and Skills Review by the Scottish Government would also be published the next day. Copies of this report would also be provided to the Board. **[Action: AC]**
- iii. Voluntary Severance Scheme (BM357)** – discussions with SFC were continuing regarding the possible funding of a Voluntary Severance Scheme.
- iv. Scottish Funding Council Strategic Dialogue Meeting** – the Board noted that the Strategic Dialogue Meeting with the SFC had taken place on 3 May 2017. A range of matters had been discussed including: governance and financial health; engagement with employers; and campus development ambitions for the College. Further discussions with the SFC would take place in the future to consider particular matters raised and the Board would be kept informed of the outcomes of these discussions.
- v. Improvement Pilot** – the Board was pleased to note that the College had been invited by the Scottish Government to take part in an improvement project focussing on student retention and attainment. The College was one of five colleges invited to participate in this pilot. It was hoped that the outcomes of this pilot would inform the College’s internal improvements priorities as well as contributing to sector wide improvements.
- vi. Ministerial Visit** – the Minister for Further Education, Higher Education and Science, Shirley-Anne Somerville, had visited the College on 13 June 2017. During this visit the Minister met with students, staff and employers to see first-hand how the College engaged with business to enhance the student experience and to help support businesses in the Region to grow and develop.
- vii. The Herald Higher Education Awards for Scotland** – the Board was pleased to note that West College Scotland had been short-listed for awards in the following categories:
Outstanding Employer Engagement in Colleges – The Designers of Tomorrow
Widening Access Award – Access to Primary Education.
The winners would be announced on 6 July 2017.

BM376 CHAIR’S REPORT (BM359)

The Board noted the Chair’s report and particularly the following:

The Chair had attended the Colleges Scotland Residential Board meeting on 30 & 31 March 2017 where one of the guest speakers had spoken about the challenges associated with Brexit. John Leburn informed the Board that he had recently read a paper from the Institute of Chartered Accountants on the subject of Brexit which he had found particularly useful. A copy of this report would be provided to the Board for information. **[Action: JL; GMcA]**

BM377 STUDENTS ASSOCIATION REPORT (BM360)

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:

- A new Student President, Matthew Marsden, had been elected who would take up office on 1 August 2017. Three Vice Presidents, one based at each Campus, had been elected and would also take up their posts on 1 August 2017. A handover programme was in place and the new officers would be attending a number of training and development events over the summer.
- The Students Association had worked with the staff to mitigate the impact of the EIS strike action on the students. The students were aware that the strike action had only been suspended, not resolved, and that any continuation of the strike action could damage the reputation of the College Sector as a whole. It was a concern for this College in particular as it was situated in a Region with high levels of deprivation.
- The Board noted an update on the progress made with the 'You said, we did', actions. The results of the student surveys had fed into this action plan. The Board was pleased to note that progress made.
- The Student President tabled a paper which highlighted the outcomes from the most recent student survey in response to questions about the Students Association. It was noted that the full outcome from the student survey had still to be considered by the curriculum teams and Sector Heads and that a report would be provided to the Learning, Teaching and Quality Committee at its next meeting and a report made to the next Board meeting.

[Action: SG]

- The Student President presented a case for additional support for the Students Association. The Students Association was seeking to appoint a Development Officer who would work solely for the Association and would provide not only support but continuity for the Association and could provide the induction and training necessary for the Student Association Officers. This matter had been discussed at the last meeting of the Learning, Teaching and Quality Committee where the view had been reached that while the Committee was supportive of this request in principle, it had to be considered in light of the overall financial position and funding priorities of the College. The Education Leadership Team staff already provided support to the Students Association and this was being reviewed to ensure that it was sufficient to support the Association. This

matter would be considered further by the Executive as part of their consideration of the Operational Plans for the different areas of the College and the identification of the funding priorities.

The Board welcomed this report and thanked Andrew Hunter, the Student President, for all the work he had undertaken during his presidency. He had been a strong advocate for the students and had ensured that the voice of the students was heard. He had worked tirelessly for the students and had built strong working relationships with the staff. The Board congratulated him on his achievements and wished him well for the future.

BM378 STUDENT PARTNERSHIP AGREEMENT (BM360)

The Board received the draft Student Partnership Agreement 2017 -2020, which had been developed jointly by staff and students to promote an understanding of the developing relationship between the College and the Students Association. This Agreement formalised the commitment from both parties to developing a strong, robust, effective and autonomous Students Association. The Learning, Teaching and Quality Committee had considered this at its last meeting and had endorsed the report and supported the direction of travel. The Board

RESOLVED that the Student Partnership Agreement 2017-2020 be approved and that it continue to be developed over time. **[Action: SG]**

BM379 BOARD MEMBERSHIP (BM363.2)

The Board noted that the Selection Panel had held interviews on 7 June 2017 to recruit a new Board member. On the recommendation of the Selection Panel the Board

RESOLVED that Angela Wilson be appointed to the Board with effect from 1 September 2017, subject to the approval of the Scottish Ministers.

[Action: GMcA]

BM380 COMMITTEE REPORTS

The Board noted the following reports:

.1 Corporate Development Committee

The Board noted the minutes of the meetings held on 28 March and 16 May 2017 of the Corporate Development Committee and particularly the following:

i. Alternative Income (CDM111,125) – it was noted that the total alternative income secured for 2016/17 would be slightly lower than originally anticipated but that staff were working hard to deliver the best outcome for the College. This was a very competitive area of activity with many other providers also competing for business in the area.

ii. Dashboard/Performance Reporting (CDM103, 116) – the Board noted the progress made in developing the performance dashboard for the College. It was the intention to bring the next edition to the Board at its meeting in October. **[Action: LC]**

- iii. **George Johnston** – the Board joined the Committee in thanking George Johnston for all his hard work and dedication to the College in taking forward many new and innovative developments and for encouraging and supporting the staff to use technology to support the teaching and educational experience of the students. The Board wished him well for the future.

.2 Organisational Development and HR Committee

The Board noted the minutes of the meeting of the Organisational Development and HR Committee held on 17 May 2017. The Committee had considered a range of matters including: the progress with workforce planning and the development of the performance dashboard. The Committee had welcomed the Equality Report 2017 which would be brought to the Board in October. It was also noted that the Committee had authorised the Chair of the Board of Management and the Principal to sign the revised Health and Safety Policy Statement.

.3 Nominations Committee

The Board noted the minutes of the meeting of the Nominations Committee held on 23 May 2017 and particularly the following matters:

- i. **Leave of Absence Policy for Board Members (NM74)** – the Board **RESOLVED** that the Leave of Absence Policy be approved as presented.
- ii. **Co-opted Membership of Audit Committee (NM73.3)** – the Nominations Committee had been informed that the College had agreed to participate in the pilot programme being run by the Scottish Government and Standard Life, whereby the Scottish Government would match individual employees from Standard Life with appropriate public bodies so that they could be invited to join Board Committees. The College had been successfully matched with an individual and, on the recommendation of the Nominations Committee, the Board **RESOLVED** that Graeme Bold be co-opted to the Audit Committee for the period 1 July 2017 to 30 June 2018. **[Action: GMcA]**
- iii. **Equality and Diversity (NM71)** – it was noted that the College's Equality, Diversity and Inclusion Manager, Clare Fraser, would undertake a review of the current recruitment and selection process for Board members. A report on her findings would be presented to the Board at its meeting in October.

.4 Learning, Teaching and Quality Committee

The Board noted the minutes of the meetings of the Learning, Teaching and Quality Committee held on 30 March and 24 May 2017 and particularly the following:

- i. **SFC/Education Scotland New Quality Arrangements (LM205)** – it was noted that new quality arrangements were being introduced which would be significantly different from the previous arrangements. The new

arrangements had a greater focus on the integration of performance monitoring of Outcome Agreements with the quality of the provision of services, taking account of the college's regional context. Under the new arrangements there would be annual evaluative reports and enhancement plans for the sector. The College was required to submit a self-evaluation report by the end of October. This report would be brought to the next meeting of the Board for approval prior to submission. **[Action: SG]**

- ii. **One Plus Activity (LM216)** – the Board noted the concerns raised by the Learning, Teaching and Quality Committee in relation to the amount of One Plus activity that the College could deliver in 2017/18 and the possibility that the SFC might apply this ratio to the level of activity that the College had undertaken during 2016/17. This activity was planned as a reduction from previous years but still over the threshold SFC intend to apply for 2017/18.
- iii. **Student Applications (LM216)** – the Vice Principal Educational Leadership informed the Board that the number of applications received to study further education courses was down slightly on this point last year, although higher education applications were comparable to last session. Staff were working hard to ensure that the overall recruitment figures achieved their target.
- iv. **Rose Brown** – the Board joined the Committee in paying tribute to Rose Brown who would be leaving the College at the end of the session. Rose had been committed to the College and to supporting the students and had worked tirelessly to achieve this. The Board wished her well in the future.

.5 Estates Committee

The Board noted the draft minutes of the meeting of the Estates Committee held on 30 May 2017. The Board noted the reports on progress with the following matters:

- i. **Inchinnan/Oakshaw Project (EM219.1)** – the work on this project had now started and was scheduled for completion in October 2017.
- ii. **Estates Maintenance Plans 2016-2021** – it was noted that the SFC had allocated estates maintenance funding of £1.967M to the College for 2017/18, which was a reduction of £449k (18.5%) compared to the final allocation received in 2016/17.
- iii. **Regional Outcome Agreement (EM225)** – the Board noted that the Estates Committee continued to monitor progress made in relation to the targets set in the Regional Outcome Agreement in 2016/17.
- iv. **Paisley Campus Development (EM230)** – it was noted that the Committee had considered the Options Appraisal and Outline Business Case produced to support the development of the Paisley Campus. This was being progressed and a further report would be made to the next Board meeting in October. **[Action: DA]**

.6 Finance and General Purposes Committee

The Board noted the draft minutes of the meeting of the Finance and General Purposes Committee held on 6 June 2017, and particularly the following matters:

- i. Revised Remit (FPM132)** – the Committee had proposed revisions to its remit to take account of the move to the Scottish Government’s banking service operated by the Royal Bank of Scotland. On the recommendation of the Finance and General Purposes Committee the Board **RESOLVED** that the remit of the Finance and General Purposes Committee be amended as proposed. **[Action: GMcA]**
- ii. IT Strategy Update (FPM134)** – the Board was pleased to note that the Committee had received a report on the recent global cyber-attacks and that no College devices had been affected.
- iii. Joyce White** – on behalf of the Board the Chair paid tribute to Joyce White for her significant role and for her advice and contributions to the working of the Committee.

.7 Audit Committee

The Board noted an oral report from the Chair of the Audit Committee following the meeting held on 8 June 2017, and particularly the following matters:

- i. Evaluation of Internal Auditors (AM259)** – the Committee had conducted the annual evaluation of the Internal Auditors and had been pleased to note that the feedback was positive.
- ii. Audit Strategy Memorandum (AM261)** – the Committee had met with the new Director from Mazars LLP, Lucy Nutley, to discuss the strategy for the audit of the Financial Statements 2016/17. This had been a very helpful and positive discussion regarding the approach Mazars would be taking.
- iii. Appointment of Auditors for Year End Audits (AM262)** – it was noted that there were other year end audits to be undertaken in addition to the Financial Statements. As this was the first year that Mazars would be undertaking the audit of the Financial Statements the Committee had agreed that Wylie & Bisset undertake the year end audits 2016/17 for the following: SFC Credits; SFC Student Support Funding; Educational Maintenance Allowance; and SAAS Discretionary Funds. This would allow Mazars to become familiar the operations of the College before undertaking the full range of the audits required.
- iv. Annual Review of the Effectiveness of the Audit Committee (AM265)** – the Committee had conducted a review of its effectiveness which had produced a positive report.
- v. Closed Session with Internal Auditors (AM274)** – the Committee members had met in closed session with the Internal Auditors. The Auditors had confirmed that they had no concerns to raise and continued to receive excellent co-operation and support from the College staff. They also confirmed that the Senior Management Team were very engaged with the audit process and were keen to use Internal Audit to help in their

programme of continuous improvement in the College. The Board welcomed this information.

BM381 STRATEGIC RISK REGISTER (BM364)

The Board considered the Strategic Risk Register. It was noted that this risk register was updated regularly following consideration at meetings of the Senior Management Team, the Board Committees and the Board itself. In discussion the Board was aware that staff relations and staff morale were low at present, mainly as a result of the National Bargaining situation, and this would continue to be monitored and action taken as appropriate where necessary.

The Board **agreed** that the Strategic Risk Register be approved.

BM382 BOARD: MEMBERSHIP, DATES OF MEETINGS AND SCHEDULE OF BUSINESS (BM365)

The Board noted its current membership, the proposed schedule of business 2017/18 and the dates of Board and committee meetings for 2017/18.

BM383 REPORT ON DELEGATED ACTION TAKEN SINCE LAST MEETING

The Board noted that the Chair had signed the loan covenant agreements with the Bank of Scotland and the Clydesdale Bank, which had to be revised in light of the College's move to the Scottish Government banking service. The Board homologated this action.

BM384 FAREWELLS

This was the last meeting for Joyce White, Andrew Hunter and Moses Apiliga. On behalf of the Board the Chair thanked each of them for all their hard work, their commitment to the College and for their contributions to the work of the Board.

BM385 NEXT MEETING

Monday 9 October 2017 at 4.00 p.m. at the Greenock Campus. This would be preceded by a development session on the Board's responsibilities in relation PREVENT which would be held at 3.00 p.m.

Board of Management: Meeting of 21 June 2017

Actions from the Minutes

Date of meeting	Min Ref	Matter for Action	Responsible Person	Action Taken	Timescale (where applicable)
21 June 2017	BM370	Resignation – election to be run for new Teaching staff member to join Board following summer break	G McArthur	Election has been held and D Watson elected from 13 September 2017	October 2017
	BM373 356, 350	National Bargaining – Board to be kept informed of developments	A Cumberland		October 2017
	BM374	Budget 2017/18 and Financial Strategy – 5 year Financial Strategy approved but to be revisited to provide information on different future financial scenarios for consideration	D Alexander A Ritchie		
	BM375 356	Chief Executive’s Report i. Audit Scotland Report 2017 – copies of report to be issued to Board members; ii. Enterprise & Skills Review: Phase 2 – copies of report to be issued to Board members	A Cumberland	Both these reports were issued to all Board members and co-opted Committee members following the meeting	Complete
	BM376	Chair’s Report – paper from Institute of Chartered Accountants on Brexit to be issued to all Board members	J Leburn G McArthur	Paper issued to all Board members after meeting	Complete
	BM377	Students Association Report Outcomes from recent student survey to be reported to LTQ Committee and brought to next Board meeting	S Graham	LTQ meeting has been re-scheduled to after the Board meeting. LTQ will consider at next meeting and report to Board in December	December 2017
	BM378 360	Student Partnership Agreement – now approved and to continue to be developed over time. Board to be kept informed of developments	S Graham	Reports on developments to be provided to Board at appropriate times	Future meetings
	BM379 363.2	Board Membership – approval to appoint new member to be sought from Scottish Government	G McArthur	Approval received from Scottish Government	Complete
	BM380.1 309	Corporate Development Committee – dashboard/performance	L Connolly	Next report to be provided to Board in October 2017	October 2017

		reporting			
	BM380.3	Nominations Committee – G Bold to be co-opted to Audit Committee for 1 year wef 1 July 2017	G McArthur	G Bold accepted offer and now co-opted to Audit Committee	Complete
	BM380.4	Learning, Teaching & Quality Committee – SFC/Education Scotland New Quality Arrangements – self-evaluation report to be brought to Board in October for approval prior to submission	S Graham	Self-evaluation report to be brought to Board for consideration and approval in October	October 2017
	BM380.5 297	Estates Committee Paisley Campus Development – report to Board in October on Options Appraisal and Outline Business Case	D Alexander	Estates Committee will consider development of Paisley Campus at its meeting in September and report to Board in October	October 2017
	BM380.6	Finance & General Purposes Committee – revised remit approved	G McArthur		Complete
		Actions from previous minutes			
27 Mar 2017	BM356 337	Chief Executive’s Report Chivas Brothers, Paisley – further information on future development of this site to be brought to Board once available.	A Cumberland	Board will be kept informed of developments once further information is available.	Future meeting
	BM357 339	Voluntary Severance Scheme – Board to be kept informed of progress with discussions with SFC	A Cumberland	Discussions with SFC continuing. Board to be kept informed of progress.	Future meeting
	BM361	Estates: Inchinnan/Oakshaw Project – Board to receive progress reports on this project	A Cumberland D Alexander A Ritchie	Board will be updated at each meeting until project complete	October meeting
	BM363.4	Finance Committee – Management Accounts – 6 monthly financial updates to be brought to Board	D Alexander	For future meeting	Future meeting
	BM364 343	Strategic Risk Register – further consideration to be given to industrial relations and impact of outcomes of National Bargaining	D Alexander	Strategic Risk Register updated to reflect this and Board discussed at June meeting. Will continue to monitor	October meeting
5 Dec 2016	BM312	Chair’s report – ii. College Sector response to	 ii. G McArthur	 To be circulated when available	 When available

		Education review to be circulated to Board members;			
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GMCA/27.09.17 revised.

Board of Management

9.10.17

Paper 7

TITLE: CHIEF EXECUTIVE'S REPORT

Action: The Principal has provided a report on a range of matters. This report is for discussion and noting.

Lead: Audrey Cumberland, Principal and Chief Executive

Status: Open

Chief Executive's Report: Items for Report

This paper provides the Board with a report from the Chief Executive on matters of current interest and not covered by main agenda items.

Action: There are no items for action. Members are asked to note the paper for information.

1 Economic Impact of Scotland's Colleges

1.1 Colleges Scotland commissioned the Fraser of Allander Institute at the University of Strathclyde to undertake research to estimate the long-term value to the Scottish economy from graduates of Scotland's colleges. The report published in September suggests that college leavers who graduated between 2008 and 2016 will boost the economy by over £20 billion. The report also suggests that this single cohort of students boosts economic productivity by £55,000 per graduate. A copy of the full report can be accessed via <https://www.sbs.strath.ac.uk/economics/fraser/20170927/Colleges-Scotland-report.pdf>

2 The Government's programme for Scotland 2017 – 2018 (Sept 2017)

2.1 The Government has published its Programme for Government for 2017-2018 outlining the legislative programme for the next year. The programme contains plans for implementing policies and introducing legislation over the coming parliamentary session. A number of areas impact on the college sector with the key areas identified below.

2.2 Improving education and closing the attainment gap is the Scottish Government's number one priority, according to First Minister Nicola Sturgeon.

Specifically those areas aligned to the college sector include:

- Continue to raise attainment and improve retention in colleges through the recently announced College Improvement Project, which includes West College Scotland.
(Chief Exec. June 2017 report)
- Launch the Flexible Workforce Development Fund and deliver it through colleges.
(Chief Exec Oct 2017 report)
- Direct the SFC to work with colleges to produce a financial plan to secure long-term sustainability and best value for investment.
(October Agenda)
- Consider the findings of the college estates' survey to plan future capital investment and set out proposals as part of an education infrastructure plan.
(October Agenda)
- Work with colleges and universities to address gender inequality at all levels.
(Presentation at the October Board Meeting)
- Review Outcome Agreements to create greater alignment with the priorities of the Scottish Government.
(October Agenda)

- Establish new Strategic Board, Chaired by Nora Senior, with responsibility to oversee the skills and enterprise agencies in Scotland – including the Scottish Funding Council and Skills Development Scotland.
 - Take the next steps towards the near doubling of funded early learning and childcare provision to 1,140 for all 3 and 4-year-olds, and eligibly 2-year-olds, from August 2020.
 - Set out plans to reform student funding based on the report of the independent review.
 - Continue to increase the number of modern apprentices to meet 30,000 target by 2020.
- 2.3 The Scottish Government outlined its intention to introduce an Education Bill to reform School Governance which would give more powers to Head teachers. A commitment was also given to design and implement Regional Improvement Collaborative groups – to be run by independent directors reporting to the Chief Inspector of Schools.
- 2.4 It was reported in the press last week that the Government has backed down on this proposal amid widespread concerns and agreed that local authorities should continue to have control and will be responsible for appointing new Regional Officers.

3 Scottish Government College Innovation Fund & Flexible Workforce Development Fund AY 2017-2018

- 3.1 The Scottish Government announced a £500,000 College Innovation Fund for AY2017-18. A formal announcement will be made by the Minister in October outlining proposals for the use of this fund. The SFC/Sector College Innovation Working Group is in the final stages of developing proposals for accessing the Innovation Fund. The Fund will be used to demonstrate the impact of colleges within the innovation landscape i.e. the development of new skills and techniques, alongside new and emerging technologies, to support business performance.
- 3.2 It is likely the fund will be directed towards Innovation Vouchers to support individual colleges' engagement with industry partners. The fund will also be used to support a collaborative innovation project between the sector – 4 Innovation Centres – Industry within the Construction and Digital Health sectors.
- 3.3 It is anticipated that WCS will be an active participant in these proposals.
- 3.4 In December 2016 the Scottish Government announced the introduction of the FWDF to provide workforce development training to up-skill and re-skill the existing workforce of levy paying businesses. The fund is in direct response to feedback from the Government's consultation on the introduction of the UK Government Apprenticeship Levy.

