

**West College Scotland  
Board of Management  
Monday 5 October 2020 at 4.00p.m. via the Teams link circulated by the Secretary  
Agenda**

- Presentation by Iain Forster Smith (Assistant Principal Student Life and Skills) – 4pm till 4.15pm - Student Support including the College provision of support for care experienced, carers and estranged students.

**General Business**

1. Welcome
2. Apologies
3. Declaration of Interests
4. Minutes of the meetings held on 15 June 2020 and 20 July 2020  
     .1 Actions from the minutes
     Enclosed      WH  
     Enclosed      WH
5. Matters Arising from the minute  
     (not otherwise on the agenda)

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

6. Student Association Report      Paper 6      VT
7. Chief Executive's Report      Paper 7      LC
8. Chair's Report      Paper 8      WH
9. Strategic Risk Register      Paper 9      DA

**Committee Reports**

10. Asset and Infrastructure Committee
     .1 Minutes of the meeting held on Wednesday 16 September 2020      Paper 10.1      NA  
     .2 College Estate Condition Survey – Estates Committee      Paper 10.2      DA  
         paper from 3 March 2020 meeting attached
11. Finance and General Purposes Committee
     .1 Minutes of the meeting held on Tuesday 2 June 2020      Paper 11.1      JHa  
     .2 Minutes of the meeting held on Thursday 9 July 2020      Paper 11.2      JHa  
     .3 Minutes of the meeting held on Tuesday 8 September 2020      Paper 11.3      JHa  
     .4 College Financial Regulations      Paper 11.4      DA

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| 12. Audit Committee                                      |          |     |
| Minutes of the meeting held on Thursday 3 September 2020 | Paper 12 | JMc |
| 13. HRCDC Committee                                      |          |     |
| Minutes of the meeting held on Tuesday 15 September 2020 | Paper 13 | MN  |
| 14. Nominations Committee                                |          |     |
| Minutes of the meeting held on Tuesday 23 June 2020      | Paper 14 | WH  |

**Items for Information**

- |   |            |     |
|---|------------|-----|
| 15. Board of Management:  |            |     |
| .1 Membership, Dates of Meetings and proposed<br>Schedule of Business 2020/21 | Paper 15.1 | ShG |
| .2 Review of Standing Orders, Articles and Scheme of Delegation               | Paper 15.2 | ShG |
| 16. Any Other Business  |            |     |
| 17. Date of Next Meeting:   |            |     |
| Monday 14 December 2020 at 4.00 p.m. – Venue TBC                              |            |     |

Shirley Gordon  
Secretary to the Board

## BOARD OF MANAGEMENT

**Minutes:** Monday 15 June 2020.

**Present:** Waiyin Hatton (Chair), Sabira Akram, Nick Allan, Steven Cairney, Liz Connolly, Jim Hannigan, Jacqueline Henry, Linda Johnston, Priya Kaur, John Leburn, Fiona McKerrell, John McMillan, Vanessa Thompson, David Watson, Andrew Hetherington, Mark Newlands.

**Attending:** David Alexander (Vice Principal Operations), Shirley Gordon (Secretary to the Board), Stephanie Graham (Vice Principal Educational Leadership), Alan Ritchie (Director of Finance and Estates).

**Observing:** Janet Campbell.

**Apologies:** Angela Wilson, Jenifer Johnston.

### **BM625 WELCOME**

The Chair welcomed everyone to the virtual Board meeting and thanked all in attendance for their participation noting that Janet Campbell, HM Inspector from Education Scotland, was observing proceedings.

### **BM626 DECLARATIONS OF INTERESTS**

The following declarations of interest were recorded and **noted**:

- Waiyin Hatton: Wai Beyond, People and organisational development consultancy; Harvey McMillan, People and organisational development consultancy; Action Against Stalking; Ayrshire Sportsability; Scottish Chamber of Commerce.
- John McMillan and Liz Connolly: Trustees of the West College Scotland Foundation.
- Jim Hannigan: NMIS Project Manager, Skills Development Scotland.
- David Alexander: Scottish Funding Council Board member and Chair of the SFC Audit and Compliance Committee.
- Angela Wilson: West Dunbartonshire Council.
- Sabira Akram: Business Analyst, Scottish Qualifications Authority.
- Fiona McKerrell: Partner employed by Skills Development Scotland.

### **BM627 MINUTES OF PREVIOUS MEETING**

The minutes of the meeting held on Monday 23 March 2020 were **approved**.

### **BM628 ACTIONS FROM THE MINUTES**

The Board **noted** the actions taken since the last meeting and the Chair confirmed that the three presentations scheduled to be delivered to Board members (Education Scotland Progress Visit Report, College Estate, Corporate Parent / Student Support) would be deferred until a later date.

### **BM629 MATTERS ARISING FROM THE MINUTES**

There were no matters arising not otherwise on the agenda.

#### **BM630 STUDENTS ASSOCIATION REPORT**

The Board **noted** the report submitted by Vanessa Thompson (President, WCS Students' Association) summarising the activities of the Students' Association (SA) since the last Board meeting. Ms Thompson reported that the Students' Association was working in partnership with the College Senior Management Team to support students through the Covid 19 pandemic where possible. This had included:

- Promoting online resources for students as well as sharing any relevant information on the SA's social media platforms which she confirmed were being well utilised.
- Liaison with the finance department regarding student hardship funds and having regular meetings to discuss these and ensure students were supported in the best way possible.
- Working to prepare for the next academic year including planning for new students to the College and exploring how to ensure they still got a "freshers experience".

Ms Thompson outlined the WCS Students' Association motion that was passed at the recent NUS Scotland conference which centred around ensuring a consistent approach to the delivery of mental health support services for students across all of Scotland's colleges. That, alongside the other motions passed, would be worked on over the next 2 years by the new NUS Scotland President.

The Chair thanked Ms Thompson for the update, congratulated her on her re-election for another year as WCS Student President and thanked Vice President Priya Kaur whose term of office came to an end soon.

#### **BM631 CHIEF EXECUTIVE'S REPORT**

The Board received a written report from the Principal and Chief Executive, and she provided an update on the following:

##### **Covid 19:**

- *Moving to Remote Working* – In the two weeks prior to lockdown on Friday 20 March 2020, the focus was to ensure that as many College functions as possible could be delivered remotely allowing staff and students to work, teach and learn from home. In addressing the challenges faced, the College implemented its Business Continuity Planning arrangements and formed a Covid-19 Response Team. The work of the Team had been wide ranging and had formed the basis of initial planning.
- *Working in Lockdown* – Including the arrangements for ongoing Learning and Teaching, support for students, assessment and qualifications and IT Support.
- *Mobilisation for Academic Year 2020-21* - In order to manage the considerable work required to plan for the safe opening of the College buildings and delivery of curriculum in a new way, the College had set up a Mobilisation Team and three key principles would guide its work:
  - ❖ To have the fewest possible number of people on campus at any one time.
  - ❖ To ensure the safest possible environment for those on campus.
  - ❖ To ensure the best possible learning and working experience for students and staff.

Significant planning work had already been undertaken by individual teams within the College and the role of the Mobilisation Team was to bring this together in a coherent and timely way.

- *Curriculum Planning and student recruitment* - Student recruitment had been ongoing throughout the lockdown period with online and telephone interviews taking place. In agreement with the EIS, full time course start dates had been delayed by four weeks until 21 September 2020 in order to increase time for preparation for curriculum delivery to meet social distancing requirements. The period before courses started would be used to complete the 2019-20 courses where student results had been deferred due to the practical nature of the course and for individual students to complete that session. It would also be used for staff CPD, particularly to support blended learning. Curriculum teams were currently finalising Deferral Activity Plans as assessment and Internal Quality Approval Panels were concluded.
- *Digital Poverty* - The sector was in discussion with the SFC and the Scottish Government to determine if additional resource was available to support this. However, the College believed that this was a priority and was looking at options to repurpose resource if possible, in order to invest in additional kit to provide support.
- *Furlough* - Guidance had been received from the SFC which advised that colleges could furlough staff. This was on the basis that not all the College's income was from the public sector. The College had been in ongoing discussion with the SFC around some of the details of this and, in discussion with Trade Unions, an application had been made last week. For any staff furloughed, the College would pay the balance of their salary and pension contributions ensuring that no staff suffered any detriment.
- *Supporting Our Communities* - The College had continued to play a key role in its local communities and had donated a significant quantity of hand sanitiser to a local health and social care partnership. During April, 27,000 pieces of PPE were donated to NHS Scotland. The College had also provided West Dunbartonshire Council with equipment to support the training of new care staff in Moving and Handling and had supported the call for volunteers from Local Authority partners with many staff volunteering to support essential services.
- *Staff and Student Communications* - The College website and social media platforms had been crucial in ensuring that contact had been maintained with staff and students. The College had created a newsletter 'Homeworking Times' which had enabled staff participation and engagement and the College intranet was also used extensively. The College continued to meet with the Students' Association to ensure contact on key issues such as student funding was maintained.
- *Graduation* - Due to social distancing requirements, the College would be unable to hold traditional Graduation Ceremonies this year. The marketing team was planning to hold virtual graduations and this year's graduates would also be given the option to attend a physical graduation next year if they wished.
- *Cross Sector working to Plan for Academic Year 2020-21* - A cross sector group had been established to support the planning for reopening in the Academic Year 2020-21. While recognising that each college would be making its own plans, the group was looking to share good practice and ideas and to eliminate, where possible, any unnecessary duplication. Representatives from the group were also working with the Scottish Government, the SFC and Trade Unions to prepare safe opening guidance for the sector.