3.5 The Scottish Government will provide £10m to the SFC for the FWDF. The key policy drivers for the fund are:

- To support the needs of levy payers
- To support workforce development
- To strengthen college engagement with industry

3.6 Colleges will be required to develop a regional suit of training provision and that 'offer' should be developed in line with Regional Skills Assessments, Skills Investment Plans and LMI. The fund has to be driven by employers and a cap of £10,000 will be set for each employer accessing the fund. A 'first come first serve' approach has been adopted. Any underspend of funds by December 2017 will be redistributed to college regions where there is evidence of unmet demand. SFC Guidance was issued on 7 September.

3.7 WCS has the potential to access one of the largest allocations across Scotland and an immediate and proactive approach has been taken to ensure we maximise the use of this fund for the benefit of businesses.

4 Corporate Planning & Key Policy Drivers

4.1 College senior staff (SMT and Heads) held a Strategic Development day on the 20th September. The key areas for development included:

- A review of the current Corporate Planning Model: **Collective Ambition, Pride and Passion**
- Environmental context and key policy drivers
- A review of the WCS Strategic Priorities
- A review of College Operational Planning and Evaluation processes
- Financial Forecasts
- Campus Developments

4.2 The key policy drivers over the next 10 years were considered. These included: Development of the Young Workforce (7 year programme), Widening Access & Regional Outcome Agreements (10 year programme), Improved learner Journey (4 year programme), Alignment of the Skills Agencies (10 year programme) and Regional Collaborations (5-10 year programme).

4.3 It is the Executives intention to use the outcome of the development session to inform a future Board Corporate Planning Strategic Review & Development session in the first quarter of 2018.

5 Renfrewshire Economic Leadership Panel

5.1 A new Economic Panel has been established in Renfrewshire to drive the area's economy. The 18 member panel has been drawn from across the public and private sector and includes businesses such as the Malcolm Group, Hewlett Packard,

Glasgow Airport, Intu Braehead, Diageo and the Scottish Leather Group. I have been asked to Chair the Panel with the first meeting held on the 28th August.

6 Paisley's UK City of Culture 2021 Bid

- 6.1 Paisley will receive £10 million in funding from the Scottish Government if the town's bid to be the next UK City of Culture is successful. The Paisley bid has been selected as one of the finalists and is the only Scottish bid. The final bid was submitted on Friday 29 September to the UK Government's Department of Digital, Culture, Media and Sport.
- 6.2 WCS has played a key role in the development of the submission and will be involved in the final part of the selection process scheduled for October. The College is also a key partner in the delivery of the 2021 year of culture.

7 WCS – A Scottish Living Wage Employer

- 7.1 WCS has been officially accredited as a living wage employer by the Poverty Alliance, reaffirming the College's commitment to fair pay. The news was welcomed in the Scottish Parliament with a motion which gathered cross party support. As Members will be aware the College, since its formation in 2013, has committed to paying employees above the living wage.

8 UK FE Leadership Forum Proposal

- 8.1 David Cragg, under the UK Government's reform programme in 2007, managed the overall transition of the Learning and Skills Council to the Skills Funding Agency (SFA). David has secured funding from The Gatsby Foundation to investigate the value in creating a Four Nations FE Leadership Forum to allow for discussion, collaboration and the sharing of good practice in FE across England, Wales, Scotland and Northern Ireland.
- 8.2 Representatives from all four nations have committed to investigate the value of setting up a National Forum. The Scottish Representatives include Liz McIntyre, Chair of the College Principals Group and myself as Vice Chair. The Scottish Contingency will also include the additional two College Principals on the Colleges Scotland Board, Shona Struthers, Chief Exec of Colleges Scotland and Aileen McKechnie from the Scottish Government.

9 College Awards

- 9.1 The College Development Network Awards recognise the talent, skills and achievements of colleges, their staff and students. WCS has been shortlisted for three awards: the Digital Educational Award for our Digital Xtra initiative, the Innovative College Award for Access to Primary Education programme and the Health Promoting College Award. This represents a tremendous achievement for our staff and students.

10 National Bargaining Lessons Learned

- 10.1 A reflection and improvement workshop session was held on the 21 September to reflect on the implementation of national bargaining to date and focus on recommendations for how this key Government policy agenda will be taken forward.
- 10.2 The session was well attended by representatives from all key stakeholders including: the Scottish Government, SFC, teaching and support trade unions, the Employers Association and college management staff involved in the negotiations and supporting working groups.
- 10.3 A verbal update will be provided to members at the October Board meeting.

Audrey Cumberford Principal & Chief Executive

October 2017

TITLE: Draft Regional Outcome Agreement Review of 2016-17

Background: The annual Regional Outcome Agreement Review is due to be submitted to SFC for 30 October. This will be considered alongside the Education Scotland Evaluation report.

The 2016-17 Review document reports on progress against the measurement table performance indicators and the specific commitments within the previous 2014-17 Outcome Agreement. We are also required to give early indications of progress against the 2017-18 Regional Outcome Agreement. The same format has been followed as last session since this received good feedback from SFC.

The following draft is still to be fully completed since not all data was available at the time of submitting the Board papers. Further data and analysis will be made available at the Learning, Teaching and Quality Committee on 11 October. Once completed, the Review report will be circulated to Board members before submission to SFC at the end of October.

Action: The Board is asked to note the progress made on the 2016-17 ROA targets and agree to the final report being circulated electronically after discussion at Learning, Teaching and Quality Committee on 11th October and any subsequent amendments.

Lead: Stephanie Graham, Vice Principal Educational Leadership

Status: Open.

West College Scotland Performance Dashboard

Quarter 4 2016/17

KEY:

How well are we doing?



COLLEGE FUNDING

CREDITS CLAIMED (2016/17)

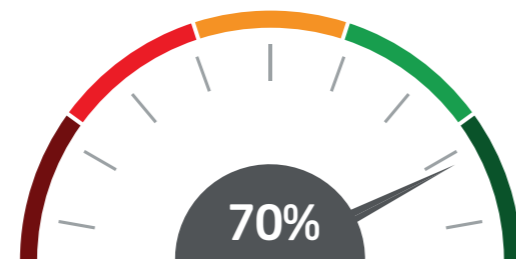


ALTERNATIVE INCOME (2016/17)

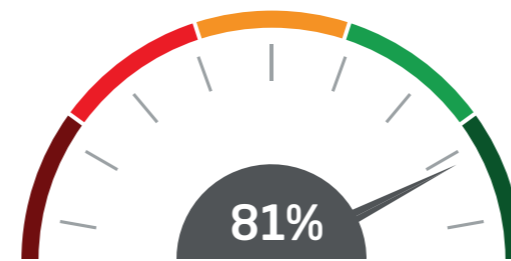


WHAT HAVE WE ACHIEVED?

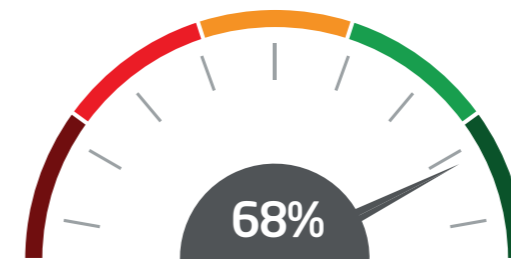
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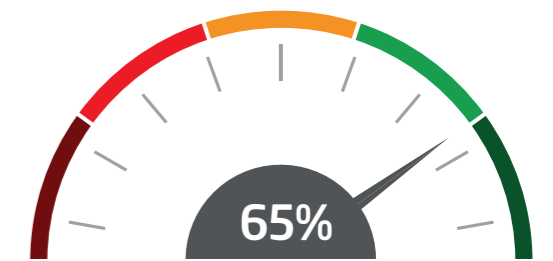
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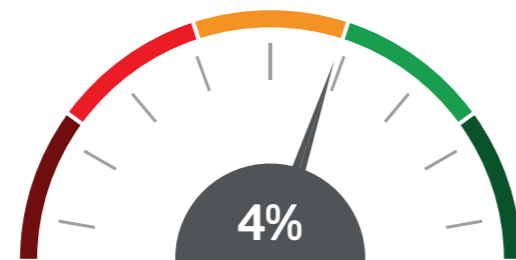
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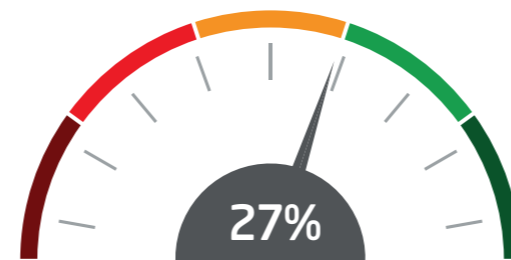
FE FT ENROLMENTS



CREDITS DELIVERED IN SCHOOL/COLLEGE

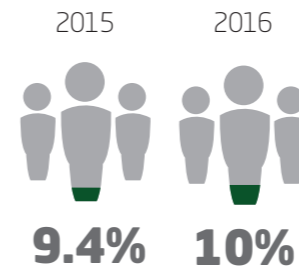


CREDITS IN 10% MOST DEPRIVED POSTCODES

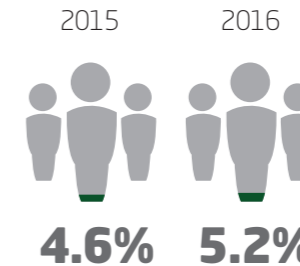


OUR STAFF

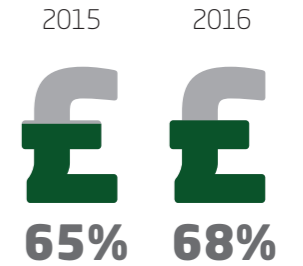
EMPLOYEE TURNOVER



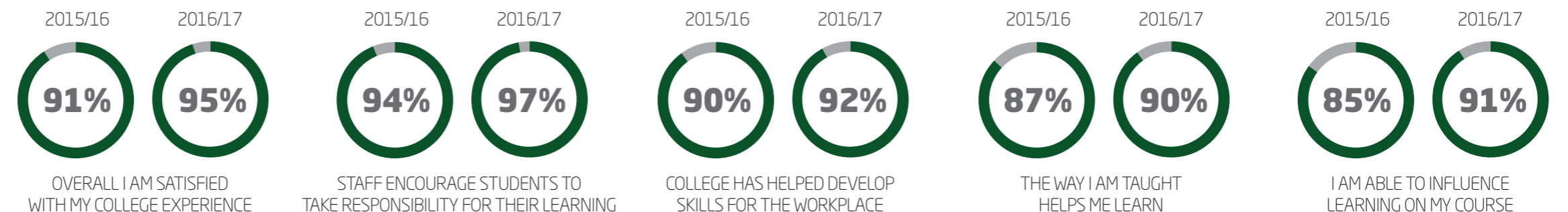
SICKNESS ABSENCE



STAFFING COSTS AS % OF INCOME



WHAT OUR STUDENTS SAY



COMMENTARY:

In a challenging year the College slightly exceeded its credit target, and met 97% of its alternative income target. This slight shortfall was due to the removal of the College ring-fenced element of the SDS Employability Fund, Challenges associated with the SDS managed Oil and Gas Transitional Fund, and modern apprenticeship starts from key employers lagging behind anticipated timescales.

There has been significant improvements in student success for all modes of attendance and all ROA revised targets were achieved. These represent the highest full time student successes of West College Scotland. Student attainment was improved through a strong focus on PI analysis, including on partial success, qualification aims, course delivery changes, additional study options and better student support.

Student satisfaction levels have continued to be very positive with 95% being satisfied overall with their College experience, and increase of 4% over the previous year. Similar improvements were experienced across a range of student satisfaction questions.

TITLE: MEMBERSHIP OF THE BOARD

Background: The Committee is invited to note the following changes in membership:

- Angela Wilson, Non-Executive member, has been appointed to the Board for the period 1 September 2017 – 31 August 2021;
- 2 student members have been elected to the Board, Matthew Marsden, Student President, and Nicole Percival for the year to 31 July 2018;
- An election to appoint a member of Teaching staff to the Board has been held and David Watson has been duly appointed for the period 13 September 2017 – 12 September 2021.

Also there are 3 Non-Executive Board members whose period of appointment is due for review this session with their current period of appointment ending on 31 January 2018. The 3 members are: Jim Hannigan, Jacqueline Henry and Lyndsay Lauder.

All of these members are eligible for re-appointment, and any such extensions to Board membership are subject to both Board and Ministerial approval.

The Nominations Committee discussed this matter and now **RECOMMENDS** to the Board that the period of membership of J Hannigan, J Henry and L Lauder be extended for a further 4 years to 31 January 2022.

The current Board membership is provided for information.

Action: The Board is asked to note the changes in membership of the Board and to approve the re-appointment of 3 Board members, J Hannigan, J Henry and L Lauder, for a period of 4 years, i.e. to 31 January 2022.

Lead: Keith McKellar, Chair, Board of Management and Nominations Committee

Status: Open

WEST COLLEGE SCOTLAND BOARD OF MANAGEMENT

Under the terms of the Further and Higher Education (Scotland) Act 1992, as amended by the Post-16 Education (Scotland) Act 2013, the membership of the Board of Management 'shall consist of no fewer than 15 nor more than 18 members'. The current membership is:

Chair

Keith McKellar

Vice Chair

Jacqueline Henry

Principal

Audrey Cumberford (*ex officio*)

Teaching staff – 1 elected

David Watson

Non-Teaching staff – 1 elected

Alison Mitchell

Students Association (2)

Matthew Marsden

Nicole Percival

Non-Executive Members

Nick Allan

Mike Haggerty

Jim Hannigan

Andrew Hetherington

Jenifer Johnston

Linda Johnston

Lyndsay Lauder

John Leburn

John McMillan

Mark Newlands

Angela Wilson

In Attendance

Stephanie Graham, Vice-Principal Educational Leadership

David Alexander, Vice-Principal Operations

Liz Connolly, Vice-Principal Corporate Development

Gwen McArthur, Secretary to the Board

GMcA/revised 14.09.17

BOARD OF MANAGEMENT 2017/18

PERIOD OF APPOINTMENT

Name	Status	Period of appointment
Keith McKellar	Chair	4 years 4.03.14 – 3.03.18
Audrey Cumberland	Principal	<i>Ex officio</i>
Nick Allan	Non-Executive	4 years 1.02.15 – 31.01.19
Mike Haggerty	Non-Executive	2 + 4 years 1.02.15 – 31.01.17 1.02.17 – 31.01.21
Jim Hannigan	Non-Executive	3 years 1.02.15 – 31.01.18
Jacqueline Henry	Non-Executive	3 years 1.02.15 – 31.01.18
Andrew Hetherington	Non-Executive	2 + 4 years 1.02.15 – 31.01.17 1.02.17 – 31.01.21
Jenifer Johnston	Non-Executive	4 years 1.02.15 – 31.01.19
Linda Johnston	Non-Executive	4 years 1.01.17 – 31.12.20
Lyndsay Lauder	Non-Executive	3 years 1.02.15 – 31.01.18
John Leburn	Non-Executive	4 years 1.01.17 – 31.12.20
John McMillan	Non-Executive	2 + 4 years 1.02.15 – 31.01.17 1.02.17 – 31.01.21
Mark Newlands	Non-Executive	4 years 1.02.15 – 31.01.19
Angela Wilson	Non-Executive	4 years 1.09.17 – 31.08.21
David Watson	Teaching Staff	4 years 13.09.17 – 12.09.21
Alison Mitchell	Support Staff	4 years 8.10.14 – 7.10.18
Matthew Marsden	Student President	1 year 1.08.17 – 31.07.18
Nicole Percival	Student rep	1 year 1.08.17 – 31.07.18

GMcA/14.09.17

TITLE: BOARD DEVELOPMENT ACTION PLAN: UPDATE

Background: The Board Development Action Plan was approved by the Board at its meeting on 27 March 2017, following which it was forwarded to the Scottish Funding Council (SFC) and published on the college website along with the Report on the Review of Governance Effectiveness.

The Board Development Action Plan contained a number of actions to be progressed by various bodies with a report back to the Board. It was considered that it would be helpful to have a mid-year review of progress with the Action Plan so that the Board is satisfied that progress is being made. The attached report highlights the progress that has been made to date, with the changes being tracked for ease of reference. It is proposed that the Board agree to remove those actions that are now complete and consider if any further actions should be added to the Plan.

It is also proposed that the development session linked to the February meeting of the Board be used to consider this Action Plan again, in some depth, in light of the progress made and any further actions to be added. The next edition of the Action Plan would then be produced for publication on the website and submission to SFC in light of agreement reached.

Action: The Board is asked to consider the attached report on progress with the Board Development Action Plan and to note the progress to date and to agree

- i. The completed actions be removed from the Action Plan;
- ii. Any further actions that should be added to the Action Plan;
- iii. To consider the next edition of the Action Plan at its meeting in February 2018.

Lead: Keith McKellar, Chair, Board of Management

Status: Restricted

Board Development Action Plan – ~~September-March~~ 2017 Update

Action Reference No.	Strategic driver	Title	Action	Priority (A,B,C)	Update at <u>September</u> March 2017	Who and When	Further actions identified
1	Inspirational and Innovative – Culture of continuous self-evaluation	KPI presentation using Dashboard approach for the Board	Finalise a KPI Dashboard for the Board which ensures that all areas of strategic importance to the College are being effectively monitored & strategic outcome delivered.	A	A dashboard proposal was reviewed by the Board at its meeting in June 2016. Recommendation for changes will be incorporated, and be ready for use in next financial year. <u>Discussions with each of the Vice Principals/Directors and Committee Chairs have been held to identify kpi's for each area. This was discussed at the Corporate Development Committee in September and some further work will be undertaken by the Vice Principal Corporate Development with a report back to the Committee in December.</u>	Corporate Development Committee - June 17 <u>Report to Board in February 2018</u>	Development work will continue – <u>report to Board in February 2018</u>
2	Committed to our Region	Improve and widen access to Board membership	The College should develop a program (using existing community and community engagement platforms) to reduce any perceived barriers to board membership from communities that are not currently represented.	A	Establish Sub-Group to develop initial proposals for consideration by end June 2017 <u>Nominations Committee discussed this with the Equality, Diversity and Inclusion Manager. This will be discussed further at Board meeting in October</u>	Limited Time Project Team- June 17	Develop implementation plan

Board Development Action Plan – ~~September-March~~ 2017 Update

Action Reference No.	Strategic driver	Title	Action	Priority (A,B,C)	Update at September March 2017	Who and When	Further actions identified
3	Effective Governance	Audit Committee terms of reference	The terms of reference for the Audit Committee should be revised to include a provision that the Committee can sit privately without any non-members present for all or part of a meeting if appropriate.	A	The Board approved this amendment to the Audit Committee's terms of reference.	Complete – Board approved Mar 17	<u>Complete and will be removed from Action Plan</u>
4	Effective Governance	Clear and succinct committee papers	Continue improving quality of committee papers to ensure clear purpose and focus.	B	Standard style adopted by all committees which provides context, summarises the issue and highlights actions required. All papers stored and available on a central system which all board members can access.	Chair and Secretary to the Board – update Board Oct 17	Continuous development process with more work required on board paper access; impact assessments; briefings between board meetings; balance between strategic and operational content.
5	Developing our Reputation	Visibility of board members to the wider community	Improve visibility of Board and committees to staff and students so that their role is better understood, and the Board members have a clear appreciation of student and staff views.	B	Board members attend college functions; Student President has a standing item on Board agenda to provide student feedback; two member of staff are board members.	Board to review progress – Oct 17	Further consideration be given to the introduction of an annual calendar of events to show the extent of Board engagement
6	Effective Governance	Effective monitoring of Sector issues	How Board monitors and keeps abreast of challenges facing the College and the sector	B	Chair and Chief Executive provide update to every Board meeting. Vice Principals report to every Committee meeting	Chair and Chief Executive	Invite external input to Board meetings as appropriate
7	Working in Partnership	Building strong relationships with stakeholders	Develop the Board's role in supporting the engagement with stakeholders.	B		Chair and Chief Executive	

Board Development Action Plan –~~September-March~~ 2017 Update

Action Reference No.	Strategic driver	Title	Action	Priority (A,B,C)	Update at <u>September</u> <u>March 2017</u>	Who and When	Further actions identified
8	Securing our Future	Increase of alternative income flows.	Explore opportunities for growth of alternative income.	B	Progressed by relevant committees – mainly CDC <u>CDC considers this at every meeting and reports to Board accordingly</u>	Corporate Development Committee - June 17	
9	Working in Partnership	Building strong ties with Alumni	How does the Board provide leadership to make the most of the College's heritage, and alumni to further develop strategic partnerships with the community and business.	C	The establishment of a College alumni program is being investigated. This will be the key vehicle to strengthen the perceived value of the College to the communities and businesses it serves. <u>External advice has been sought on how best to progress this and a short life working group has been established to take this forward.</u>	Corporate Development Committee – Oct 17	Board to be updated on progress in Oct 17
10	Effective Governance	Each Board member continues to develop skills required for the effective governance of the college.	Ensure Board members are made aware of relevant sector development and CPD opportunities. Board 'Strategic Theme' sessions to be built into the annual calendar and/or Board meetings. External input where relevant.	C	Chair when reviewing Board agenda will arrange in-house events when the need arises for the Board to develop a background knowledge of a major issue that impacts the college. All Board members are encouraged to attend relevant development sessions and educational conferences. <u>Development session on PREVENT arranged to coincide with Oct meeting and CDN development programme for</u>	Chair- to review prior to each Board meeting agenda development.	

Board Development Action Plan –~~September-March~~ 2017 Update

Action Reference No.	Strategic driver	Title	Action	Priority (A,B,C)	Update at September March 2017	Who and When	Further actions identified
					<u>2017/18 has been circulated to all Board members.</u>		
11	Effective Governance	Effective cross committee communication	Improve cross communication between committees and Board, to ensure balance between issues going to Board and committees is right and maintains collective responsibility of Board	B	All Committees report to the Board at the earliest opportunity following their meetings. Committee Chairs continue to present their committee reports to the Board, thus ensuring their involvement in the flow of business between the Board and the committees.	COMPLETE	
12	Effective Governance	Improve the Boards ability to monitor implementation of the College's Corporate plan	Improve clarity of key objectives of Corporate Plan and KPI's	A	Superseded by 1 above	COMPLETE	
13	Committed to our Region	Effective communication of College strategy and objectives to the community.	Develop key ambassadorial messages for use by Board members	B	Key messages/information is contained in Annual Report.	COMPLETE	
14	Supporting Success	Ensuring that Board are fully engaged in OD/HR areas.	Ensure there is a balance of visibility, reporting and discussion at the main Board across all areas of Operations. HR/OD focus is a priority.	A	People Strategy now in place and regular performance reports on its implementation is provided by ODHR Committee. The Board	COMPLETE	

Board Development Action Plan –~~September-March~~ 2017 Update

Action Reference No.	Strategic driver	Title	Action	Priority (A,B,C)	Update at <u>September</u> March 2017	Who and When	Further actions identified
					considers all relevant annual reports.	COMPLETE	
15	Supporting Success - High Quality Teaching	Board alignment to student needs.	Ensuring the Board spends sufficient time on students and issues affecting learning & teaching.	A	Learning, Teaching & Quality Committee and Students Association report regularly to the Board. LTQ regularly reviews the Regional Outcome Agreement and measures performance against the KPI's it contains.		
16	Effective Governance	Effective risk management	Ensure that the Board's current approach to risk will ensure that the necessary actions are in place to mitigate the major risks being faced by the College.	A	Risk is a standing item on all Board and Committee agendas and is considered at every meeting. The risk register is updated in light of the information emerging.		
17	Working in Partnership	Strong working relationship with SFC and Colleges Scotland	Regular SFC and/or Colleges Scotland briefings to Board on new funding arrangements & other key sector developments	B	The Board is of the view that it does receive regular briefs via the Chair and the Principal on all key sector developments		
18	Effective Governance	Effective and competent Board	Develop Board evaluation process to keep performance under review and support continuous improvement	B	Annual reviews in place including an independent review of the Board's compliance with published codes of practice.		

Board Development Action Plan – ~~September-March~~ 2017 Update

Action Reference No.	Strategic driver	Title	Action	Priority (A,B,C)	Update at <u>September</u> March 2017	Who and When	Further actions identified
19	Effective Governance	Building Board resilience	Take steps to build Board's resilience in the way we work so we are ready for any future challenges	C	Covered in item 10	COMPLETE	
20	Effective Governance	Effective health and safety processes	Ensuring that the College has a comprehensive Health, Safety & Wellbeing Development plan.	A	Health & Safety action plan now in place and subject to regular review and reporting through OD&HR Committee to the Board. Similarly with Staff Wellbeing.	COMPLETE	
21	Effective Use of Resources	Effective use of IT	Ensure the full use of IT to support the efficient operation of the Board and Committees	C	Covered at 4 above	COMPLETE	
22	Effective Governance	Ensure that Board is visible to staff and students.	Ensure that Board meetings are held at all campuses, and maximise the opportunities for the Board to visit specific departments.	C	Board continues to hold meetings at each campus throughout the year. Committees also visit specific areas of the college to fully research an issue - e.g. estates committees has toured all the facilities.	COMPLETE	Continuous improvement process (see 4 above)

Key:

A – high priority

B - medium priority

C – low priority

TITLE: STUDENTS ASSOCIATION REPORT

Action: The Board is invited to consider and note the report from the Students Association.

Lead: Matthew Marsden, Student President, Students Association

Status: Open



Board of Management
October 2017

The Students' Association {SA} continues to work for the benefit of **all** students.

At the time of writing, The SA consists of a President {myself}, and three Vice Presidents at Paisley {**Marek Gorecki**}, at Clydebank {**James Morrison**} and at Greenock {**Nicole Percival**}

I took over as **President Elect** on July 1st and **officially** on August 1st I have met with all the Vice Presidents and visited all main campuses so far.

The SA Vice Presidents and various Exec Officers continue to engage with students, this has been continued in our class talks from the beginning of the Academic Year and we plan to continue these talks all throughout the year.

For the first year (that I am aware of) we had a SA stall at our Fresher's Fayre which was run between the 3 main campuses and was well received by the students who attended. The SA Stall was intended to signpost where the SA is located on each campus, what we do, and how you can contact us and Get Involved.

From the start of the year the SA has been promoting itself through social media, with a Snapchat account, Instagram account, twitter and Facebook, with the hopes of having our news update videos being launched soon. The SA also hopes to have college Staff involvement in this and feels this would be beneficial.

We have a number of objectives for the coming year – with a high priority around the Mental Health agenda. We will work in partnership with the College to raise awareness of mental health issues, how they impact on students and what we can do to help. As part of this initiative, the SA executive are undertaking a training qualification in Mental Health Awareness.

The SA Offices have all been cleaned up and reorganised to provide a more welcome space for students, and for the team In the SA to work from. The Clydebank office at the moment is the only office which has been completely re-decorated, with corporate colours and a full wall mural outside to raise the profile of the SA. With talks already underway to do the same at the other campuses, It is to be noted that the SA is currently looking into having a presence in the Waterfront campus, and this will be actioned and overseen by Nicole Percival the Greenock VP.

The SA now has recruited a variety of Voluntary Officers, for example:

CLYDEBANK

- LGBT+ Officer
- Women's Officer

PAISLEY

- Women's Officer

GREENOCK

- Disabilities Officer
- LGBT+ Officer
- Women's Officer
- Mature Student Officer

The SA and SEA (Student Experience Assistants) Team have together started Class Rep Training. This is proving to be useful as the Class Reps get to meet the SA straight away and we are already gaining Rep Feedback – of note is that the Class Reps are looking for more than the 2 SRC Meetings the SA currently intends facilitating. Based on this feedback, the SA will be looking into the feasibility of such meetings. We have customised training materials for particular groups such as ESOL and Learner Development students, and this has resulted in greater engagement from these classes.

The SA moved under a different Directorate at the end of the last Academic Year and as such, I as the President have regular monthly meetings with Cathy MacNab and John Redman, in order to outline what the SA has done already and what support we will be needing going forward. This has been of great assistance to the SA and is valued within the SA.

The SA will be looking at how it can reach out to all our students and in particular our evening class students. The practicalities of doing this is something the SA will seek advice on and consider for the moment.

The SA would like to report that we have however noticed that our Greenock Students seem to be so much more engaged this year than previously. Paisley campus continues to be an area for development and the SA will continue to work with the College to take this forward. It is also noted that Clydebank in previous years has been fairly engaged and yet this year we have had issues around class rep recruitment. Again the SA notes this and is looking into ways in which we can improve this.

The SA welcomes any feedback, questions and/or comments.

Regards

Matthew Marsden

TITLE: FINANCIAL FORECAST RETURN (FFR) 2017-18 to 2021-22

Background: The purpose of this paper is to provide the Board of Management with an update in relation to the Financial Forecast Return (FFR) issued by the Scottish Funding Council (SFC) on 27 June 2017.

The paper provides:

- a) An outline of the 2017 SFC FFR process;
- b) The impact of the FFR modelling assumptions; and
- c) A summary of the College financial position arising from this modelling.

Action: The Board of Management is asked to:

- Note the FFR assumptions that the College has been asked to model.
- Note that the FFR submission requires the modelling of a number of new assumptions in relation to the period 2018-19 to 2020-21.
- Note that the modelling of these assumptions means that the College would require to achieve significant savings / increased levels of income in years 2 to 5 in order to deliver a break even underlying financial position.
- Approve the submission of the FFR document to the SFC.

Lead: Alan Ritchie, Director of Finance and Estates

Status: Open

1. Background

1.1 The SFC issued circular SFC/CI/03/2017 'Financial forecast return for FE colleges 2016-17 to 2021-22' (Appendix 1) on 27 June 2017. This circular requested that colleges complete a financial forecast return for the period 2016-17 to 2021-22 based upon assumptions detailed by the SFC. The FFR is an operational document which in previous years has been submitted in line with annual budget approval timescales, however given that the June 2017 SFC circular requested that this now be completed over the summer period, and includes the modelling of specific assumptions over the period to 2021-22, college governing bodies have been asked to consider and approve submission of the FFR document.

1.2 The SFC FFR circular requires that the following are provided:

- A statement of comprehensive income and expenditure
- An underlying operating result
- A staff cost analysis
- A sensitivity analysis, which considers the impact of movements in relation to key areas of income and expenditure, including staff costs, non-staff costs and income
- A balance sheet
- Analysis of capital expenditure
- Consideration of any funding arising from Arm's Length Foundations
- A Financial Summary

1.3 Key points of note in relation to the FFR submission include the following:

- The submission requires the outturn figures for 2016-17 to be provided along with forecast figures for the following five years, to 2021-22.
- The return includes a new staff costs section, which is intended to provide the SFC with an understanding of cost pressures and to assist in understanding of non-cash items, such as pension adjustments.
- A new underlying operating position section is contained within the FFR. The methodology for calculating the underlying operating position has been agreed, following sector consultation, with a view to ensuring consistency of approach and interpretation of colleges' financial performance. The definition is in accordance with that previously discussed at the June 2017 Board of Management meeting. This will be used to assess colleges' financial position going forward.
- There is a requirement to provide details of net cash funds arising from depreciation and how it is intended these will be applied to regional priorities (now referred to as '*cash budget for priorities*').

- 1.4 The circular also laid out a number of key FFR planning assumptions that the College was required to model - these assumptions covered:
- Credits and teaching income (Core and European Social Fund activity)
 - Non-SFC income
 - Staff costs
 - Non-staff costs
 - Estates
 - Sensitivity analysis
 - Cash forecasting
- 1.5 The College has reviewed all of these assumptions in the SFC circular for reasonableness. In a number of instances the College did not apply the requested assumption i.e. 1.5% inflationary increase to both other income and other expenditure. It should be noted that the SFC have advised these assumptions do not represent Scottish Government or SFC policy positions, and are for modelling purposes only at this stage.
- 1.6 The Board of Management at its meeting of 21 June 2017 approved the 2017-18 budget and noted the content of the 5 year financial forecast and it should be noted that the FFR submission does not change the budget for 2017-18 or require this to be reconsidered in any way; rather, the FFR enables consideration to be given to scenarios beyond 2017-18 and how these would/may impact upon the College, and thus represent further development of 5 year financial planning.
- 1.7 The FFR was considered at a meeting convened by the Chair of the Board of Management on 4 October 2017 where the attendees were Keith McKellar, Audrey Cumberford, John Leburn, David Alexander, and Alan Ritchie. A note of the meeting is attached at Appendix 2 for information.

2 Planning Assumptions

SFC Income

- 2.1 The 2017-18 budget was based upon the Grant in Aid letter issued in May 2017 and this has not changed therefore there is no impact upon the level of core SFC income or the previously agreed 2017-18 West College Scotland budget.
- 2.2 The West College Scotland 5 year financial forecast considered by the Board of Management in June 2017 assumed that the College would be impacted by the introduction of the simplified SFC funding model from 2018-19 onwards with a loss in Credit activity and associated reduction in staffing costs.

2.3 However the SFC FFR assumptions request that colleges plan on the basis of flat cash for 2018-19 and 2019-20 - as the transition to the simplified funding model is to be put on hold for the period to 2021-22- while all colleges should assume 2% annual increases in the Teaching Grant for 2020-21 and 2021-22 on the basis that the specific grant for additional National Bargaining costs referred to below (see 2.6 below) is assumed to reduce in those years. This means that West College SFC income would not reduce during the period 2018-19 to 2021-22 but would increase, however this additional amount over the period would be required to meet specific staff costs arising from national negotiations.

2.4 The College 5 year forecast also assumed a loss of European Social Funding in 2021-22 with the end of all such funding. The budget assumes £1.7m of ESF revenue funding and £0.5m of student support funding in years 2 to 4. At the end of March 2022 the College would suffer a reduction in funding of £0.4m (April to July) with a full year loss of income in 2022-23 (out with the current planning window).

Non-SFC Income

2.5 The 2017-18 budget was based upon a stable level of income with increases / decreases being recorded against known movements – for example, tuition fees were increased in line with the additional SFC activity for childcare. The College has maintained this position within the FFR and has not applied the possible SFC assumption of an inflationary rate of 1.5%.

Staff Costs

2.6 The assumptions used in the approved 2017-18 budget for staff costs included:

- [REDACTED]
- [REDACTED]
- Vacancies being filled as per the College establishment; and
- No movement in pension and national insurance costs.

The FFR does not require the College to model any assumptions for 2017-18 that change this position.

2.7 Beyond 2017-18, the FFR states that the impact of National Bargaining costs for all staff together with any impact of workforce plans should be incorporated in the FFR. The College has been asked to assume that National Bargaining pay costs for staff will be supported by additional specific grant in 2018-19 and 2019-2020 - however no allocation is to be assumed for any cost increase arising from national changes to terms and conditions. The FFR also requires an assumption that the level of any 2019-20 additional specific grant is reduced to 67% in 2020-21, reduced to 33% in 2021-22 and reduced to nil in 2022-23.

2.8 [REDACTED]

Non-staff Costs

2.9 The FFR assumptions state that colleges should use their current non-staff costs as a baseline and will need to take account of movements in associated income streams. Modelling an inflationary rate of 1.5% was presented as an option by the SFC, however the College has maintained the position of no increases within the FFR model.

Estates

2.10 The 2017-18 budget and forecast period continues to be based upon a level of funding consistent with that received in 2017-18 i.e. a flat cash settlement. For planning purposes at this time the College has assumed that the estate maintenance funding will be held at 2017-18 levels over the forecast period.

3 Impact of Change to Planning Assumptions

3.1 The difference between the SFC FFR assumptions and the College 5 year financial planning assumptions previously considered are summarised within the following sections.

2017-18 Budget

3.2 The assumptions contained within the 2017-18 budget as agreed by the Board of Management in June 2017 remain unchanged with the 2017-18 as per the grant in aid letter.

2018-19 and subsequent 3 years

3.3 The SFC FFR assumptions impact upon the forecasted position for the College in the subsequent four year period. The table below summarises the main areas, which are as follows:

- The income due to be received from the SFC; and
- [Redacted]

3.4 [Redacted]

[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]	[Redacted]

- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]

- 3.6 This model therefore results in the College requiring to make cost savings / increase income over the next 4 years by approximately £1m per annum with this becoming £2m in year 5 in order to continue to deliver a break even position.

4 Next Steps

- 4.1 The College Executive met on the 5 September with senior SFC staff including Michael Cross to present the above model to them. This allowed the College to explain their thinking behind the figures and to provide the SFC with an indication of the steps currently being taken by the College to address the financial challenges it faces.
- 4.2 Following this the College submitted a draft FFR to the SFC to allow them to include the indicative figures for West College Scotland in their submission to the Scottish Government spending review. This was provided on the basis that final confirmation of the West College FFR submission would be provided following consideration by the Board of Management.
- 4.3 The Board of Management is asked to:
- Note the FFR assumptions that the College has been asked to model.
 - Note that the FFR submission requires the modelling of a number of new assumptions in relation to the period 2018-19 to 2020-21.
 - Note that the modelling of these assumptions means that the College would require to achieve significant savings / increased levels of income in years 2 to 5 in order to deliver a break even underlying financial position.
 - Approve the submission of the FFR document to the SFC.



SFC Call for information

Financial forecast return (FFR) for further education colleges 2016-17 to 2021-22 and information on financial planning assumptions

Issue date: 27 June 2017

Reference: SFC/CI/03/2017

Summary: This Call for Information requests institutions to complete a financial forecast return for the period 2016-17 to 2021-22. It also includes information on assumptions that will assist institutions in their financial planning. The return should be sent to SFC by 18 August 2017.

FAO: Principals, Finance Directors and Board Secretaries of Scotland's colleges and Regional Strategic Bodies

Further information: **Contact:** Wilma MacDonald / Steve Keightley
Job title: Senior Financial Analysts
Department: Finance
Tel: 0131 313 6565 / 6587
Email: wmacdonald@sfc.ac.uk / skeightley@sfc.ac.uk

Financial Forecast Return (FFR) for further education colleges 2016-17 to 2021-22 and information on financial planning assumptions

Purpose

1. This Call for Information requests institutions to complete a financial forecast return for the period 2016-17 to 2021-22. It also includes information on assumptions that will assist institutions in their financial planning. The return should be sent to the Scottish Funding Council (SFC) by 18 August 2017.

Financial forecast return

2. The financial forecast return (FFR) is an established part of SFC's financial health monitoring framework. The FFR, in providing financial projections over a six year period (the current academic year and the following five years), is a key source of information in enabling SFC to monitor and assess the financial health of colleges and better understand the resource pressures and challenges they are anticipating. It is also an important reference point in the analysis of colleges' financial statements.
3. For incorporated colleges, the additional information provided from resource and cash flow returns submitted as part of Government budgeting and accounting requirements also feeds into SFC's monitoring and assessment of financial health.
4. In general terms, this year's return follows the format of last year's FFR and 2015-16 annual accounts return. Please note the following changes:
 - The forecast period has been increased to six years (including academic year 2016-17). This reflects the recommendation made by Audit Scotland in its 2016 report on Scotland's Colleges: "Colleges should develop long-term (a minimum of five years) financial strategies. These should be underpinned by medium-term (between three and five years) financial plans that link to workforce plans and take account of significant financial pressures such as national collective bargaining, estate development and maintenance and student support funding."
 - The return includes a new staff costs section, to give us an understanding of cost pressures and to assist us to identify non-cash items.
 - A sensitivity analysis sheet has been added which will be useful in assessing the potential impact of positive and negative changes in key sector assumptions.
 - The return includes a new underlying operating position section. The methodology for calculating the underlying operating position has been

agreed, following sector consultation, with a view to ensuring consistency of approach and interpretation of colleges' financial performance.

- Incorporated colleges are asked to provide details of spend of cash funds previously earmarked for depreciation (cash budget for priorities).
- We are requesting details of transactions to and from Arms-Length Foundations (ALFs); this addresses the Ministerial letter of guidance and the expectation that SFC should monitor the sector's use of ALFs, which provide significant financial support to colleges, and the impact of these transactions on institutions' financial position.
- The return is in Financial Reporting Standard (FRS) 102 format.

Return of the FFR

5. Guidance for completion of the return can be found in Annex A below. A blank copy of the spreadsheet is published along with this Call for Information on our website.
6. Institutions are required to complete both the 2015-16 actual figures and the forecast figures for the six following years. Please note that the guidance in Annex A requests a commentary on the financial forecasts which should cover the context in which the forecasts have been prepared.
7. It would also be helpful if you could enter explanations for significant variances on the spreadsheet. As with previous forecast exercises, we may come back to institutions with queries and requests for further details following our analysis of the forecast information.
8. Returns for the assigned colleges in the three multi-college regions should be submitted to the appropriate Regional Strategic Body (RSB). The RSB will submit the returns to SFC. Any queries will be directed through RSBs.