The Board commended the Principal for such a detailed update and thanked all College staff for the wealth of consideration and innovation given to progressing all these areas with students at the centre of its thinking. During discussion the following points were addressed:

- Curriculum plans for next session's delivery were progressing well although this was a complex task. Ideas and approaches had been shared across the sector and Heads were working collaboratively with each other and their staff, as well as with other colleges for some materials development. Significant off-campus learning was planned in curriculum areas where this was possible, and areas were planning to divide classes and amend activities to meet social distancing restrictions. While schedules were being amended to deliver more theoretical subjects at the start of courses and for students to study more remotely, consideration was also being given to ensuring student motivation and engagement and enabling the social elements of courses and peer learning to be replicated in some way.
- The College newsletter 'Homeworking Times' had been an excellent communications tool for staff and the Principal agreed to circulate the seven editions to date to Board members for their information. **{ACTION – SECRETARY}**
- A commitment had been made to all furloughed staff that the College HR team would keep in regular contact with them and offer any support required.
- The use of the College social media platforms had been really helpful for staff and students alike in sharing information. Similarly, increased interaction, during this difficult time, between the Students' Association and the College Executive team, senior managers / departments and lecturers had resulted in excellent working relationships being maintained.
- The full-time course start date being delayed by four weeks until 21 September 2020 meant that the College was well prepared in terms of all health and safety considerations and meant WCS had the same start date as other local colleges. An online student induction programme for the summer was being developed to help prepare students for a different learning experience next session. This would be supplemented by paper communications to ensure all students were included.
- The College had secured a project management resource to help manage the mobilisation process over the next couple of months and the background to this short-term investment was summarised.

#### **Greenock Campus:**

There had been two meetings between the management team, union representatives and the Student President and Vice President to discuss the contents of the '10-point plan' for Greenock previously presented to the Board. Two meetings that had been scheduled for this group since lockdown had, unfortunately, been cancelled but it was intended that a meeting would be held to progress this before the end of term.

#### **Business Transformation Plan:**

Ongoing positive and constructive discussions had been held with the SFC in respect of the balance and nature of College credit activity, particularly on-line learning. Consideration had also been given to the level of College Price Group 5 activity and how this was funded. These discussions had led the SFC to suggest that there could be a reduction in the College credit target for 2020-21 whilst maintaining the level of funding.

The SFC funding announced for 2020-21, confirmed that the College's credit target had been reduced by 5,000 from next year, with no reduction in core funding. This was a significant deliverable in respect of the College Business Transformation Plan.

The Chair thanked the Principal for the update and the Board **noted** her report.

**BM632 CHAIR'S REPORT**

The Board received a written report from the Chair which summarised her recent activities and meetings. She thanked those Board members who she had met individually via virtual platforms so far and, in particular, the Vice Chair for attending a Regional Chairs' Meeting on 28 May 2020 on her behalf.

The Chair referred to a letter sent by the Minister for Further Education, Higher Education and Science, Richard Lochhead, to the Chair of the Scottish Funding Council on 3 June 2020 regarding a request for the SFC to conduct a "Review of Coherent Provision and Sustainability" for higher education, further education and research. This letter had been circulated to all Board members on 12 June 2020 for their information. As this was a substantial issue and, at this stage, no further detail was available other than that contained in the letter, the Chair proposed arranging a separate meeting to discuss this when more information was available on how the SFC intended to proceed with this review. This approach was agreed. **{ACTION – CHAIR}**

The Board **noted** the report from the Chair.

**BM633 FINANCIAL UPDATE**

**.1 Management Accounts 2019-20**

The Vice Principal Operations presented the Management Accounts for the period to 31 March 2020. He explained that the Covid-19 pandemic had a material impact on the operations of West College Scotland and the financial position for 2019-20 and beyond. The March 2020 financial forecast to 31 July 2020 was based upon the current information available to the College. This would require to be updated as further clarification was received from the Scottish Funding Council and other key stakeholders. The Management Accounts for the period to 31 March 2020 were considered and approved at the 2 June 2020 Finance and General Purposes Committee meeting.

The Vice Principal Operations led the Board through the accounts drawing attention to the following:

- The Statement of Comprehensive Income and Expenditure which provided a summary of the financial position and showed a comparison of the approved 2019-20 budget with the full year forecast position to 31 July 2020. This statement also included the audited 2018-19 figures for comparison.
- An analysis of key variances that provided detail of the movement between the budgeted and forecast position for 2019-20.
- The Balance Sheet that reflected the assets and liabilities of the College.
- The cashflow analysis that showed the actual cash position to date and forecasts the cashflow to 31 July 2020.

- The student funding analysis that provided a summary of the budgeted and forecast income and expenditure to 31 July 2020 resulting from the processing of student bursary, childcare and discretionary expenditure. The only element which was recorded within the College Statement of Comprehensive Income and Expenditure was childcare income and expenditure as the College was deemed to act as an agent for those funds. All other funds were accounted for through the College balance sheet.
- The financial graphs and performance indicators that provided background information about income and expenditure and highlight the main indicators of financial sustainability.
- The aged debt analysis that showed a summary of the age of the sales ledger along with a split between corporate and student debt. The emphasis continued to be the reduction in the level of debt in excess of 3 months.

The Vice Principal Operations added that, as a result of the closure of onsite operations due to the Covid 19 lockdown period, the College was now currently forecasting an adjusted operating deficit for 2019-20 and had confirmed this revised forecast position and deficit figure to the SFC in submitting a requested financial Mid-Year Return (MYR) on 19 May 2020. This current forecast 2019-20 deficit was based on information available to the College at this time and it was likely the forecast outturn position may be subject to some change as further information became available from the SFC and Scottish Government over the coming months. However, while it was likely that further guidance and clarification from the SFC and Scottish Government may result in changes to the outturn position as at 31 July 2020, it was anticipated the College would still have an adjusted deficit position at the year-end due to the impacts arising from Covid 19.

The Vice Principal Operations explained that the College would continue to; monitor costs and income closely, to enable it to continually estimate the financial outturn and cashflow position for 2019-20; re-assess the likely impact upon its financial outturn and cashflow once the clarifications required from the SFC were provided; and engage on an ongoing basis with the SFC in relation to the financial challenges arising as a result of Covid-19.

The Board thanked the finance team for its thorough analysis into the current College and sector-wide situation and for providing such detail in as easy as possible way to understand. Members were also appreciative of the team's continued negotiations with the SFC.

**The Board of Management noted the:**

- **Revised 2019-20 adjusted operating position.**
- **Detailed impact that COVID-19 had had on the operations and financial position of the College.**
- **Cashflow position.**
- **Management Accounts for the period to 31 March 2020**

## **.2 Budget 2020-21 and 5-Year Financial Forecast**

The Vice Principal Operations provided an update on the 2020-21 College budget process, three-year financial plan and the next steps associated with this. He explained that the



Covid-19 pandemic had had a material impact on the operations of West College Scotland and the institutional financial position for 2019-20 and beyond.

The College required to present its 2020-21 budget and five-year financial forecast based on a range of competent assumptions, however, guidance had only been provided by the SFC to the college sector to enable that process to be concluded on 9 June 2020 via Circular SFC/AN/06/2020. This guidance confirmed that the College would require to undertake three year rather than five-year financial modelling by SFC on this occasion. The circular also provided further clarification of activity and associated funding levels as follows:

- The volume of activity for AY 2020-21 that was required to meet the Scottish Government's target output of trained childcare professionals.
- European Social Fund activity targets and associated funding.