Information requested

9. Please send both a signed copy (either hard copy or PDF) and an electronic copy of the return in Excel format, and the financial commentary, along with a copy of the paper accompanying the FFR that has been considered and approved by the college's governing body to SFC by 18 August 2017. If the schedule of governing body meetings makes it difficult to achieve the 18 August deadline, please contact us as soon as possible. In that instance, please provide a draft return by that date with the final approved version to be provided to SFC no later than 30 September.
10. Hard copies should be sent to Anne White, Administrative Officer, Finance, Scottish Funding Council, Apex 2, 97 Haymarket Terrace, Edinburgh, EH12 5HD.
11. Electronic copies should be sent to GMAP-returns@sfc.ac.uk.

Further information

12. Please contact Wilma MacDonald, Senior Financial Analyst, Finance (tel: 0131 313 6565; email: wmacdonald@sfc.ac.uk) or Steve Keightley, Senior Financial Analyst, Finance (tel: 0131 313 6587; email: skeightley@sfc.ac.uk) to discuss any aspect of this letter.

A handwritten signature in black ink that reads "L. MacDonald". The signature is written in a cursive style with a large initial "L" and a stylized "MacDonald".

Lorna MacDonald
Director of Finance

Guidance for completion

Structure of the FFR

1. The FFR takes the form of an excel spreadsheet which has nine sheets. A copy of the spreadsheet is published along with this Call for Information at Annex B.

Eight of the sheets require input by the institution. We suggest the order of completion is:

- (i) 'SoCIE'
- (ii) 'Underlying operating result' & 'Cash budget for priorities'
- (iii) 'Staff costs'
- (iv) 'Sensitivity analysis'
- (v) 'Balance Sheet'
- (vi) 'Capital expenditure'
- (vii) 'ALF funding' – incorporated colleges only
- (viii) 'Declaration'

Financial Reporting Standard 102 (FRS 102)

2. The 2017 FFR return is now based on FRS 102 and is consistent with the format of the SORP.

Completion of the FFR

Input of financial forecast figures and comparatives

3. The sheets in the spreadsheet contain blue highlighted boxes for the input of the actual and forecast figures.
4. Please note that only whole numbers can be input into the return. Please do not link the spreadsheet to another document or change the formatting in the spreadsheet.
5. Please enter explanations for any significant variances where appropriate.

Sheets not requiring completion

6. The Summary sheet does not require to be completed. This summarises various key figures from the spreadsheet and is calculated automatically.

Commentary

7. Institutions should also provide a commentary on the financial forecasts. This serves two purposes:
 - To explain how the financial forecasts represent the institution's strategic plan.
 - To enable a proper understanding of key aspects of the financial forecast.
8. The following areas should be covered by the commentary:

Introduction

9. This should cover the context in which the forecasts have been prepared. It should include an explanation of how the elements of the institution's strategic plan, human resource management strategy, workforce plans and estates strategy are reflected in the forecasts, and how these developments are to be financed.

Review of financial performance 2016-17

10. Discuss the key features of the latest forecast financial performance in 2016-17 and highlight positive and negative variances from previous forecasts (e.g. 2016 financial forecast return). Colleges should refer to the impact of National Bargaining pay costs for the period April–July 2017; detail on this has been provided by Colleges Scotland. It should be noted that the data provided by Colleges Scotland may be subject to change following further review.

SFC recurrent grant

11. You should confirm your assumptions regarding SFC grant income. SFC grants for 2017-18 should be in accordance with the final funding allocation issued on 5 May (SFC/AN/08/2017). As highlighted above, colleges should reflect the impact of National Bargaining pay costs for Academic Year 2017-18, as set out in the data provided by Colleges Scotland. Again, the data may be subject to change following further review.

Changes in tuition fee income and other income

12. This should include details of the assumptions made regarding student numbers and the reasons for year-on-year movements in other sources of income.

Commercial income

13. You should document plans for commercial income generation and any barriers. Please also confirm how this activity will be funded and confirm the expected net contribution from such activity.

Changes in staff and non-staff costs

14. Discuss the reasons for year-on-year movements in pay and non-pay expenditure and the impact on non-pay expenditure of price changes and changes in the level of activity.
15. In particular the following areas should be addressed:
 - Assumptions regarding pay awards and their impact on pay expenditure.
 - Assumptions regarding staff numbers; providing an explanation where staff numbers have increased by more than 2% on the previous year.
 - Assumptions regarding future pension contribution costs.

Cash budget for priorities (Incorporated colleges only)

16. Please refer to proposed spend of the cash funds previously earmarked for (net) depreciation. For 2015-16 and 2016-17, spend should be based on the resource returns provided to SFC. Details of the proposed approach for addressing the cash budget for priorities for 2017-18 and beyond will be communicated to the sector following Ministerial consideration. We hope to be in a position to communicate this to the sector in the near future, however for immediate planning purposes, please assume that the current agreed priorities will continue over this forecast period.

Balance sheet – cash position

17. Due to the volatility of the operating position, the surplus / deficit figures are not likely to be meaningful indicators of the institution's financial health and we are therefore focusing more on the cash position of each institution in our analysis. Please provide detailed commentary about the institution's operating cash position, especially if this position is deteriorating over the forecast or in any one year.

Risk management

18. This should provide details of the key risks identified when preparing the forecast and details of the risk management strategies devised to deal with them.

Any other information

19. This should provide any other information which you feel should be brought to our attention.

Declaration

20. The 'Declaration' sheet should be signed and dated by the Principal.

Key FFR planning assumptions

21. In order to assist colleges with planning and to ensure consistency across the sector, SFC has worked with sector representatives to provide guidance on key assumptions that should be used in producing financial forecasts. This is set out below:

Credits and teaching income (Core and European Social Fund activity)

22. Financial projections for 2017-18 should be based on the funding allocation announced on 5 May 2017 (SFC/AN/08/2017). Colleges should plan on the basis of flat cash for 2018-19 and 2019-20 while all colleges should assume 2% p.a. increases in the Teaching grant for 2020-21 and 2021-22 on the basis that the specific grant for additional National Bargaining costs referred to below (see staff costs heading) is assumed to reduce in those years. Colleges should also assume that the transition to the simplified funding model will be put on hold during the period 2018-19 through to 2021-22.
23. The sensitivity analysis worksheet within the FFR asks colleges to model +/- 2.5% scenarios for SFC (and ESF) activity funding. Assigned colleges will also need to take account of regional planning considerations.

Non-SFC income

24. Colleges will need to take account of the latest available information from staff with responsibility for securing and delivering non-SFC funded activity while taking account of anticipated levels of demand. An inflationary rate of 1.5% is proposed, however, colleges may revise this assumption according to local circumstances e.g. where agreed contracts state otherwise. Again, the sensitivity analysis worksheet asks colleges to model +/- 2.5% scenarios for non-SFC income.

Staff costs

25. The impact of National Bargaining costs for all staff together with any impact of workforce plans should be incorporated in the FFR.

26. Colleges should assume that the costs of the National Bargaining pay costs for staff will be supported by additional specific grant in 2018-19 and 2019-20 that will reflect the costs in particular colleges. It should also be assumed that the level of any 2019-20 additional specific grant is reduced to 67% in 2020-21, reduced to 33% in 2021-22 and reduced to nil in 2022-23.
27. Colleges should also factor in a 1% increase for pay awards for support staff (all years) and for lecturing staff (2020-21) onwards based on public sector pay policy. Incremental increases should be reflected throughout the period, where appropriate.
28. Colleges are also required to model +/-2.5% and +/-5% scenarios for staff costs as part of their sensitivity analysis.

Non-staff costs

29. Colleges should use their current non-staff costs as a baseline and will need to take account of movements in associated income streams. Again, an inflationary rate of 1.5% is proposed but colleges may revise this assumption according to local circumstances. The sensitivity analysis worksheet asks colleges to model +/- 2.5% scenarios for non-staff costs.

Estates

30. The sector estate condition survey is due to be completed by end July 2017. For planning purposes at this time colleges should assume that capital maintenance funding will be held at 2017-18 levels over the forecast period. Assigned colleges will also need to take account of regional planning considerations.

Sensitivity analysis

31. As stated above, the FFR includes a sensitivity analysis worksheet for key income streams and cost headings. It is expected that the results of this work, including details of mitigating actions, will be reflected in the FFR financial commentary and associated papers that will be considered and approved by the College's Governing Body.
32. Colleges are requested to provide a copy of the Governing Body papers to SFC along with the FFR in order to provide assurance that robust planning arrangements are in place.

Cash forecasting

33. Colleges will provide high-level cash balances as part of the balance sheet projections for all years in the planning horizon.

Meeting Note

Subject: Review of College Financial Forecast Return (FFR) for 2017-18 to 2021-22

Location: Paisley Campus, Principals Meeting Room

Date: 4 October 2017 at 14:30

Attendees: Keith McKellar, Audrey Cumberland, John Leburn, David Alexander, Alan Ritchie

1. Purpose

- 1.1 The meeting was convened by the Chair of the Board of Management, Keith McKellar, to consider the implications of circular SFC/CI/03/2017 'Financial forecast return for FE colleges 2016-17 to 2021-22' issued by the SFC on 27 June 2017. The SFC circular requested that colleges model a financial forecast return for the period 2016-17 to 2021-22 based upon assumptions detailed by the SFC. These assumptions were different in a number of cases to those used in the 5 year planning assumptions reviewed by the Board of Management in June 2017.
- 1.2 The FFR has in previous years been an operational document submitted in line with annual budget approval timescales, however given that the 27 June 2017 SFC circular requested that this be completed over the summer period, and included the modelling of specific assumptions over the period to 2021-22, college governing bodies have been asked to consider and approve submission of the FFR document.

2. Financial Reporting Template

- 2.1 The College management team shared and discussed the contents of a paper which was proposed for circulation to the Board of Management. The paper provided the background to the FFR submission along with details required by the SFC. A detailed discussion took place regarding the assumptions proposed by the SFC when modelling the 5 years to be included within the FFR. These assumptions included the:
 - Level of core SFC grant and specific strategic funding [REDACTED]
 - General assumption on inflation levels to apply to other income / expenditure streams;
 - [REDACTED]
 - Level of estate maintenance funding over the forecast period.
- 2.2 The College management team confirmed that the approved 2017-18 budget underlying operating position of £39,000 is not impacted by the implementation of the assumptions within the circular. The College does not require the Board of Management to reconsider the 2017-18 budget and where savings are required to be made actions are already in place to address these. However there was detailed discussion on the savings/additional income that the College would require to generate over the period 2018/19 to 2021/22 based on the SFC modelling assumptions.

2.3 The impact on the 5 years including the agreed 2017-18 budget year were further discussed and the College highlighted the changes we had made to the FFR template. These changes were made in order to bring to the attention of the SFC the implications of implementing the assumptions contained within the circular. The FFR now highlights over the 5 year period:

- [REDACTED]
- [REDACTED]
- the level of saving required over the 5 year to deliver a small underlying operating surplus.

2.4 Those in attendance welcomed the change to the reporting template as it clearly highlights to any reader the financial position being faced by the College.

3. Outcome

3.1 The meeting concluded that the proposed Board paper presented a clear outline of the potential scenarios situation being faced by the College. The paper would be updated to reflect minor changes to the content to allow Board members to fully understand the position.

3.2 The Board of Management were therefore being asked to:

- Note the FFR assumptions that the College has been asked to model.
- Note that the FFR submission requires the modelling of a number of new assumptions in relation to the period 2018-19 to 2020-21.
- Note that the modelling of these assumptions means that the College would require to achieve significant savings / increased levels of income in years 2 to 5 in order to deliver a break even underlying financial position.
- Approve the submission of the FFR document to the SFC.

3.3 In summary:

- The 2017-18 budget as approved by the Board will not require to be revisited as a result of the introduction of the FFR planning assumptions.
- The 5 Year Financial Strategy document noted by the Board in June 2017 still remains the primary document referenced to by the College. As noted at the June Board meeting this document will require to be refined in line with any strategy document, as the baseline assumptions become clearer or are changed.
- The FFR represents a set of modelling assumptions requested by the SFC to allow for a degree of consistent scenario planning to be undertaken at a sectoral level.

TITLE: CORPORATE PARENTING BRIEFING

Background: Part 9 (Corporate Parenting) of the Children and Young People (Scotland) Act 2014 places new duties on local authorities and other corporate parents to ensure the best possible outcomes for care leavers into adulthood. West College Scotland is designated as a corporate parent and so the attached paper highlights the main duties and responsibilities this legislation places on the College. In addition to these duties, the statutory guidance also recommends areas that every corporate parent should consider contributing towards.

An Action Plan has been prepared for the College and was discussed previously at the Learning, Teaching and Quality (LTQ) Committee. This Action Plan is still in draft form and will continue to be developed through the LTQ Committee before being presented to the Board.

The Board is asked to note the attached information.

Action: For noting.

Lead: Stephanie Graham, Vice Principal Educational Leadership

Status: Open

Corporate Parenting – Briefing Paper

Part 9 (Corporate Parenting) of the Children and Young People (Scotland) Act 2014 places new duties on local authorities and other corporate parents to ensure the best possible outcomes for care leavers into adulthood.

Scottish Government Guidance describes corporate parenting as:

“An organisation’s performance of actions necessary to uphold the rights and safeguard the wellbeing of a looked after child or care leaver, and through which physical, emotional, spiritual, social and educational development is promoted.”

All corporate parents are now required to prepare and publish plans which detail how they will fulfil their duties under Section 58 of the Act:

Looked After Children and Care Leavers

Part 9 of the Act applies to every child who is:

- looked after by a local authority, and
- every young person who is under the age of 26 and was on the person’s 16th birthday or at any subsequent time, but is no longer, looked after by a local authority.

Corporate Parenting Responsibilities

Section 58 of the Act details the duties of every corporate parent, in so far as consistent with the proper exercise of its other function, to be:

- **Alert:** systems are in place to stay informed of issues which could have a negative impact on the child/young person.
- **Assess:** to ensure services are relevant and accessible to the widest possible group – it is not sufficient to identify needs without addressing them.
- **Promote:** perform actions which may advantage or benefit looked after children and care leavers.
- **Opportunities:** identifying relevant opportunities and seeking to understand how looked after children and care leavers could be supported to participate.

- **Access:** help looked after children and care leavers to overcome barriers so that they can benefit from opportunities, services and support.
- **Improve:** review performance as corporate parents and take action to improve where opportunities are identified.

In addition to Section 58 duties, the Statutory Guidance recommends that every corporate parent consider their contribution towards:

- Active participation in shaping services
- Providing safe, secure, stable and nurturing homes for looked after children and care leavers
- Enabling looked after children and care leavers to develop or maintain positive relationships with their family, friends, professionals and other trusted adults.
- Securing positive educational outcomes for looked after children and care leavers.
- Ensuring “care” is an experience in which children are valued as individuals, and where support addresses their strengths as well as their needs.
- Ensuring physical or mental health concerns are identified early and addressed quickly.
- Increasing the number of care leavers in education, training and employment.
- Reducing the number of looked after children and care leavers who enter the youth and criminal justice systems.

The Act increases the upper age which care leavers can request and receive ongoing advice, guidance and assistance from their 21st to 26th birthday, thereby acknowledging that for many care experienced young people, ongoing positive support is vital and necessary to ensure they have the opportunities to make positive, sustained transitions into adulthood.

Planning

Section 59 of the Act requires corporate parents to prepare a plan for how it proposes to exercise its corporate parenting responsibilities, and keep its plan under review. Before preparing its plan, corporate parents must consult such other corporate parents, and other persons, as it considers appropriate. A corporate parent must publish its plan, and any revised plan, in such a manner as it considers appropriate (can be part of another corporate document).

Collaborative Working among Corporate Parents

The Act requires corporate parents, in so far as reasonably practicable, to collaborate with each other when exercising corporate parenting responsibilities. This may include:

- Sharing information
- Providing advice or assistance
- Co-ordinating activities and prevent unnecessary duplication
- Sharing responsibilities for action
- Funding activities jointly
- Jointly exercising functions under Part 9 of the Act

Reporting and Providing Information to Scottish Ministers

A Corporate parent must report on how it has exercised its corporate parenting responsibilities; its planning and collaborating functions; and other functions required by the Act. Reports will include information about standards of performance; the outcomes achieved, and will be published in an appropriate manner.

At the end of each 3 year period, Scottish Ministers will lay before the Scottish Parliament a report on how they have exercised their corporate parenting responsibilities.

Within the College

The Learning, Teaching and Quality Committee was briefed on the Corporate Parenting duties last October. A draft Corporate Parenting Action Plan was presented to the Learning, Teaching and Quality Committee and published as a live consultation document on the intranet. The plan was developed through extensive regional collaboration and consultation. The plan has been available to other Corporate Parents, Scottish Ministers and care experienced students throughout its development.

The aim had been to produce one regional combined plan with the Local Authorities but at present this is more an aspiration. It may be possible once there is clarity on reworked Named Person legislation.

Lead: Mark Newlands, Chair of the Corporate Development Committee

Status: Open, except for items CDM137 - 139 which are restricted as they are commercially sensitive.

CORPORATE DEVELOPMENT COMMITTEE

MINUTES: 5 September 2017

Present: Mark Newlands (in the Chair), Jim Hannigan, Jennifer Johnston.

Attending: Liz Connolly (Vice Principal Corporate Development), Sara Rae (Director of Business and Enterprise), Drew McGowan (Policy Officer), Gwen McArthur (Secretary to the Board).

Apology: Keith McKellar, Audrey Cumberland, Diarmid O'Hara.

CDM126 WELCOME

The Chair welcomed the members and attending officers to the first meeting of the new session. In particular, he welcomed Drew McGowan to his first meeting.

CDM127 DECLARATION OF INTERESTS

None.

CDM128 MINUTES

The minutes of the meeting held on 16 May 2017 were approved.

CDM129 ACTIONS FROM THE MINUTES

The Committee noted the actions from the last meeting.

CDM130 REMIT, MEMBERSHIP AND DATES OF MEETINGS

The Committee considered its remit and noted its membership and dates of meetings for 2017/18. In considering its remit the Committee was of the view that, under the Membership section, an amendment could be proposed so that any Board member could attend the Committee meetings with the approval of the Committee Chair, rather than restrict it to the Chairs of other committees. The Committee, therefore

RECOMMENDS to the Board that the wording of the Committee Membership be amended so that it now reads

'Other Board members can attend the meetings, with the approval of the Chair of the Corporate Development Committee' – as detailed in the Annex to the minutes. **[Action: GMcA]**

CDM131 CORPORATE COLLEGE DASHBOARD/PERFORMANCE REPORTING (CDM116)

The Board had agreed that this Committee should consider the development of a dashboard style of reporting of key performance indicators (kpi's), this action having been built into the Board Development Action Plan. In order to

progress this matter the Vice Principal Corporate Development had held discussions with each of the Vice Principals/Directors and the Committee Chairs in order to identify the key data which the Committees considered should be included. While these discussions had identified matters that the Committees wished to consider and monitor, not all of them could be considered as kpi's for the Corporate College Dashboard as they represented a mix of strategic and operational matters, and not all could have targets attached to them.

It was known that other Colleges, and also Universities, had produced dashboard reporting systems. It was also known that software had been developed by various suppliers that would assist the College in this matter. However, some further consideration needed to be given to which kpi's should be included in the Corporate Dashboard. It was also noted that the Executive were considering refreshing the Corporate Plan for the College, and this could have an influence on the College kpi's. It was **agreed** that the Vice Principal Corporate Development provide a report to the next meeting proposing the kpi's that should be used taking account of the information from the committees, the kpi's that had been used previously and information on what other colleges used. When the Corporate Plan was reviewed then the kpi's could be revisited again at that stage. **[Action: LC]**

CDM132 ALUMNI ASSOCIATION: UPDATE (CDM51)

The Committee had previously discussed the establishment of a WCS Alumni Association. Since then a number of discussions had taken place to explore the feasibility and sustainability of establishing an Alumni Association, which would be open to former students of the College and its legacy colleges. Advice had been sought from an external consultant who had indicated that this should be used to enhance the student experience and to promote the interests and educational aims of the College. While fund raising would be part of it, it would be used primarily to keep alumni interested and involved in the work of the College in order to build up a community and to provide opportunities for alumni to 'give something back' to the College. A Short Life Working Group had been established to discuss how best to progress this matter and some priority targets had been agreed. A phased approach would likely be taken so that the College could start in one, or a few areas, and build on this. Some additional resource might be required to support this activity.