The Vice Principal Operations reported that this confirmation of SFC funding and the process to be applied in undertaking three-year financial modelling as now provided would enable the College to develop a budget for WCS from 1 August 2020. This process required the College to submit adjusted operating financial position. He added that the SFC had advised it would be engaging closely with the sector over the coming weeks to reach agreement on a general set of outcomes which would be aligned to funding allocations for 2020-21 as the SFC had accepted that previous outcomes, agreed under the ROA process for 2020-21, could not be applied.

The Board reflected on the unprecedented situation and welcomed the continued engagement with the SFC. Members recognised the excellent progress made so far by the College finance team **and agreed with the proposal to arrange a Finance and General Purposes Committee meeting for early-July to consider and recommend to the Board a Budget for 2020-21 and 3-Year Financial Forecast and, thereafter, to hold a Board meeting to approve these.** {ACTION: DA}

The Vice Principal Operations thanked the Board for its understanding and patience in supporting an extended 2020-21 budget process which had arisen due to the impacts of Covid19. An additional Finance and General Purposes Committee and Board of Management meeting in July to approve the 2020-21 budget and three-year financial forecast would enable the College to have a financial plan in place prior to the commencement of the 2020-21 financial year.

**The Board of Management:**

- **Noted the outcome of the SFC 2020-21 funding announcement.**
- **Considered the status of the 2020-21 budget and three-year financial planning process.**
- **Considered the essential information which required to be provided by the SFC to enable the College to conclude and approve a 2020-21 budget and three-year financial plan.**
- **Approved the College proposed next steps to hold an additional Finance and General Purposes Committee meeting and Board of Management meeting in July 2020 in order to approve the 2020-21 budget and three-year financial forecast.**

**BM634 RISK MANAGEMENT STRATEGY AND STRATEGIC RISK REGISTER**

The Board received a report from the Vice Principal Operations which outlined that, in accordance with the Corporate Governance Code, the Board was tasked with ensuring a framework of risk management and control was in place.

The Vice Principal Operations provided an update on the actions taken by the College to develop the College Risk Management Strategy; described the next steps in the development of the College Risk Management Strategy; and presented the current College Strategic Risk Register for the consideration.

The Vice Principal Operations explained that the Board of Management approved the current version of the risk register at its meeting in March 2020. Since that meeting, the Senior Management Team had continued to carry out a review of the College Strategic Risk Register. The mitigating controls had been updated to take account of items such as the ongoing interactions with the SFC, the outcomes of internal/external audit reports and any Scottish Government/SFC announcements.

The Board recognised that the Covid 19 pandemic was the most significant challenge the College had faced to date, and this had resulted in a level of uncertainty the organisation had not experienced before. In addressing the challenges, the Vice Principal Operations explained that the College implemented its Business Continuity Planning arrangements and had formed a Covid 19 Response Team. This allowed the College to understand the main scenarios that could most impact it and to put in place appropriate control and response measures that reflected the exposure. Furthermore, the College Senior Management Team considered the impacts of the Covid 19 pandemic be recorded within the Strategic Risk Register as a significant part of the Business Continuity Risk which was already represented within the register. The risk probability and impact had been scored at the highest level.

The Vice Principal Operations noted that the financial and cashflow implications arising from Covid 19 were expected to be significant for both 2019-20 and 2020-21, and these matters would be required to be considered by the Finance and General Purposes Committee and Board of Management.

In response to a question, the Vice Principal Operations confirmed that each of the Board's Committees would continue to consider the Strategic Risk Register at each meeting in relation to the activities within its own remit to ensure that emerging risks were quickly identified and mitigating actions agreed.

The Committee recognised the huge challenge and commended the work that had been undertaken by all staff so far.

**The Board of Management:**

- **Noted the update on the actions taken to embed risk across the College.**
- **Noted the next steps in the development of the College Risk Management Strategy.**
- **Approved the updated College Risk Management Strategy.**

- **Reviewed and approved the College Strategic Risk Register and in doing so considered:**
  - ❖ **The risks included in the register.**
  - ❖ **The revised risk rating both pre and post mitigation.**
  - ❖ **Whether any other risks should be considered for removal.**
  - ❖ **Whether any new risks should be considered for inclusion.**

**BM635 LTQ COMMITTEE**

The draft minutes of the LTQ Committee meeting held on Wednesday 20 May 2020 were **noted**. The Committee Chair highlighted key points of discussion and took the opportunity to acknowledge the energy and creativity in the College and its commitment to enhance opportunities not only for students, staff and the College but also in ensuring local communities / organisations benefited and thrived from what the College could provide.

**BM636 ESTATES COMMITTEE**

.1 The draft minutes of the Estates Committee meeting held on Tuesday 26 May 2020 were **noted**. The Committee Chair highlighted key points of discussion and recorded, in particular, the impact of the Covid 19 pandemic on the College estate, in terms of existing size, layout and futureproofing via scenario planning work being currently undertaken by the senior management team. Given this, Estates Committee members welcomed any opportunity to work with the SFC in a collaborative way going forward in seeking to address any estates challenges arising from the impacts of Covid 19 and social distancing requirements. Board members echoed this and were mindful that any future model of College estate would have a likely impact on local communities so continued liaison with partners and stakeholders would be critical.

.2 The revised remit for the Estates Committee was discussed and **approved**.

**BM637 F & GP COMMITTEE**

.1 The draft minutes of the F&GP Committee meetings held on Tuesday 10 March 2020 and Tuesday 2 June 2020 were **noted**. The Committee Chair highlighted key points of discussion and referred to the presentation delivered to the Finance and General Purposes Committee meeting on 10 March 2020 on the College Cleaning and Catering Services Review which had been undertaken in late 2019. It had been agreed through this process that the next formal review of how the provision of catering and cleaning services were to be provided would be undertaken after a three-year period, by summer 2023 and that the College would focus on how improvements could be made through the in-house model of provision currently in place with updates to be provided to the Finance and General Purposes and Estates Committees. However, since the College lockdown from 20 March 2020 due to Covid 19, the staff cohort in catering and cleaning were not currently able to be active in their roles given the nature of their jobs and the closure of all College buildings. It was also the case that social distancing requirements would impact, potentially significantly, on the operational requirements of these areas. It was, therefore, intended to revisit this at a late date and, meantime, focus on modelling various scenarios for the mobilisation of the return of staff to the workplace.

**.2** The revised Finance and General Purposes Committee remit was discussed and **approved**.

**BM638 AUDIT COMMITTEE**

**.1** The draft minutes of the Audit Committee meetings held on Thursday 12 March 2020 and Thursday 21 May 2020 were **noted**. The Committee Chair highlighted key points of discussion noting the feedback from the annual effectiveness review of the Internal Auditors which was positive and confirmed that the Internal Auditors provided challenge as well as support in how the College could make improvements. Similarly, feedback from the annual effectiveness review of the Audit Committee was positive, and members were satisfied with the operation of the Committee and the level of information and assurances it received from a range of sources. Both the Internal and External Auditors confirmed that they were satisfied with the operation and effectiveness of the Committee. During the closed session between Audit Committee members and the Internal Auditors, the Internal Auditors confirmed that they had positive working relationships with everyone who had been engaged in the audit process, and particularly with the Senior Management Team. The team within the College was receptive to the audit reports and acted on all the points raised. It was noted that management also challenged the auditors, which led to better overall reporting and helped the auditors better understand how the College operated.

The Audit Committee noted that the tenure of co-opted member, Graeme Bold, expired on 30 June 2020. As such, the Chair of the Audit Committee requested that Graeme be reappointed for a further one year (1 July 2020 to 30 June 2021) and this was **approved** by the Board.

**.2 Report on Fraud –**



**.3 Internal Audit Plan –** The Vice Principal Operations presented the draft internal audit plan for 2020-21 which had been compiled following discussion with the College Senior Management Team alongside a detailed review of the strategic risk register and other key College documents by the audit team. He led the Board through the report highlighting the nine areas of work which the internal auditors proposed undertaking during the initial three-year appointment. **The Board noted the report and the areas of review for internal audit purposes going forward and recognised their importance in terms of linkages to the College Strategic Plan 2019-2025 and College Strategic Risk Register.**

**BM639 HRCDC COMMITTEE**

.1 The draft minutes of the HRCDC Committee meetings held on Tuesday 17 March 2020 and Tuesday 5 May 2020 were **noted**. The Committee Chair highlighted key points of discussion noting the realistic pragmatic approach being taken in respect of alternative income; firstly to assess and then progress current operational activity but also the innovative alternative solutions being sought going forward particularly in identifying opportunities and how best these could be delivered to meet new needs. Continued dialogue with partners and ongoing business engagement was critical particularly in the phases where workplaces reopened. The Committee was impressed with the positive work being undertaken throughout this unprecedented time.