The Committee welcomed this information and was clear that the costs and benefits needed to balance out. It was **agreed** that a further progress report be made to the next meeting. **[Action: LC; DO'H]**

CDM133 BOARD DEVELOPMENT ACTION PLAN (BM355.2)

The Board had approved the Board Development Action Plan at its meeting in March 2017, which had contained some specific actions for this Committee to

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

- [REDACTED]
- [REDACTED]

[REDACTED]

- [REDACTED]

[REDACTED]

ANNEX 1

West College Scotland
Board of Management
Corporate Development Committee

Statement of Purpose

The Board provides the principal governance mechanism through which activities are managed in accordance with legislation and regulations, as well as ensuring that systems are in place to provide efficiency, effectiveness and economy. However, the Board has delegated some of its responsibilities to certain committees.

The main purpose of the Corporate Development Committee is to support the development of West College Scotland's vision, direction and objectives for corporate and sustainable development and growth, aligned with the needs of industry.

In addition to monitoring and approving activity from within the area of Corporate Development as appropriate, the Committee will be 'developmental' in nature with time spent considering new approaches and challenging and developing new ideas. The Committee will seek to include invited input from industry and sector experts to support its work.

1. Remit

- a) To ensure that the College builds its external reputation and is established as a preferred 'partner of choice'
- b) To ensure that the College builds appropriate strategic partnerships that support the delivery of the College's vision and business portfolio
- c) To ensure the College becomes a leader in the use of technology to enhance learning and the educational experience
- d) To ensure that the College manages and develops its strategy to maximise additional income and develop new opportunities for the College
- e) To receive regular reports on activity and income from Corporate Development
- f) To advise the College Executive and Managers on strategic issues
- g) To make recommendations to the Board on strategic issues relating to externally funded initiatives
- h) To receive reports on the risks associated with external funding and make appropriate recommendations to the Board
- i) To ensure the development and communication of the College Corporate Plan
- j) To consider risk relating to the matters that fall within the Committee's remit and to agree what mitigating factors/actions are in place and what further action, if any, needs to be taken to address such matters of risk.

Any other factors as required by the Board of Management

2. Membership

Membership of the Committee will comprise:

The Principal and at least two members of the Board of Management, one of whom will Chair.

Attending;

Vice Principal Corporate Development
Corporate Development Directorate (Communications, Policy & Planning/Business & Enterprise/Technology & Innovation)

The Committee is empowered to invite other members of the Senior Management/Executive team to attend meetings of the Committee.

The Committee is empowered to invite external advisors and stakeholders as appropriate to contribute to discussions.

The Committee is empowered to co-opt additional members, subject to approval by the Nominations Committee.

Other Board members can attend the meetings, with the approval of the Chair of the Corporate Development Committee.

Committee members will be appointed to serve a four- year term, or for the period of their term of office.

The Chair of the Board of Management will be an ex- officio member of the Committee

3. Frequency of Meetings

Normally will meet four times per year, but at least three times per year. Additional meetings will be convened as necessary.

4. Quorum

A quorum will be two members of the Board of Management.

5. Secretariat

Secretary to the Board of Management.

Papers for meetings will be sent out 7 days in advance of meeting.

The Committee will report to the Board of Management and the minutes of its meetings will be circulated to the Board for information.

6. Review

The Remit will be subject to review annually

TITLE: **AUDIT COMMITTEE**
Minutes of the meeting held on 8 June 2017

Background: The minutes of the meeting of the Audit Committee held on 8 June 2017 were not ready in time for the Board meeting on 21 June 2017. Chair of the Committee, therefore, provided an oral report to the Board.

Action: The minutes of the meeting are attached for information.

Lead: John McMillan, Chair of Audit Committee

Status: Open

AUDIT COMMITTEE

MINUTES: 8 June 2017

Present: John McMillan (in the Chair)
Andrew Hetherington, Robin Downie, Stephen Vere.

Attending: Alan Ritchie (Director of Finance and Estates), Gwen McArthur (Secretary to the Committee).

Attending by

invitation: Chris Brown, Scott-Moncrieff, Internal Auditors; Lucy Nutley, Mazars, External Auditors; Graeme Bold (Observer).

Apologies: Audrey Cumberford, David Alexander.

AM253 DECLARATION OF INTERESTS

John McMillan declared an interest as a Trustee of West College Scotland Foundation. Stephen Vere declared an interest as a Director of C3 Investments in Ayrshire College Education Limited.

AM254 APPOINTMENT OF CO-OPTED MEMBER

The Committee noted that the College had been approached and asked if it would wish to be involved in the Scottish Government/Standard Life pilot programme. This would mean that the Scottish Government Public Appointments team would match the College to an appropriate individual from Standard Life who would then be co-opted to join the Audit Committee for a period of one year in the first instance. The Chair of the Board and the Chair of Audit Committee both supported this initiative, as did the Nominations Committee at its meeting on 23 May 2017.

The Committee was pleased to note that Graeme Bold, Strategy Director at Standard Life, has been identified through this programme and he had been invited to attend this meeting. The Board would be asked to formally approve his co-option to this Committee at its next meeting. On behalf of the Committee the Chair welcomed Mr Bold to his first meeting.

AM255 MINUTES

The minutes of the meeting held on 9 March 2017 were approved.

AM256 ACTIONS FROM THE MINUTES

The Committee noted a report on the actions taken since the last meeting and particularly the following:

- .1 Governance Effectiveness Review (AM240.3)** – it was noted that the Governance Effectiveness Review was complete and the Review Report and Board Development Action Plan had been finalised and submitted to SFC by the deadline of 31 March 2017. The Report and Action Plan had also been circulated to all Board and Committee members and was available on the College website.
- .2 Internal Audit Report: Student Experience-Students Association (AM244)** – it was noted that the Student Partnership Agreement had been considered by the Learning, Teaching and Quality Committee at its meeting in May and would be considered by the Board at its next meeting.
- .3 Procurement and Commercial Improvement Programme (AM249)** – the Director of Finance and Estates informed the Committee that he and the Vice Principal Operations were due to meet with APUC (Advanced Procurement for Universities and Colleges) at the end of June. Feedback from this meeting would be provided to the Committee at its next meeting. **[Action: AR]**
- .4 Publication Scheme for Board and Committee Papers (AM224.1)** – the Audit Scotland Report on Scotland’s Colleges, published in June 2016, had provided comment on the need for transparency in governance and decision-making procedures. Since then the College had been working to improve the College website to make more information on the work of the Board and its Committees accessible. A draft publication scheme for Board and Committee papers had been prepared and was currently being further refined. In discussion of this matter it was queried if the Strategic Risk Register should be published in its current format as it provided a significant amount of detailed information. It was **agreed** that the Committee would consider this further at its next meeting. **[Action: GMcA]**
- .5 Judicial Review (AM188)** – the Committee noted that the judicial review into the removal of the Board at Glasgow Clyde College had been completed and the findings published. The Judge had focussed on the collective responsibility of the Board (as set out in the legislation) and had, therefore, found against the individuals so that the order to remove all the Board members would stand. This would have implications for all College Board members, particularly if they were not present at the Board meeting when a particular decision was taken. This would also have implications for the Audit Committee whose role was to provide assurance to the Board, particularly when considering the future sustainability of the College. The External Auditors were expected to provide an assurance on the ‘going concern’ basis, but this was difficult to do as the information on future funding was only provided 1 year ahead at a time, and this

information was normally only available a few months before the start of the next financial year for the College. It would be helpful if the External Auditors could draw attention to this in their report to emphasise the difficulties this posed for long term planning. **[Action: LN]**

AM257 FUNDING SETTLEMENT FOR THE COLLEGE (AM247)

The Committee received a tabled paper that showed the final funding the College would receive from SFC in 2017/18. It was noted that the College would receive a slight increase in overall funding, of £97,203 or 0.18%, over the previous year. However, much of this was due to the increased activity that the College was expected to deliver in 2017/18. This increase in funding was against a background of [REDACTED] cost of living rise in staff salaries and the outcome from further National Bargaining negotiations which would have financial implications for the whole College sector. The Committee noted that the Finance and General Purposes Committee had considered the Budget for 2017/18 which would now be forwarded to the Board meeting later in June for consideration and approval.

AM258 COMMITTEE REMIT AND MEMBERSHIP (AM240.1)

It was noted that, in light of the Governance Effectiveness Review, a minor addition had been made to the remit of the Committee. The Committee noted the revised remit.

AM259 ANNUAL EVALUATION OF INTERNAL AUDITORS (AM248)

The Committee noted feedback obtained from the annual evaluation of the Internal Auditors. The Committee was pleased to note that this feedback was very positive. The Internal Auditors were considered to be performing well and providing constructive input to the College.

AM260 WHISTLEBLOWING POLICY AND PROCEDURE (AM240.2; 228)

The Committee received the revised Whistleblowing Policy and procedure which had been updated following the review by Internal Audit. In discussion the Committee commented on the following:

- The procedure stated that the SFC had to be notified on the receipt of allegations prior to the initial stages of any investigation. However, it wasn't clear how this fitted in with the remainder of the procedure.
- It wasn't clear how any individual(s) who was the subject of such an allegation would be protected until an investigation was undertaken and the outcomes known. It was noted that once an investigation started other procedures would come into play which would provide some protection until the outcome was known.
- There were a number of minor editing and typographical corrections to be made.

Financial Statements to conduct these other 4 audits. However, given that Mazars were new to the College and the Scottish College sector it was considered that they would need some time to gain a full understanding of the operations and risk profile of the College. Following discussion with Mazars it was agreed that for the 2016/17 audit they would conduct the audit of the Financial Statements, but another firm would be contracted to conduct the 4 additional audits.

Quotes to conduct this work had been sought and Wylie & Bisset had provided the lowest quote. It was noted that Wylie & Bisset, the previous External Auditors, would undertake the 4 additional audits for the year ended 31 July 2017 only. [REDACTED] The Committee **approved** this appointment.

AM263 GOVERNANCE COMPLIANCE AND REGIONAL OUTCOME AGREEMENT OUTCOMES (AM241; 189)

The Committee noted the report on how the College complied with corporate governance requirements, in particular with the Financial Memorandum with SFC, the Scottish Public Finance Manual (SPFM), and the Code of Good Governance for Scotland's Colleges. Information had also been included in this report to demonstrate how the Committee had met its requirements in relation to the relevant areas of the 2016/17 Regional Outcome Agreement. The Committee welcomed this report and the assurance it provided.

In discussion the Committee considered the matter of reporting on value for money. The Internal Auditors did consider this as part of all their reviews but tended to report back in terms of efficiency and effectiveness of the processes in place rather than badging it specifically as value for money. The Director of Finance and Estates indicated that value for money was becoming increasingly important within the College and it might be helpful if a better definition of what was meant by this and how this was reported back would be useful to the Committee and the auditors. It was **agreed** that the Director of Finance and Estates provide a paper to the next meeting setting out the value for money policy within the College. **[Action: AR]**

The Committee also noted that the Principal had provided a Certificate of Assurance to the Accountable Officer of the SFC for the period April 2016 to March 2017.

AM264 CORPORATE DASHBOARD OF PERFORMANCE MEASURES

The Committee noted that the College was in the process of developing a corporate dashboard of performance measures and each Committee had been asked to identify what the key indicators would be for their area. In

considering this matter the Committee was of the view that for this Committee the main measures would be: an unqualified audit report from the External Auditors; and the main findings of the reports from the Internal Auditors and any actions required. It was considered that this should be sufficient to provide the assurance necessary. **[Action: AR]**

AM265 ANNUAL REVIEW OF EFFECTIVENESS OF THE COMMITTEE (AM190)

The annual review of the effectiveness of the Audit Committee had taken place and the feedback obtained had been analysed with a report of the main outcomes provided to the Committee for consideration. The Committee was pleased to note that the feedback obtained was positive. A few matters had been raised and further action would be taken as appropriate. The Committee considered two matters in particular:

- A point had been raised relating to the Chair of the Audit Committee and his membership of other committees. The Committee was of the view that some crossover of membership between committees was useful, but the Chair of the Audit Committee should not chair any other committee.

- A comment had been made in relation to the level of co-operation between the Internal and External Auditors. Both sets of auditors confirmed that they co-operated and shared information as appropriate. The Committee was also aware that all reports from both the Internal and the External Auditors came to the Committee and were, therefore, shared between the auditors.

The Committee welcomed and **approved** the Annual Review of Effectiveness of the Audit Committee 2016/17.

AM266 RISK MANAGEMENT: STRATEGIC RISK REGISTER (AM250)

The Committee considered the Strategic Risk Register. It was pleased to note that this was now a standard report and was reviewed by the Board and each of the Committees at every meeting. It was also regularly reviewed by the Senior Management Team (SMT) at its meetings throughout the year. In discussion the following matters were considered:

- The Nominations Committee had raised the risk of failing to attract suitable candidates to apply to join the Board and how this might impact on the gender balance of the Board. The Committee noted that the Equality, Diversity and Inclusion Manager would be conducting a review of the Board processes and procedures. However, the Committee considered the main risk was not from failure to attract good quality candidates but that the Board was ineffective. The effectiveness of the Board was reviewed annually and externally

reviewed every 3 years, so this would highlight any issues with performance and mitigating action could be taken as appropriate.

- It was queried if security of the IT systems and infrastructure was causing any challenges, particularly in light of some of the recent cyber-attacks. It was noted that there were a number of security measures and mitigating actions already in place and the College would shortly be entering into an APUC shared service during session 2017/18 which would provide further security measures. Also Internal Audit would be reviewing this area in 2017/18 and would highlight any further actions or improvements that could be made.
- It was queried if the training on risk management should be updated annually, not just for staff but also for the Board and Committee members. It was **agreed** that this would be explored further.

The Committee welcomed this information and **agreed** that the Strategic Risk Register be approved and some further consideration be given to the matters raised above. **[Action: DA; AR]**

AM267 PROPOSED DATES OF MEETINGS IN 2017/18

The Committee received a paper setting out the proposed dates of meetings for the Board and Committees in 2017/18. In considering this information the Committee **agreed** that it would meet on the following dates in 2017/18:

7 September 2017
14 December 2017
8 March 2018
24 May 2018

All Thursdays starting at 4.00 p.m.

Also Tuesday 21 November 2017 at 4.00 p.m. for the Joint meeting with the Finance and General Purposes Committee.

AM268 INTERNAL AUDIT REPORTS

.1 Workforce Planning

The Committee received the Internal Audit Report on Workforce Planning. It was noted that the aim of this review had been to assist the College in its own review of workforce planning and management arrangements and to help identify areas where further improvement could be made. This review highlighted a number of areas where the College planning arrangements already aligned with best practice, as highlighted in Audit Scotland's "Public Sector Workforce Good Practice Guide". It also identified a number of areas where further improvement could be made. It was noted that the People Strategy, the Resourcing Plan and the Corporate Plan had still to be fully aligned, which would help prioritise the

key objectives and operationalise the People Strategy. The recommendations contained within this report would be included in the Rolling Audit Action Plan so that the Committee could monitor progress. The Internal Auditors would include some time in its plan for next year to follow-up on the recommendations in this report and benchmark progress. It was noted that not all colleges had workforce plans in place.

The Committee welcomed this report and **agreed** that

- i. The Organisational Development and HR Committee consider the Internal Audit Report; **[Action: GMcA]**
- ii. The Internal Auditors conduct a benchmarking exercise on progress of the College as part of its internal audit work in 2017/18. **[Action: CB]**

.2 Curriculum Planning

The Committee noted the internal Audit Report on Curriculum Planning. The Internal Auditors had considered the processes in place for planning the curriculum within the College, which included a review of how well the process was managed and how changes were communicated. The Report contained four improvement actions which had been accepted by the SMT and were currently being taken forward. The Committee welcomed this very positive report and noted that the actions for improvement had been accepted. It was **agreed** that the Report be forwarded to the Learning, Teaching and Quality Committee for consideration at its next meeting.

[Action: GMcA]

.3 Estate and Asset Management

The Committee received the Internal Audit Report on the review of Estate and Asset Management and was pleased to note that this was a very positive report which provided an assurance that the Estate Strategy and planning arrangements being developed by the College were considered to be generally robust. Some areas for improvement had been identified in relation to both the Estate Strategy planning arrangements and the asset management arrangements. It was noted that regular reports were made to the Estates Committee on progress with implementation of the Estate Strategy. These reports usually contained information on action taken by management. However, it was queried if this was in line with the Estate Strategy. It was **agreed** that this report be forwarded to the Estates Committee for consideration.

[Action: GMcA]

AM269 INTERNAL AUDIT PROGRESS REPORT 2016/17 (AM243)

The Committee received the progress report from the Internal Auditors for the period to June 2017 and was pleased to note that Internal Audit were on track to deliver the 2016/17 audit plan as previously agreed with

the Committee. The Committee welcomed this report and **approved** the Internal Audit plan for the next quarter.

AM270 ROLLING AUDIT ACTION PLAN (AM245)

The Committee noted the updated Rolling Audit Action Plan 2016/17. It was pleased to note that 32 recommendations had been fully implemented; 6 had been fully implemented pending review by the External Auditor; and only 8 were partially implemented. An extension of time had been sought in relation to 6 recommendations. In light of the information presented the Committee **agreed**:

- i. an extension of time be granted to 6 recommendations;
- ii. the Rolling Audit Action Plan be approved.

The Director of Finance and Estates informed the Committee that the format of the report would change in the future as the College moved to a centrally accessible electronic system developed and run by Scott-Moncrieff. This would provide 'live' information that would be shared between the College and the Internal Audit team. Hard copy reports would continue to be provided to the Committee members.

AM271 DRAFT INTERNAL AUDIT ANNUAL PLAN 2017/18

The Committee received the draft Internal Audit Annual Plan 2017/18 and noted the proposed areas to be reviewed and the number of days for each. In consideration of this plan the following points were discussed:

- the Committee considered that the proposal to review the controls in place for student records (C3) should not proceed as this duplicated other work undertaken elsewhere;
- more time should be allocated to the review of IT security systems in place (D1) as this was a high risk area and in light of other recent cyber attacks in the UK.

The Committee **agreed** that the Internal Audit Annual Plan for 2017/18 be revised in light of the above comments and brought back to the next meeting for consideration and approval. **[Action: CB]**

AM272 REPORT ON OPERATIONAL PLANNING IMPLEMENTATION (AM242; 224.2)

The Committee noted that the Corporate Development Committee had considered the Internal Audit Review Report on Operational Planning. The Committee noted a paper that provided an update on progress against the individual recommendations contained in the Internal Audit Report. The Committee was pleased to note the progress made.

AM273 SCHEDULE OF BUSINESS 2016/17

The Committee noted its Schedule of Business 2016/17.

[REDACTED]

AM275 NEXT MEETING

The next meeting would be on Thursday 7 September 2017 at 4.00 p.m. at the Greenock Campus. This would be preceded by a tour of the Greenock Campus at 3.00 p.m.

GMcA/20.06.17/Final

TITLE: **AUDIT COMMITTEE**
Minutes of the meeting held on 7 September 2017

Action: There are no recommendations but there are some matters for report.

The Committee approved a number of policies as follows:

- **Whistleblowing Policy and Procedure (AM283)**
- **Fraud and Corruption Policy (AM284)** – a copy of this policy is provided for information at Paper 14.2 (a) as all Board members need to be aware of their responsibilities in this area.
- **Value for Money Policy (AM285)**

AM286 National Fraud Initiative (NFI)

The College had taken part in the NFI. The Committee was pleased to note that there had been no instances of fraud to report. The External Auditors had reviewed the information and had confirmed that they had no concerns and the College had complied with all the requirements of the NFI.

AM299 Risk Management: Strategic Risk Register

The Committee noted the Strategic Risk Register which had been updated to take account of the new General Data Protection Regulations that would come into force in May 2018.

Lead: John McMillan, Chair of Audit Committee

Status: Open, except for AM276 which is restricted

AUDIT COMMITTEE

MINUTES: 7 September 2017

Present: John McMillan (in the Chair)
Andrew Hetherington, Graeme Bold, Robin Downie, Stephen Vere.

Attending: Audrey Cumberford (Principal), David Alexander (Vice Principal Operations), Alan Ritchie (Director of Finance and Estates), Gwen McArthur (Secretary to the Committee).

Attending by

invitation: Elizabeth Young, Scott-Moncrieff, Internal Auditors; Lucy Nutley, Mazars, External Auditors – Neither were present for item AM276.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

The Internal and External Auditors joined the meeting.

AM277 WELCOME

The Chair welcomed everyone to the first meeting of the new session and, in particular, Graeme Bold who had now been co-opted to membership of the Committee.

AM278 DECLARATION OF INTERESTS

John McMillan, Audrey Cumberford and David Alexander declared an interest as Trustees of West College Scotland Foundation. Stephen Vere declared an interest as a Director of C3 Investments in Ayrshire College Education Limited.

AM279 MINUTES

The minutes of the meeting held on 8 June 2017 were approved subject to the following amendments:

.1 AM261 Audit Strategy Memorandum

Paragraph 4, end of first sentence should be amended to read:
'which would have an impact on the content of the final audit opinion'.

.2 AM264 Corporate Dashboard of Performance Measures

Second sentence after the colon:
Delete: 'a clean audit report'
Insert: 'an unqualified audit report'.

AM280 ACTIONS FROM THE MINUTES

The Committee noted a report on the actions taken since the last meeting and particularly the following:

.1 Procurement Improvement Plan (AM256.3) – the Director of Finance and Estates informed the Committee that he had met with APUC (Advanced Procurement for Universities and Colleges) to discuss the College's Procurement Improvement Plan (PCIP) and to seek guidance from them regarding other bodies, who were considered to use best practice, that he could meet with to discuss how the College could improve. He had no further information on this yet, but APUC were coming into the College to conduct an interim review of the PCIP Action Plan and further information would be sought from them at that point. The Committee would be kept informed of progress. **[Action: AR]**

.2 Publication Scheme for Board and Committee Papers (AM256.4) – it was noted that there had been no change to the draft publication scheme for Board and Committee papers. In relation to publication of the Strategic Risk Register, this had already been published in this form for some time. It was considered that no further action was required but that

cognisance should be taken of the audience likely to be reading the risk register.

- .3 Corporate Dashboard of Performance Measures (AM264)** – it was noted that this information had been provided to the Corporate Development Committee at its meeting earlier in the week. The Vice Principal Corporate Development would be producing a report for consideration by the Board in light of all the responses provided by the Committees and the Committee would be kept informed of developments.
[Action: AR]

AM281 REMIT, MEMBERSHIP AND DATES OF MEETINGS (AM258)

The Committee noted its remit, membership and dates of meetings in session 2017/18. In relation to its remit the Committee **agreed** that no further changes be made to it at present.

AM282 MONITORING OF REGIONAL OUTCOME AGREEMENT (AM263)

The Committee noted background information on the process used to update the Regional Outcome Agreement (ROA) annually and the key objectives of the ROA for the period 2017/18 – 2019/20. The Vice Principal Operations had provided a paper setting out the processes to be used to monitor the ROA outcomes that fell within the remit of the Committee, which related primarily to governance, in order that the Committee could report to the Board in June 2018. The Committee welcomed this information and **agreed** the processes to be used to monitor the required ROA outcomes.

AM283 WHISTLEBLOWING POLICY AND PROCEDURE (AM260)

The Committee received the revised Public Interest Disclosure (Whistleblowing) Policy and procedure which had been revised in light of the comments made at the last meeting. Legal advice had also been sought in relation to this policy update. The Committee was satisfied with the changes made and

RESOLVED that the revised Public Interest Disclosure (Whistleblowing) Policy and procedure be approved and be made available on the College website.
[Action: DG]

It was noted that the accompanying Guidance Notes for Managers had been amended to ensure consistency with the revised policy and procedure and that this would now be published on the staff intranet.

AM284 FRAUD AND CORRUPTION POLICY

The Committee considered the Fraud and Corruption Policy which had been recently revised to ensure that it remained in line with current best practice. Legal advice had also been sought to ensure the policy was fully

compliant. Once approved this policy would be placed on the staff intranet and appropriate briefing and/or training would be made available to all staff. The Committee confirmed that it was satisfied with the changes made and

RESOLVED that the Fraud and Corruption Policy be approved.

Copies of this policy would be provided to all Board members to ensure that they were aware of their responsibilities in this area. **[Action:GMcA]**

AM285 VALUE FOR MONEY POLICY (AM263)

The Committee considered the Value for Money Policy which had been produced based on current best practice. This policy made clear that it was not just about cost, but about taking other factors into account as well e.g. effectiveness, quality and fitness for purpose. This policy provided guiding principles designed to ensure that decision-making, and subsequent service provision, represented the best value that could be achieved. The Internal and External Auditors also considered value for money as part of their audit process and the External Auditors produced a report on all colleges for Audit Scotland. The Committee welcomed this and

RESOLVED that the Value for Money Policy be approved.

AM286 NATIONAL FRAUD INITIATIVE

The Director of Finance and Estates informed the Committee that the College had taken part in the National Fraud Initiative (NFI) which had been piloted in a limited number of colleges during 2015/16. The NFI in Scotland was a counter-fraud exercise led by Audit Scotland. The Committee noted the questionnaire used by the NFI and the information the College had provided. The Committee was pleased to note that there were no instances of fraud to report. The External Auditors had been required by Audit Scotland to review the NFI arrangements in place at the College. The Committee was pleased to note that the External Auditors had confirmed that they had no concerns and that the College had complied with all the requirements of the NFI reporting. While there had been a number of areas that fell into the 'amber' category, the External Auditors were of the view that this was because it was the first time through this exercise. They had proposed some recommendations for improvement, particularly regarding NFI awareness, which were now being taken forward within the College and would move most of the 'amber' matters to 'green'. The Committee welcomed this report and **agreed** the next steps to be taken as proposed by the Director of Finance and Estates. The Committee would be kept informed of progress.

[Action: AR]

AM287 AUDIT SCOTLAND REPORT – SCOTLAND’S COLLEGES 2017

The Committee noted the Audit Scotland Report – Scotland’s Colleges 2017 and the key recommendations this report contained. The College was already addressing those issues that were relevant to it and the Committee supported the actions being taken.

AM288 ANNUAL REPORT FROM THE COMMITTEE TO THE BOARD

The Committee considered its draft Annual Report to the Board for 2016/17. It was proposed that reference to participation in the NFI initiative (see AM286 above) should be included in this report.

The Committee **agreed** that, subject to some minor amendments, the Annual Report for 2016/17 be approved and be forwarded to the Board for its meeting in December 2017. **[Action: AR]**

AM289 INTERNAL AUDIT REPORT: BUSINESS CONTINUITY AND DISASTER RECOVERY

The Committee received the Internal Audit Report on Business Continuity and Disaster Recovery. The Committee welcomed this report and noted that 5 recommendations for improvement had been made. The most important of these was the need to conduct a business impact analysis as this was considered critical to developing recovery strategies and business continuity plans to minimise the impact of any disruption to the business of the College. This would be progressed as a matter of some urgency with the aim of completing this by December 2017, with the other recommendations being completed by either March or May 2018 as set out in the report. The Committee noted the actions being planned and was aware of the resourcing implications required to complete this. It was also proposed that College staff should meet with staff in other organisations who were currently undertaking similar actions so that they could learn from each other. All the recommendations would be captured in the Rolling Audit Action Plan and so the Committee would receive regular reports on progress. It was **agreed** that the Committee would return to consider the recommendations emerging from this report in some detail at its meeting in March 2018. **[Action: DA; AR]**

AM290 INTERNAL AUDIT FOLLOW-UP REPORT

The Committee received the Follow-Up Report from Internal Audit. This confirmed that the College had made good progress in implementing the agreed actions from previous internal audit reviews with only 21 actions outstanding, from a total of 53, of which 11 actions had not yet reached their due date. The Report also confirmed that all aged actions were now complete. The Committee welcomed this report and noted the information contained in it.

AM291 INTERNAL AUDIT: PROGRESS REPORT (AM269)

The Committee received the Progress Report from the Internal Auditors which confirmed that all reviews to be undertaken in 2016/17 were now complete. The Committee welcomed this information and **approved** the Internal Audit plans for the next quarter.

AM292 INTERNAL AUDIT ANNUAL REPORT 2016/17

The Committee welcomed the Draft Annual Report from the Internal Auditor for 2016/17. The Internal Auditors had achieved their audit plan for the year and could confirm that they had not identified any major control weaknesses. They had identified the key themes arising in 2016/17 which the Committee found helpful.

The Committee was pleased to note this and also the opinion of the Internal Auditor that, on the basis of the work undertaken during 2016/17, 'West College Scotland has an adequate and effective framework of governance, risk management and internal control, and proper arrangements are in place to promote value for money and deliver best value in the achievement of organisational objectives'. The Committee **agreed** it was satisfied with the Draft Internal Audit Annual Report 2016/17. The final Annual Report would be presented to the Joint meeting of the Audit and Finance and General Purposes Committee at its meeting in November.

AM293 ROLLING AUDIT ACTION PLAN (AM270)

The Committee noted the Rolling Audit Action Plan 2017/18. It was pleased to note that 32 recommendations had been fully implemented and **approved** their removal from the Plan. The Committee also **approved** an extension of time to the anticipated completion dates of 6 recommendations. In light of the information presented and the decisions taken above, the Committee **agreed** that the Rolling Audit Action Plan be approved.

AM294 INTERNAL AUDIT ANNUAL PLAN 2017/18 (AM271)

It was noted that the Internal Audit Annual Plan for 2017/18 had been updated in light of the comments made at the last meeting. The Committee **agreed** that the Internal Audit Annual Plan for 2017/18 be approved.

AM295 EXTERNAL AUDIT PROGRESS REPORT (AM261)

The Committee noted a report from the External Auditors on progress made in delivering their responsibilities. Mazars had undertaken an initial visit during the summer which had included scrutiny of the controls in place at the College as well as a review of the information supplied in relation to the National Fraud Initiative (see AM286 above). The

Committee welcomed this report and noted the key issues emerging nationally which would be taken into account.

AM296 ACCOUNTS DIRECTION FOR SCOTLAND'S COLLEGES 2016/17

The Committee noted the Accounts Direction for Scotland's Colleges 2016/17 which had been issued by the Scottish Funding Council (SFC).

AM297 ACCOUNTABILITY REPORT – CORPORATE GOVERNANCE

The Committee considered the Corporate Governance Statement that would be published in the Accountability Report section of the annual accounts. It was noted that some information was not available yet but would be included in the final edition which the Committee would see at the Joint meeting in November. The Committee confirmed that it was satisfied with the information provided to date.

AM298 ANNUAL REPORT ON PUBLIC INTEREST DISCLOSURE, FREEDOM OF INFORMATION/DATA PROTECTION, REGISTER OF INTEREST AND GIFTS & HOSPITALITY

The Committee noted the above Annual Report.

AM299 RISK MANAGEMENT: STRATEGIC RISK REGISTER (AM266)

The Committee considered the Strategic Risk Register and noted the changes that had been made since the last edition, which included the addition of the General Data Protection Regulations (GDPR) that would come into force in May 2018. It was noted that, in relation to the impact of National Bargaining, further information should be available by the time of the next meeting in December. It was also noted that it was the intention to bring a revised Risk Management Strategy to the December meeting for consideration. The Committee welcomed this information and **agreed** that the Strategic Risk Register be approved.

AM300 SCHEDULE OF BUSINESS 2017/18

The Committee noted its Schedule of Business 2017/18.

AM301 TOUR OF GREENOCK CAMPUS

The Committee members confirmed that they had found the tour of the Finnart Street buildings at the Greenock Campus, which had taken place immediately prior to the meeting, very useful.

AM302 NEXT MEETINGS

Tuesday 21 November 2017 at 4.00 p.m. at the Clydebank Campus – joint meeting with Finance and General Purposes Committee; and Thursday 14 December 2017 at 4.00 p.m. at the Paisley Campus.

TITLE: ESTATES COMMITTEE
Minutes of the meeting held on 12 September 2017

Action: There are two recommendations for consideration and a number of matters for report.

1. Recommendations

i. EM236 Remit, Membership and Dates of Meetings

The Committee was of the view that, under the Membership section, an amendment could be proposed so that any Board member could attend the Committee meetings with the approval of the Committee Chair, rather than restrict it to the Chairs of other committees. The Committee, therefore **RECOMMENDS** to the Board that the wording of the Committee Membership be amended so that it now reads

'Other Board members can attend the meetings, with the approval of the Chair of the Estates Committee' – as detailed in Annex 2 to the minutes.

ii. EM247 Paisley Campus: Options Appraisal and Outline Business Case – this will have been discussed at agenda item 11.

2. Matters for Report

EM234.3 Inchinnan/Oakshaw Project – some of the Committee members had visited the buildings to see the work that has been undertaken. It was noted that, of the sub-projects involved, 4 were now complete, 2 would be completed shortly, and 1 would be completed in a few weeks time. The remaining sub-projects had been delayed and would be completed by Christmas. This would not impact on the curriculum as the existing workshops were continuing to be used until the new facilities were ready.

EM239 Estates Maintenance Plans 2016-22 – the Committee was disappointed to note that SFC had confirmed that the level of funding for the College for 2017/18, £1.976M, was lower than for the previous year by some £449k (18.5%).

EM244 Cladding on Buildings – following the fire in the Grenfell Tower block in London, external consultants had been brought in to assess the external cladding on College buildings. The Committee was pleased to note that, to date, the external cladding had been confirmed as fully compliant with the safety specifications. Further confirmation was being sought and the Committee would be informed of the outcome.

Lead: Nick Allan, Chair of Estates Committee

Status: Open, except for items EM246 & 247 which are restricted as they are commercially sensitive.

ESTATES COMMITTEE

MINUTES: 12 September 2017

Present: Nick Allan (in the Chair), Andrew Hetherington, Keith McKellar and John McMillan.

Apology: Audrey Cumberford

Attending: David Alexander (Vice Principal Operations), Stephanie Graham (Vice Principal Educational Leadership), Alan Ritchie (Director of Finance and Estates), Peter Thorne (Head of Estates) and Gwen McArthur (Secretary to the Committee).

Attending by

Invitation: Martin Hamilton, Director, Turner and Townsend Project Management; L Christie, Reiach and Hall (for items EM231, 232, 246 & 247).

EM231 DECLARATION OF INTERESTS

John McMillan and David Alexander declared an interest as Trustees of the West College Scotland Foundation.

EM232 MEETING OF BOARD MEMBERS TO DISCUSS CAMPUS DEVELOPMENT PLANS

Immediately prior to the formal meeting of the Estates Committee a meeting was held with other members of the Board present to discuss the future Campus Development plans for the College. A note of this meeting is at Annex 1 and the outcomes of this discussion fed into the decisions taken by the Committee at its meeting – as noted later (Annex 1 is restricted as it contains commercially sensitive information).

EM233 MINUTES

The minutes of the meeting held on 30 May 2017 were approved, subject to the correction of a minor typographical error at EM219.1 – the first sentence would now read 'The Head of Estates provided....'.

EM234 ACTIONS FROM THE MINUTES

The Committee noted the actions taken since the last meeting and updates on the following matters:

.1 Clydebank District Heating System – Update (EM219.3) - the Director of Finance and Estates reported that he was continuing to engage with West Dunbartonshire Council on the development of the District Heating System.

██
██
██

EM237 MONITORING OF THE REGIONAL OUTCOME AGREEMENT (EM225; BM358)

The Regional Outcome Agreement (ROA) for 2017/18 -2019/10 had been approved by the Board at its meeting on 27 March 2017 and submitted to the SFC. The Vice Principal Operations had provided a paper for the Committee setting out the key objectives of the ROA that related to the remit of this Committee and the processes in place to monitor the outcomes of these objectives. The Committee noted this information.

EM238 EMERGING OPPORTUNITIES (EM220)

The Vice Principal Operations provided the Committee with an update on a range of estates matters across the College's main campuses. The College had undertaken, and continued to undertake, a significant programme of engagement with partners in seeking to progress emerging estates opportunities and models. Specific updates were provided in relation to:

- i) Paisley Campus - continued engagement with Renfrewshire Council in terms of Paisley 2021 UK city of culture bid; and ongoing discussions regarding possible developments at the Chivas Brothers site and any potential opportunities for the College to be involved in these.
- ii) Clydebank Campus - the leisure centre development at Queens' Quay, Clydebank was now open and discussions were being held with the Council regarding what access the College might have in terms of undertaking curriculum delivery; discussions were also on-going with the Golden Jubilee National Hospital in progressing key partnership opportunities and the Vice Principal Operations had been invited to join the Expansion Programme Board for the redevelopment and expansion of the hospital.
- iii) Greenock Campus - discussions with the Greenock Morton Community Trust were continuing regarding the development plans for Cappielow Stadium and the surrounding area and the possible involvement of the College in these.

The Committee noted and welcomed the update on these developments and opportunities and supported the College team in taking these forward.

EM239 ESTATES MAINTENANCE PLANS 2016-2022 (EM223)

The Committee noted a report from the Director of Finance and Estates which provided an update in relation to the College Estates Maintenance Plan 2017-2022. The Committee was disappointed to note that SFC had confirmed the level of funding for the College in 2017/18 of £1.976M, which represented a reduction of £449k (18.5%) when compared with the previous year. The estates maintenance funding continued to be allocated on an activity basis rather than on a needs basis, pending completion of a sector wide building conditions survey being undertaken by the SFC. The SFC has advised that it was their intention to use the results of this survey to inform estates maintenance funding from 2018/19, a move the College welcomed.

It was noted that the funding for 2017/18 was now fully committed. Information on projected future spend was noted, this having been included in the 5 year financial forecast submitted to the Board in June. The Committee was aware that the College was doing its best to meet the estates priorities despite the reduction in funding, but should there be a need for major expenditure over the next few years the College would have to take some very difficult decisions unless additional funding was forthcoming. The Committee was aware of the challenges facing the College and also that it was becoming more difficult to compete with other Colleges who had received significant investment in their estate.

EM240 INTERNAL AUDIT REPORT: ESTATES AND ASSET MANAGEMENT

The Committee considered the Internal Audit Report on Estates and Asset Management. This report highlighted areas of good practice and identified four areas for improvement which, once implemented, would strengthen the College's control framework. These had been built into the Rolling Audit Action Plan and their progress would be monitored by the Audit Committee. The Director of Finance and Estates informed the Committee that these points would be taken into account when reviewing the Estate Strategy for the next meeting. The Committee noted the report and welcomed the action proposed.

[Action: AR]

EM241 AUDIT SCOTLAND REPORT 2017

The Committee noted the Audit Scotland Report on Scotland's Colleges 2017 and the recommendations arising from it.

EM242 STRATEGIC RISK (EM226)

The Committee noted the updated strategic risk register.

EM243 SCHEDULE OF BUSINESS 2016/17 (EM228)

The Committee noted its Schedule of Business for 2017/18.

EM244 CLADDING ON BUILDINGS

The Committee noted that, in the light of the fire at the Grenfell Tower block in London, external consultants had been brought in to assess the external cladding on College buildings. This had shown that, for those buildings that did have external cladding, they were fully compliant with the safety specifications and a report had been made to SFC on this matter. However, further confirmation was being sought from the builders to ensure that they had made no changes to the specification of the cladding during the construction process. Once this information was available a further report would be made to the Committee. It was **agreed** that the Board should receive a report on this matter at its next meeting.

[Action: DA]

EM245 NEXT MEETING

Tuesday 14 November 2017 at 4.00 p.m. at the Greenock Campus.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

GMcA/25.09.17/Final

TITLE: ORGANISATIONAL DEVELOPMENT AND HR COMMITTEE
Draft Minutes of the meeting held on 13 September 2017

Action: There is 1 recommendation for consideration and some items for report.

1. Recommendation

OM153 Remit and Membership

The Committee

Recommends to the Board that its remit be amended so that paragraph 4 of the Membership section reads:

"Other Board members can attend meetings with the approval of the Chair of the Organisational Development and HR Committee."

Remit attached for information.

2. Matters for Report

The Committee noted progress with a number of matters including:

- The College Improvement Plan
- Developing the College Dashboard
- People Strategy.

OM155.3 Workforce Planning: Report from Internal Audit

The Committee noted the Internal Audit Report 2016/17 on Workforce Planning. The Committee was pleased to note that the internal auditors had identified a number of areas of good practice within the College. Representatives of the College will also be attending a national workshop on workforce planning in November 2017 to share experience and best practice with other colleagues in the sector.

OM157 Employee Wellbeing Survey and Action Plan

The Committee was delighted to note that the College has retained its Healthy Working Lives Gold Award.

OM163 Scottish Living Wage Accreditation

The Committee was delighted to note that the College would shortly be confirmed as an accredited Scottish Living Wage employer.

Lead: Lyndsay Lauder, Chair, Organisational Development and HR Committee

Status: Open

(DRAFT)

ORGANISATIONAL DEVELOPMENT & HR COMMITTEE

MINUTES: 13 September 2017

Present: Lyndsay Lauder (in the Chair)
Linda Johnston

Attending: David Alexander (VP Operations); Liz Connolly (VP Corporate Development), David Gunn (Director Organisational Development & HR), Gwen McArthur (Secretary to the Board) and Drew McGowan (Secretary to the Committee).

Apologies: Audrey Cumberford, Keith McKellar and Jim Hannigan.

OM150 DECLARATION OF INTERESTS

David Alexander declared an interest as a Trustee of the West College Scotland Foundation.

OM151 MINUTES

The minutes of the meeting held on 17 May 2017 were approved.

OM152 ACTIONS FROM THE MINUTES

The Committee noted the actions taken since the last meeting.

OM153 REMIT AND MEMBERSHIP

The Committee noted that the Corporate Development Committee had agreed to propose an amendment to their remit and membership at their meeting on 5 September. The amendment to the Committee's membership would allow "other Board members to attend the meetings" with the approval of the relevant Committee Chair. The Committee agreed with this proposal and **recommends** to the Board that its remit be amended so that paragraph 4 of the Membership section reads:

"Other Board members can attend meetings with the approval of the Chair of the Organisational Development and HR Committee."

The Committee noted its membership and dates of meetings in 2017/18.

OM154 VOLUNTARY SEVERANCE SCHEME (OM141)

The Committee noted the discussion that took place at the meeting on 17 May 2017 regarding the Voluntary Severance Scheme. Since the previous meeting, the Principal had received communication from the Scottish Funding Council confirming that no additional funding would be made available to the College to support a Voluntary Severance Scheme.

The Committee expressed its disappointment at this update and acknowledged that the Board had approved a balanced budget for 2017/18. The Committee noted that, in light of this development and financial challenges that the college sector will face over the coming years, the College has decided to not continue with the proposed Voluntary Severance Scheme as it is not viable at this time.

OM155 UPDATE FROM DIRECTOR, ORGANISATIONAL DEVELOPMENT & HR

The Director Organisational Development and HR reported on the following matters:

.1 College Improvement Plan: Update (OM142.1)

The Vice Principal Corporate Development updated the Committee on the progress concerning the College Improvement Plan. The Committee heard that there are many strands to the College Improvement Plan, including the Student Journey Project, the development of a new culture framework and a leadership programme, the introduction of a regular forum for support managers and SMT and the continued pilot of Skype for Business. The College is also part of the Scottish Government's recently announced College Improvement Pilot Programme to increase attainment and improve retention. However, the Committee was informed that the progress had been affected by recent industrial action and VP involvement in national bargaining. The Committee **agreed** that the Vice Principal of Corporate Development would provide a written report at the next meeting. **[Action: LC]**

.2 National Bargaining: Update (OM142.2)

The Vice Principal Operations tabled information relating to national bargaining for support and lecturing staff. The Committee was updated on the details of the support staff pay offer, which was accepted after trade union members were balloted, and the developments of the lecturing staff negotiations that resulted in industrial action being suspended in May 2017. The impact of recent developments on the College, and the wider sector, were also discussed. Colleges Scotland will continue to seek clarity from the Scottish Government on funding for the college sector to implement the agreements from the national bargaining process. The Committee will continue to be kept informed of progress. **[Action: AC]**

.3 Workforce Planning: Report from Internal Audit (OM142.3)

The Director, Organisational Development and HR, tabled the West College Scotland Internal Audit Report 2016/17 for the Committee's information. The Committee was given an overview of the report and apprised of a number of recommendations for improvement contained

within it. The Committee was pleased to note that the internal auditors had identified a number of areas of good practice within the College. Representatives of the College will also be attending a national workshop on workforce planning in November 2017 to share experience and best practice with other colleagues in the sector. The Committee will be kept updated of the College's progress of implementing the recommendations contained within the report. **[Action: DG]**

.4 Developing the College Dashboard (OM142.4) (CD131)

The Vice Principal Corporate Development updated the Committee on the work being undertaken to develop a new KPI dashboard for the College. The Committee was informed that the Corporate Development Committee had also discussed the development of the College's dashboard at their recent meeting on 5 September 2017 where they discussed what constituted a KPI across different directorates of the College. Each of the Board committees had considered this matter at previous meetings and provided their input on what performance measures they thought ought to be included in any performance dashboard that would be developed by the College. The Committee **agreed** that Vice Principal Corporate Development would consider all suggestions with the view of producing a paper for the Corporate Development Committee that distinguishes between committee KPIs and corporate KPIs. **[Action: LC]**

OM156 PEOPLE STRATEGY: PROGRESS REPORT (OM144)

The Director Operational Development & HR tabled a summary action plan for implementing the People Strategy for the Committee's information and provided an update on the College's progress on this matter. The Committee **agreed** that a further update will be provided at the next meeting. **[Action: DG]**

OM157 HEALTH AND SAFETY AUDIT

The Committee was informed that the internal auditors had recently undertaken a review of health and safety at the College and that Management would be provided with the draft report in due course. The College does not expect there to be any significant issues to be identified in the report, but anticipates that a few minor issues may need to be addressed. The Committee will be provided with an update of the main outcomes of this review at an appropriate future meeting. **[Action: DG]**

OM158 EMPLOYEE WELLBEING SURVEY – ACTION PLAN (OM129.1)

The Director Operational Development & HR tabled the College's updated Employee Wellbeing Survey and Action Plan for the Committee to note. The Committee welcomed the news that the College had retained its Healthy Working Lives Gold Award (HWL). The Committee noted that

work was being undertaken for a revised HWL Three Year Rolling Plan and **agreed** that this would be presented at an appropriate future meeting. **[Action: DG]**

OM159 EU GENERAL DATA PROTECTION REGULATIONS (GDPR)

The Committee noted a briefing paper provided by the Director Operational Development & HR concerning the EU's General Data Protection Regulations due to come into effect in May 2018. The College established a Working Group of lead by the Head of Organisational Development and HR to form a compliant response to the new legislation. As the introduction of GDPR is a sector-wide issue, the possibility of a shared service – i.e. a Data Protection Officer – was currently being explored. The Committee **agreed** that it would be kept abreast of ongoing developments concerning the GDPR. **[Action: DG]**

OM160 RISK (OM133)

The Committee considered the Strategic Risk Register and noted that the EU General Data Protection Regulations had been added.

OM161 CDN AWARD 2017 – SHORTLIST

The Committee welcomed the news that the College had been nominated for three prestigious College Development Network awards. Teams from across the College have been nominated for the Health-promoting College Award in recognition of the Healthy Working Lives initiative, the Innovative College Award for the STEM Ambassadors Programme, and the Digital Education Award for the delivery of Coding Clubs to schools.

OM162 REPORTS FROM SUB-COMMITTEES

The Committee noted the reports from the following sub-committees:

- i. Joint Consultative and Negotiating Committee for Lecturing Staff meeting of 7 June 2017.
- ii. Joint Consultative and Negotiating Committee for Support Staff meeting of 7 June 2017.
- iii. Health and Safety Committee meeting minutes of 24 May 2017
- iv. Equality, Diversity and Inclusion Committee meeting minutes of 18 May 2017.

OM163 SCOTTISH LIVING WAGE ACCREDITATION

The Committee welcomed news that the College would be shortly confirmed as an accredited Scottish Living Wage employer.

OM164 NEXT MEETING

The next meeting of the Committee will take place on Wednesday 8 November 2017 at 16:00 at the Paisley campus.

DMCG/14.09.17/Final

West College Scotland

Board of Management

Organisational Development and HR Committee

Statement of Purpose

The Board provides the principal governance mechanism through which activities are managed in accordance with legislation and regulations, as well as ensuring that systems are in place to provide efficiency, effectiveness and economy. However, the Board has delegated some of its responsibilities to certain committees.

The main purpose of the Organisational Development and HR Committee is to develop strategy and policy in all matters relating to the recruitment, reward, recognition, retention, motivation and development of the college's employees, taking account of accepted good practice and to ensure that the Organisational Development and HR strategy of the College is clearly derived from the College's Annual Regional Outcome Agreement.

1. Remit

- a) To agree an Organisational Development and HR Strategy for the College, for approval by the Board and to review progress against key milestones;
- b) To ensure that the College complies with all aspects of employment and health and safety legislation;
- c) To monitor effective and efficient use of the College's Human Resources;
- d) To ensure that the College operates effective policies, procedures, systems and administrative controls, including:
 - recruitment and selection
 - equality and diversity
 - continuous professional development
 - employee relations
 - health and safety
 - employee communications
 - payroll
 - Freedom of Information and Data Protection
- e) To agree College Senior Management's collective bargaining remit for discussions with senior staff outwith Recognition and Procedure agreements (with the exception of those covered under the remit of the Remuneration Committee) and in liaison with the Finance and General Purposes Committee;

Organisational Development & HR Committee – Minutes of 17 May 2017

- f) To consider the scope and terms of any voluntary severance scheme to be introduced and to make any recommendations to the Board accordingly; to receive regular monitoring reports from the group established by the Board to manage the voluntary severance scheme for College staff (apart from those falling under the responsibility of the Remuneration Committee): these reports to provide information on the numbers applying, the number of cases approved, the total costs involved and the potential savings to be achieved; to report on a regular basis to the Board on the implementation of the voluntary severance scheme.

The Committee will also report to the Board on any cases that are approved outwith the voluntary severance scheme (e.g. settlement agreements).

- g) To receive regular reports on staff development and training activities;
- h) To manage the annual self-evaluation activities of the Board of Management and its standing committees;
- i) To consider risk relating to the matters that fall within the Committee's remit and to agree what mitigating factors/actions are in place and what further action, if any, needs to be taken to address such matters of risk.

2. Membership

The Principal and three non-executive members of the Board of Management, one of whom will Chair.

Attending:

Director of Organisational Development and HR

The Committee is empowered to invite other members of the Executive and/or Senior Management team to attend meetings of the Committee. It may also invite other members of staff, as appropriate and following consultation with the Principal and/or the Director of Organisational Development and HR, to attend meetings to provide information to the Committee on their areas of expertise.

The Committee is empowered to co-opt additional members, subject to approval by the Nominations Committee.

Other Board members can attend meetings, with the approval of the Chair of the Organisational Development and HR Committee.

Committee members will be appointed to serve for up to four years, or for the period of their term of office.

Organisational Development & HR Committee – Minutes of 17 May 2017

The Chair of the Board of Management will be an ex-officio member of the Committee.

3. Quorum

A quorum will be two Members of the Board of Management

4. Frequency of Meetings

The Committee will meet at least three times per year.

5. Secretariat

Secretary to the Board of Management.

Papers for the meeting will be sent out 7 days in advance of the meeting

The Committee will report to the Board of Management and the minutes of its meetings will be circulated to the Board for information.

6. Review

This remit will be subject to review annually.

TITLE: NOMINATIONS COMMITTEE
Report from the meeting held on 14 September 2017

Action: There are 3 recommendations for consideration and approval. One of these, NM81.2 Re-appointment of Board members will have been discussed at agenda item 8.1. The remaining 2 recommendations are:

1. NM80 Committee Remit and Membership

The Committee

RECOMMENDS to the Board that the following be added to its remit:

- g. *To consider risk relating to the matters that fall within the Committee's remit and to agree what mitigating factors/actions are in place and what further action, if any, needs to be taken to address such matters of risk.*

The Committee remit is attached for information.

2. NM83 Co-Opted Membership: Succession Planning

The Committee

RECOMMENDS to the Board that:

- i. Peter Macleod, Director of Children's Services at Renfrewshire Council, be co-opted to membership of the Learning, Teaching and Quality Committee for the period 10 October 2017 – 9 October 2018;
- ii. The period of appointment of the two co-opted members on the Audit Committee be extended for one further year, so that Robin Downie will be appointed until 15 September 2018, and Stephen Vere until 28 February 2019.

Additionally, the Board may wish to note that the Committee has been considering the committee structure and how best to populate the committees from the Board membership.

Board members are also reminded that the CDN Development Programme for 2017/18 has been circulated and members are encouraged to attend appropriate events, particularly the Induction Training (if members have not already attended).

Lead: Keith McKellar, Chair, Board of Management

Status: Open

WEST COLLEGE SCOTLAND

NOMINATIONS COMMITTEE

MINUTE: 14 September 2017

Present: Keith McKellar (in the Chair)
Matthew Marsden, John McMillan, Mark Newlands.

Attending: Gwen McArthur, Secretary to the Committee.

Apologies: Nick Allan, Mike Haggerty, Jacqueline Henry, Lyndsay Lauder, Alison Mitchell.

NM76 WELCOME

The Chair welcomed Matthew Marsden to his first meeting of the Committee.

NM77 DECLARATION OF INTERESTS

None.

NM78 MINUTES

The minutes of the meeting held on 23 May 2017 were approved.

NM79 ACTIONS FROM THE MINUTES

The Committee noted the actions taken since the last meeting, and particularly the following:

.1 Equality and Diversity (NM71) – the Committee noted that Clare Fraser, Equality, Diversity and Inclusion Manager, would provide a report to the next meeting of the Board in October. In addition to presenting the College's Equality Report 2017 to the Board she would provide comment on the current recruitment and selection processes used when seeking new Board members and advice on possible approaches to be adopted in order to widen diversity in Board membership.

NM80 COMMITTEE REMIT AND MEMBERSHIP (NM70)

The Committee noted its remit and membership. In considering its remit the Committee was of the view that consideration of risk should be added to it. The Committee therefore

RECOMMENDS to the Board that the following be added to its remit:

- h. *To consider risk relating to the matters that fall within the Committee's remit and to agree what mitigating factors/actions are in place and what further action, if any, needs to be taken to address such matters of risk.*

[Action: GMcA]

NM81 MEMBERSHIP OF BOARD (NM72)

.1 New Members

The Committee was pleased to note that 4 new members had recently joined the Board. They were:

Angela Wilson, Non-Executive member, from 1 September 2017;

Matthew Marsden and Nicole Percival, Student Members, from 1 August 2017;

David Watson, Teaching Staff Member, from 13 September 2017.

.2 Re-appointment of Board Members

It was noted that there were 3 members of the Board whose current period of appointment would end in January 2018. They were: Jim Hannigan, Jacqueline Henry and Lyndsay Lauder. All of these members were eligible for re-appointment, and any such extensions to Board membership were subject to both Board and Ministerial approval.

The Chair informed the Committee that he had discussed continuing Board membership with each of the members during their annual review meeting. He was clear that each of these members had performed well during the year, had contributed to the work of the Board and the Committees and had taken part in development events. He was, therefore, proposing that the period of membership of each of these 3 members be extended for a further 4 years, i.e. to 31 January 2022. The Committee concurred with this and

RECOMMENDS to the Board that the period of membership of J Hannigan, J Henry and L Lauder be extended for a further 4 years to 31 January 2022.

[Action: KM]

NM82 MEMBERSHIP OF BOARD COMMITTEES AND SUCCESSION PLANNING (NM72)

The Committee was aware that, following the departure of Joyce White, there was currently no Chair of the Finance and General Purposes Committee. The Committee considered the options open to it regarding the committees and whether it should retain all the committees it currently had and populate them accordingly from the existing Board membership, or whether some re-configuration of committees might be useful. It was acknowledged that with only 12 Non-Executive members and 6 committees (excluding the Remuneration and Nominations Committees) it was quite a stretch for the members to ensure that each Committee was adequately populated so that meetings were quorate. Some Non-Executive members were members of 2 committees in addition to the Board. The Chair informed the Committee that he had discussed different scenarios with some of the Board members to gather in different views. The Committee discussed a number of different options including retaining the status quo and the possibility of merging some committees.

The Committee would discuss this further.

[Action: KM]

NM83 CO-OPTED MEMBERSHIP: SUCCESSION PLANNING (NM73)

At the last meeting there had been discussion about the co-opted membership of two of the Board committees. The Committee noted the following:

Learning, Teaching and Quality Committee: the Chair of the LTQ Committee, Mike Haggerty, and Alison Mitchell, a member of the LTQ Committee, met with Peter Macleod, Director of Children’s Services at Renfrewshire Council to discuss the possibility of him joining this committee. This meeting was very positive and they are now recommending that he be co-opted to membership of the LTQ Committee for 1 year in the first instance.

Audit Committee – there are currently 2 co-opted members on this committee: Robin Downie, co-opted for the period 16 September 2013 – 15 September 2017; and Stephen Vere, co-opted for the period 1 March 2014 – 28 February 2018. The Chair of the Committee, John McMillan, had met with both of these members for their annual review. Both have contributed well to the work of the Committee and the Chair is now recommending that their period of co-option be extended for a further year.

In light of the above information the Committee now

RECOMMENDS to the Board that:

- iii. Peter Macleod, Director of Children’s Services at Renfrewshire Council, be co-opted to membership of the Learning, Teaching and Quality Committee for the period 10 October 2017 – 9 October 2018;
- iv. The period of appointment of the two co-opted members on the Audit Committee be extended for one further year, so that Robin Downie will be appointed until 15 September 2018, and Stephen Vere until 28 February 2019.

NM84 ATTENDANCE AT BOARD AND COMMITTEE MEETINGS 2016/17 (NM75)

The Committee noted the attendance data for the Board and Committee members in 2016/17. The Committee was pleased to note the high level of attendance.

NM85 RISK

The Committee considered risk in relation to the activities it undertook. One of the main risks was considered to be in relation to succession planning and the need to ensure the matching of experience with the right skills in order to provide diversity in Board membership but also be able to populate the committees with the balance of skills and experience required.

NM86 COLLEGE DEVELOPMENT NETWORK (CDN): DEVELOPMENT PROGRAMME 2017/18

CDN had just issued its programme of development events for session 2017/18. It was **agreed** that this be issued to all Board members with a cover note emphasising the need for Board members to attend development training and particularly the Induction training for all Board members. **[Action: GMcA]**

West College Scotland
Board of Management
Nominations Committee

Statement of Purpose

The Board provides the principal governance mechanism through which activities are managed in accordance with legislation and regulations, as well as ensuring that systems are in place to provide efficiency, effectiveness and economy. However, the Board has delegated some of its responsibilities to certain committees.

The purpose of the Nominations Committee will be to consider and make recommendations to the Board on Board appointments ensuring due process is followed, to consider matters of succession planning, and to consider processes in place for the induction, training and development of Board members.

1. Remit

- a. To manage the process for identifying individuals for nomination to membership of the Board of Management, using appropriate search and recruitment methods and following good practice, and to nominate such Board member appointments and extensions of appointments to the Board of Management, all in accordance with the guidance issued by the Scottish Ministers as amended or updated from time to time;
- b. To review and consider the composition and balance of the Board of Management in relation to equality of representation as well as particular skill sets;
- c. To make recommendations to the Board of Management regarding the appointment or reappointment of the Vice Chair of the Board of Management, the Senior Independent Member, as well as the Chairs and members, including co-opted members, of its standing committees;
- d. To develop and keep under review succession planning arrangements taking into account the challenges and opportunities facing the College and the impact these have on the skill and expertise required by the Board of Management;
- e. To develop and keep under review procedures for the induction, training, development and evaluation of Board members.
- f. To review the attendance of members of the Board of Management and its standing committees and to take follow up action as appropriate.
- g. To consider risk relating to the matters that fall within the Committee's remit and to agree what mitigating factors/actions are in place and what further action, if any, needs to be taken to address such matters of risk.**

2. Frequency of Meetings

As required, and should be at least annually.

3. Membership

The membership shall be:

- the Chair of the Board of Management
- the Vice Chair of the Board of Management
- the Chairs of the standing committees of the Board
- One Staff Member*
- The Student President

The Chair of the Board of Management will be Chair of the Committee.

Committee members will normally be appointed to serve a four- year term, or for the period of their term of office.

*The Staff members will serve for 2 years each (in succession), so that both the Teaching staff member and the Support staff member will have the opportunity to join this committee during their period of membership of the Board.

The Principal will not be a member of, nor attend meetings of the Nominations Committee.

4. Quorum

A quorum will be four Members of the Board of Management,

5. Secretariat

Secretary to the Board of Management.

Papers for the meeting will be sent out 7 days in advance of the meeting.

The Committee will report to the Board of Management as required

6. Review

The Remit will be subject to review by the Committee annually.

TITLE: RISK MANAGEMENT – STRATEGIC RISK REGISTER

Background: Under the Corporate Governance Code the Board of Management is tasked with setting the College’s risk appetite and ensuring that the framework of governance, risk management and control are in place to manage risk within this.

This paper is designed to assist in fulfilling the above remit by:

- Presenting to the Board of Management the considerations of Board sub-Committees and the College Senior Management Team regarding the current Strategic Risk Register; and
- Providing a summary of other assurances regarding the adequacy of the management of risk within the College.

Action: The Board of Management is requested to review and approve the Strategic Risk Register and consider:

- Whether they are content with the risks included in the register;
- The risk rating both pre and post mitigation;
- Whether any of the risks should be considered for removal; and
- Whether any new risks should be considered for inclusion.

Lead: Alan Ritchie, Director of Finance and Estates

Status: Open

1. Risk Management Strategy

- 1.1 The West College Scotland Risk Management Strategy was approved by Board of Management on 5 October 2015. The Strategy covers the period 2014-17 and was reviewed by the College Executive in December 2016 with no material amendments being made.
- 1.2 The Risk Management Strategy 2014-17 was developed in conjunction with the 2014-17 College Regional Outcome Agreement. The Strategy was designed to run in parallel with the ROA so that any material changes in the ROA could be reflected in subsequent Risk Management Strategies. In June 2017 the Board approved the 2017-20 ROA for West College Scotland and the Risk Management Strategy will now be reviewed and updated if required. An updated Risk Management Strategy will be presented to the December 2017 Audit Committee for consideration.

2. Considerations of Board Sub-Committees and Senior Management Team

- 2.1 In reviewing the strategic risk register the Senior Management Team have taken into account feedback from previous Board sub-Committee meetings (up to July 2017) a summary of which is provided below.

a) Audit Committee - March 2017

- i) On reviewing the Strategic Risk Register noted that the Finance and General Purposes Committee had been of the view that risk 3, the impact of SFC funding changes, should be rated a higher risk, if not the highest risk the College faced.

This risk was subsequently reviewed and at the current moment is the most significant risk faced by the College.

- ii) National Bargaining was also considered as potentially more material than other risks depending on how the national discussions progressed.

This risk is currently number 4 on the register due to the continuation of discussions with the Unions to resolve the related issues.

b) Audit Committee – June 2017

- i) A draft publication scheme for Board and Committee papers - queried if the Strategic Risk Register should be published in its current format as it provided a significant amount of detailed information.
- ii) The audit strategy memorandum set out the significant risks identified by the External Auditors. National Bargaining had not been included in the risk section as no resolution had been reached on this matter. This would be reviewed prior to the start of the audit.
- iii) Annual training on risk management should be carried out not just for staff but also for the Board and Committee members. It was agreed that this would be explored further.

c) Estates Committee - February and May 2017

- i) At both meetings the Committee noted the updated strategic risk register and endorsed the register for further consideration.

d) Finance and General Purposes Committee – June 2017

- i) The Committee considered the Strategic Risk Register. In discussion the Committee noted that the mitigating actions and controls had been reviewed and updated throughout the year to reflect the actions taken. The Committee had no further comment and noted the Strategic Risk Register.

- e) Learning, Teaching and Quality Committee – May 2017
 - i) The Committee noted the updated strategic risk register and endorsed the register for further consideration.

- f) Organisational Development and HR Committee – May 2017
 - i) The Committee considered the Strategic Risk Register. While the Committee agreed with the risks identified it remained of the view that some of these could be phrased in a different way to make the risks less technically focussed and more people-oriented so that it would be clear that matters relating to staff and students were included in the risk register. It was agreed that the Committee members give some further thought to this for the next meeting.

- j) Audit Committee – September 2017
 - i) The Committee considered the Strategic Risk Register and noted the changes that had been made since the last edition, which included the addition of the General Data Protection Regulations (GDPR) that would come into force in May 2018. It was noted that, in relation to the impact of National Bargaining, further information should be available by the time of the next meeting in December.

2.2 Based on previous Committee considerations the Senior Management Team have reviewed the register and made the following change:

- a) Inclusion of risk in regard to the General Data Protection Regulations (GDPR) which comes into force in May 2018. It was noted that many of the GDPR's main concepts and principles are much the same as those in the current Data Protection Act (DPA), with which the College already complies with. However there are new elements and significant enhancements and it is likely the College will have to do some things for the first time and some things differently.

The risk has been initially included at (13) on the current register with a pre mitigation score of 9 - risk probability of 3 (possible) and impact of 3 (critical). However a review of mitigating actions revised the score to 6 - risk probability of 3 (possible) and impact of 2 (marginal) until the initial risk assessment process has been completed.

2.3 No further amendments were considered necessary.

3. West College Scotland Risk Management Further Assurance

3.1 In line with the College Risk Management Strategy, risk management training is being arranged for both senior and middle management early in 2017/18. At the request of the Audit Committee this training will encompass a refresher training session for new and current Board members.

3.2 The Audit Committee in March of this year considered the outcome from a review of Operational Planning. This review noted the inclusion of risk management as a key part of the operational planning process for 2017/18 and provides evidence that the risk management process is becoming embedded within the operations of the College. The College operational plans provided an oversight of the key priorities and how these tied in with the Corporate Plan and fed into the risk management process, as well as providing assurance that such activity was being managed by the Executive.

3.3 The Board of Management in March 2017 noted the Board Development Action Plan 2016/17, which had been agreed in June 2016, and also a revised Development Action Plan which had been updated to include the recommendations emerging from the Governance Effectiveness Review Report. As part of this discussion the Board noted the current committee structure was working well and did provide the support and assurance that the Board needed. The committees did take some of the pressure off the Board, as they dealt with more routine matters on behalf of the Board (as set out in their terms of reference) and flagged up the major issues for

consideration by the Board. The priority assigned to different matters was tied into the risk register and the potential impact matters could have on the Board and the College. All matters identified as high risk were considered at the Board.

4. Conclusion

4.1 The Board of Management is requested to review and approve the strategic risk register and consider:

- Whether they are content with the risks included in the register;
- The risk rating both pre and post mitigation;
- Whether any of the risks should be considered for removal; and
- Whether any new risks should be considered for inclusion.

WEST COLLEGE SCOTLAND STRATEGIC RISK REGISTER 2017/18

Risk No.	Strategic Priority	Risk	Assessment pre mitigation			Mitigating Controls and Actions	Assessment post mitigation			Executive Responsible
			Risk Probability	Risk Impact	Risk Score		Risk Probability	Risk Impact	Risk Score	
1	1,2,3,11	Impact of SFC funding changes including credit, European, ELS, student support and estates maintenance funding.	5	4	20	1) Financial scenario planning undertaken along with development of 5 year financial plan 2) Robust budgetary / forecasting including production of monthly management accounts 3) Estates Strategy including objective to improve / rationalise the College estate 4) Commercial Development Group reporting to Corporate Development Committee. 5) Robust monitoring of current and future curriculum delivery plans (CMAF) including staffing needs 6) Significant work undertaken to embed Workforce Planning into College operations / planning. Positive internal audit report highlighting solid base position. 7) On going discussions and modelling with SFC. 8) Active involvement in external review groups - Credit review, Access and Inclusion, Rural and remoteness Premium and Student Funding.	4	4	16	VP Operations / VP Educational Leadership
2	1,2,3,11	Failure to secure estates capital funding for future investment or refurbishment	5	4	20	1) Approved Estate Strategy which has been subject to positive review by internal audit. 2) Continued engagement with SFC regarding the basis of the funding methodology for the allocation of estate maintenance resource. 3) Participation in SFC/sector Capital Working Group 4) Submission of Outline Business Case for Greenock campus to SFC; awaiting review. 5) Development of draft Outline Business Case for the future development of the Paisley campus.	4	4	16	VP Operations
3	1,2,3,11	Business case for development of estate are delayed, impacting upon ability of College to recruit students / retain staff.	5	4	20	1) The College continues to actively engage with SFC, SFT and other key stakeholders. 2) Approved Estate Strategy (ES) highlights required estate investment for consideration by SFC and Scottish Government. ES submitted to SFC for consideration. 3) Option Appraisal and Outline Business Case considering future options for College estate in Greenock submitted to the SFC. 4) Outline Business Case for College estate in Paisley now concluded for review and submission to SFC. 5) Ongoing prioritisation of College estates funding in a way which links to priority projects, with update reports being provided to each meeting of the Board of Management Estates Committee. 6) Ongoing involvement in sector/SFC capital working group enables WCS input to ongoing discussions re SFC estates maintenance allocation methodology and capital allocations.	4	4	16	VP Operations

Risk No.	Strategic Priority	Risk	Assessment pre mitigation			Mitigating Controls and Actions	Assessment post mitigation			Executive Responsible
			Risk Probability	Risk Impact	Risk Score		Risk Probability	Risk Impact	Risk Score	
4	3, 11	Impact and outcomes of National Pay Bargaining for both teaching and support staff	6	3	18	<ul style="list-style-type: none"> 1) WCS representation and involvement in national college Employers Association and national joint negotiating committee (NJNC). 2) Financial impact assessment / planning scenarios with the financial impacts of National Bargaining under ongoing discussion with the SFC. 3) Planning for impact of industrial action, with specific strike business continuity plans in place. 4) Local trade union negotiating committees for support and teaching staff continuing to meet on an ongoing basis in order to maintain positive College industrial relations. 5) Robust college sector and WCS communication plan. 6) Local workforce planning arrangements subject to positive internal audit review (May 2017) 	6	2	12	Principal
5	1, 3, 5, 6	Unable to meet student targets leading to a failure to deliver stated Regional Outcome Agreement objectives	5	3	15	<ul style="list-style-type: none"> 1) Robust internal monitoring, tracking and reporting procedures in place, including through College operational planning process and ongoing monitoring through the Board of Management and sub-committees. 2) Detailed Curriculum Development Planning and review process. 3) Ongoing engagement with SFC in relation to ROA outcomes. 4) Involvement with SFC advisory group on 'One Plus' 5) Blended approach to delivery of teaching and learning including distance and online learning. 6) Curriculum offering is reviewed to ensure employer and student needs are met and appropriate courses delivered. 	4	3	12	VP Educational Leadership
6	2, 11	Inadequate business continuity / contingency planning	3	4	12	<ul style="list-style-type: none"> 1) Business Continuity Plans in place with planning for specific threats. 2) Communications to staff of procedures to be followed in the event of an incident. 3) Effective estate security procedures. 4) Adequate insurance cover. 5) Embedding of risk assessments. 6) Planned preventative measures in place, including alarms. 	3	3	9	VP Operations

Risk No.	Strategic Priority	Risk	Assessment pre mitigation			Mitigating Controls and Actions	Assessment post mitigation			Executive Responsible
			Risk Probability	Risk Impact	Risk Score		Risk Probability	Risk Impact	Risk Score	
7	2, 9, 11	Unable to develop and commence the implementation of an Estates Strategy that achieves the agreed criteria for size, quality, flexibility and carbon emissions	3	4	12	<ul style="list-style-type: none"> 1) Estate Strategy 2016-2026 approved by Board of Management October 2016 and submitted to SFC. 2) Plans to improve infrastructure and equipment are in place. 3) Minimise possibility of unplanned closures through regular maintenance of physical assets. 4) On going discussions with funders and other stakeholders to identify potential funding / development opportunities. 5) Condition survey work undertaken to assist with identification of areas of investment . 6) Internal audit review (May 2017) of Asset Management included positive review of work undertaken to developed the College Estate Strategy 2016-26. 	3	3	9	VP Operations
8	3, 4, 11	Inability to maintain good staff relations	4	3	12	<ul style="list-style-type: none"> 1) Internal audit report on Workforce Planning indicated sound building blocks. 2) Clear procedures for communication in place in order to engage with Trade Unions and all staff across the College. 3) Developed procedures for staff engagement / negotiations 4) "Ask Audrey" staff engagement session and staff surveys undertaken. 5) Local trade union negotiation committees in place for teaching and support staff and meet on an ongoing basis 	3	3	9	Principal
9	3, 4,	Failure to implement a systematic approach to workforce planning resulting in lack of appropriate resources and skills to achieve strategic priorities	4	3	12	<ul style="list-style-type: none"> 1) Detailed teaching resource planning through use of curriculum mapping tool (CMAP). 2) Resourcing of support staff structures reviewed on an ongoing basis by Executive Management Team to ensure alignment with operational and strategic priorities. 3) Itrent HR and Payroll software developed to provide staff data and reports. 4) Professional Development Policies are aligned to strategic priorities. 5) Roll out of CPD review process now underway and supports succession planning, leadership development and assists in mitigating the impact of the loss of key staff. 6) Internal audit reviewed workforce planning as part of 2016/17 audit plan. 	3	3	9	VP Educational Leadership VP Operations
10	1,2,3,11	Failure to invest sufficient resource (financial / staff) into delivery of Carbon Management Plan (CMP) resulting in negative publicity for College.	3	3	9	<ul style="list-style-type: none"> 1) Approval of CMP by Board of Management in October 2016 with this subsequently being submitted to SFC. 2) Specific resource - staff and funding - allocated to allow CMP to be implemented. 3) Creation of Sustainability Group involving staff and student representatives. 4) CMP Plan and targets will be kept under review and revised should further funding become available. 	2	3	6	VP Operations

Risk No.	Strategic Priority	Risk	Assessment pre mitigation			Mitigating Controls and Actions	Assessment post mitigation			Executive Responsible
			Risk Probability	Risk Impact	Risk Score		Risk Probability	Risk Impact	Risk Score	
11	2, 3	Failure to maintain or acquire and use IT systems and infrastructure to support strategic improvement in business and learning processes	4	3	12	<ul style="list-style-type: none"> 1) IT Strategy, Policies / Procedures and system access processed in place. 2) Staff and student feedback and evaluation procedures in place. 3) IT Contingency Plan in place with regular review. 4) Embedded IT incident review process. 	3	2	6	VP Operations
12	5, 6, 8, 11	Inability to specify, deliver and implement effectively an approach to generation of alternative income	3	3	9	<ul style="list-style-type: none"> 1) Development of strong partnerships with local employers and stakeholders. 2) Development of operation plans. 3) Adaption of course portfolio to meet student / employer needs. 4) Financial strategy and financial planning. 5) Review of resources required within Curriculum Development Planning procedure. 6) Annual financial target is agreed and closely monitored by the Corporate Development Committee. 7) Commercial Development Group reporting to Corporate Development Committee. 	3	2	6	VP Corporate Development
13	11	Inability to ensure a holistic response to data and information governance, including compliance with the General Data Protection Regulations (GDPR).	3	3	9	<ul style="list-style-type: none"> 1) External briefings provided to SMT on principles and practicalities of implementing GDPR. 2) Establishment of College working group on implementation of GDPR requirements. This group will have oversight of the information risk assessment process. 3) Update reports to SMT and OD&HR Committee on progress made. 4) Active engagement across the College to ensure collaborative approach to addressing issues raised. 5) Data Protection concepts and principles already embeded within the operations of the College. 6) Working with other Colleges to pool resources and minimise duplication of effort. 	3	2	6	Principal
14	1, 3, 5, 6	Normal business activities are unduly affected due to the complexity of sequencing estates investment works	4	2	8	<ul style="list-style-type: none"> 1) Detailed resource planning involving all relevant parties at an early stage for project work undertaken. 2) Level of investment at a stage where no material impact on activities. 3) Knowledge base within current staff to be able to identify issues. 	3	2	6	VP Operations
15	1, 3, 5, 8	Investment plans do not reflect future requirements. Sector and/or market expectations do not materialise or are markedly different resulting in changes to future delivery plans.	3	3	9	<ul style="list-style-type: none"> 1) Developed environmental scanning process in place 2) Operational planning process in place linked to resource requests. 3) Detailed resource allocation process and ability to address ad hoc requests. 	2	3	6	VP Educational Leadership VP Operations

Risk No.	Strategic Priority	Risk	Assessment pre mitigation			Mitigating Controls and Actions	Assessment post mitigation			Executive Responsible
			Risk Probability	Risk Impact	Risk Score		Risk Probability	Risk Impact	Risk Score	
16	9, 10, 11	Failure to analyse and respond effectively to changes such as ONS implications, net depreciation / resource impact, year end and insurance	3	2	6	1) Participation in a number of sector working groups. 2) Established team and knowledge base to allow impact of changes to be assessed. 3) Developed budget / forecasting models. 4) Further areas of review expected - commercial insurance, financial year end, allocation of cash arising from net depreciation - WCS represented on sector Financial Directors group in order to provide input to these key areas of consideration.	1	2	2	VP Operations

STRATEGIC PRIORITIES

1. We will provide education and training in inspirational and innovative ways to engage and meet the diverse needs of our students.
2. Education and training will be delivered to students in high quality College facilities, in their place of work or through the development and use of digital technologies.
3. We will provide the highest quality of teaching and tailored support to maximise our students' opportunities to achieve success and progress to employment and further study.
4. We will support the development of our staff and teams to achieve successful outcomes for themselves, our students and the College.
5. We will develop our curriculum and services to ensure they align with and support Scotland's key economic sectors. We will ensure that our students are equipped with the relevant training, qualifications and essential skills they need for employment and life.
6. We will develop meaningful partnerships; connections and alliances with business and industry to ensure employers are directly involved and invest in educational and skills development across the west.
7. We will become a strategic resource and valued partner with our stakeholders, building relationships, leveraging resources and capabilities to design, develop and deliver our products and services.
8. We will proactively look for new partners and new areas of activity, which will allow us to grow and develop our income to reinvest in our core business for the benefits of our students, our staff and our communities.
9. We will grow our reputation both nationally and internationally. Our reputation will be based on the quality of our teaching, outcomes for our students and our willingness to strive for and set the highest standards across all areas of our work.
10. We are committed to taking a leadership role in the West Region and together with our partners and stakeholders, tackle the significant social and economic deprivation, which still characterise many of our communities.
11. We will deliver a sustainable, effective and efficient service to our communities, through the implementation of sound governance, leadership, planning and management.

Probability	Score	Impact	Score
Almost Certain	6	Catastrophic	4
Very Likely	5	Critical	3
Likely	4	Marginal	2
Possible	3	Negligible	1
Very Unlikely	2		
Remote Chance	1		

Risks - Probability x Impact Score Grid

Almost Certain 6	6	12	18	24
Very Likely 5	5	10	15	20
Likely 4	4	8	12	16
Possible 3	3	6	9	12
Very Unlikely 2	2	4	6	8
Remote Chance 1	1	2	3	4
	Negligible 1	Marginal 2	Critical 3	Catastrophic 4

TITLE: **SCHEDULE OF BUSINESS AND DATES OF MEETINGS IN
2017/18**

Background: I have attached the following information which the Board is asked to note:

1. The proposed Schedule of Business for 2017/18 – see Annex 1.
2. Dates of meetings in 2017/18 – see Annex 2.

Action: The Board is asked to note this information.

Lead: Gwen McArthur, Secretary to the Board

Status: Open

SCHEDULE OF BUSINESS 2017/18

BOARD OF MANAGEMENT

Date of meeting	Agenda items	Deadline for Papers
9 October 2017 Greenock Campus	<p>Main items of business Equality and Diversity Key Performance Indicators Board Development Action Plan SFC/Education Scotland Quality Arrangements: Evaluative Report and Enhancement Plan Estates development plans for Paisley Campus Corporate Parenting Regional Outcome Agreement Review Report 2016/17</p> <p>Committee reports Audit; Corporate Development; Estates; Organisational Development & HR; Nominations; Remuneration</p> <p>Development session: CONSENT and PREVENT</p>	27 September
4 December 2017 Paisley Campus	<p>Main items of business Review of Regional Outcome Agreement 2017/18 Review of Operational Plan? Review of Risk Management Strategy and Strategic Risk Register</p> <p>Financial Statements for the year ending 31 July 2017 Report from External Auditor Annual Report from Audit Committee Annual Report from Internal Audit</p> <p>Committee reports Estates; Finance & General Purposes; Learning, Teaching & Quality; Organisational Development & HR.</p>	21 November
5 February 2018 Paisley Campus	<p>Main items of business Draft Regional Outcome Agreement</p> <p>Committee Reports Audit; Corporate Development</p> <p>Development session: review of governance and Board effectiveness Board Development Action Plan</p>	24 January

<p>26 March 2018 Clydebank Campus</p>	<p>Main items of business Final Regional Outcome Agreement HR Annual Report Dates of meetings 2018/19</p> <p>Committee Reports Audit; Corporate Development; Estates; Finance & General Purposes; Learning, Teaching & Quality; Organisational Development & HR</p>	<p>14 March</p>
<p>18 June 2018 Paisley Campus</p>	<p>Main items of business Annual Review of Corporate Plan 2015-2020 Budget 2017/18 and Financial Strategy (including Budget for Students Association) Committee Reports on Progress against Regional Outcome Agreement</p> <p>Schedule of Business 2018/19</p> <p>Committee reports Audit; Corporate Development; Estates; Finance & General Purposes; Learning, Teaching & Quality; Organisational Development & HR</p>	<p>6 June</p>

GMcA/28.09.17/v4

Dates of Meetings in 2017/18

Committee	Aug	September	October	November	December	January	February	March	April	May	June
BOARD Mondays at 4.00 p.m.			9 G		4 P		5 P	26 C			18 P
Audit Thursdays at 4.00 p.m.		7 G			14 P			8 P		24 P	
Joint Audit & Finance				21 4.00 p.m.							
Finance and GP Tuesdays at 4.00 p.m.				21 2.00 p.m.				6			5
Corporate Development Tuesdays at 4.00 p.m.		5			12		20			22	
Estates Tuesdays at 4.00 p.m.		12 P		14 G			27 P			29 C	
OD&HR Wednesdays at 4.00 p.m.		13		8			14			16	
LTQ Wednesdays at 4.00 p.m.			11 C	15 P			28 G			23 C	

NOTE: the venue for the Board and some Committee meetings will alternate between different Campuses as indicated above.

C = Clydebank; G = Greenock; P = Paisley.