.2 **HR Annual Report 2020** - The Report was discussed and **approved**.

**BM640 BOARD OF MANAGEMENT**

**Membership, Dates of Meetings and Schedule of Business 2020/21**

The Board **noted** its membership, proposed schedule of business for 2020-21 and the dates of Board and committee meetings for session 2020-21.

**BM641 ANY OTHER BUSINESS**

No other business items were raised.

**BM642 DATE OF NEXT MEETING**

- July meeting date - TBC
- Monday 5 October 2020 at 4.00 p.m. – Venue TBC

## BOARD OF MANAGEMENT

**Minutes:** Monday 20 July 2020.

**Present:** Waiyin Hatton (Chair), Sabira Akram, Steven Cairney, Liz Connolly, Jim Hannigan, Jacqueline Henry, Linda Johnston, John Leburn, Fiona McKerrell, Jenifer Johnston, John McMillan, Vanessa Thompson, David Watson, Andrew Hetherington, Mark Newlands.

**Attending:** David Alexander (Vice Principal Operations), Shirley Gordon (Secretary to the Board),  
Stephanie Graham (Vice Principal Educational Leadership), Alan Ritchie (Director of Finance and Estates).

**Apologies:** Angela Wilson, Nick Allan.

### **BM643 WELCOME**

The Chair welcomed everyone to the virtual Board meeting and thanked all in attendance for their participation noting that this additional Board meeting, to approve the 2020-21 budget and three-year financial forecast, would enable the College to have a financial plan in place prior to the commencement of the 2020-21 financial year.

### **BM644 DECLARATIONS OF INTERESTS**

The following declarations of interest were recorded and **noted**:

- Waiyin Hatton: Wai Beyond, People and organisational development consultancy; Harvey McMillan, People and organisational development consultancy; Action Against Stalking; Scottish Chamber of Commerce.
- John McMillan and Liz Connolly: Trustees of the West College Scotland Foundation.
- Jim Hannigan: NMIS Project Manager, Skills Development Scotland.
- David Alexander: Scottish Funding Council Board member and Chair of the SFC Audit and Compliance Committee.
- Angela Wilson: West Dunbartonshire Council.
- Sabira Akram: Business Analyst, Scottish Qualifications Authority.
- Fiona McKerrell: Partner employed by Skills Development Scotland.

### **BM645 2019-20 COLLEGE FINANCIAL OUTTURN FORECAST - UPDATE**

The Vice Principal Operations provided the Board of Management with an update in relation to the 2019-20 College financial outturn forecast and cashflow position. He reported that the Finance and General Purposes Committee considered these at its meeting held on 9 July 2020.

Mr Alexander explained that the Management Accounts, as at 31 March 2020, outlined that the College had been forecasting an adjusted operating surplus for 2019-20, however, due to the cessation of on-site College operations on 20 March 2020 as a result of the Covid 19 pandemic lockdown, a number of variances had arisen resulting in a revised College adjusted operating position with a forecast deficit.

Mr Alexander reported that the College had received updated information from the SFC, the Scottish Government and wider partners in relation to several areas since previous consideration of the 31 March 2020 Management Accounts. This had impacted the College operating environment and forecast financial outturn position as considered by the Finance and General Purposes Committee and Board of Management during June 2020. Mr Alexander summarised the 2019-20 financial impacts and variances arising from this updated information and highlighted that, while there had been some improvement in

the College financial position for the current financial year, the overall movements still meant that an adjusted operating deficit was forecast for 2019-20.

Mr Alexander updated on the College cash-flow position explaining that the availability of cash in order to support ongoing College operations was essential. This would continue to be monitored on an ongoing basis in order to identify, mitigate and manage any risks that may emerge.

In response to a question, Mr Alexander explained that the College 2019-20 adjusted operating deficit was directly attributable to the Covid 19 pandemic. Information had been provided to the SFC and would be provided to the external auditors in undertaking the year-end financial review. In respect of the overall college sector 2019-20 financial outturn forecast, as summarised by the SFC in recent documents, the financial position of each institution had not been shared with the sector. However, the Directors of Finance Group was engaging with the SFC regarding this.

The Chair, on behalf of the Board, extended her thanks to the finance team for its outstanding work to help improve the financial outturn deficit position and the ongoing stable cash position.

**The Board of Management:**

- **Considered and noted the revised 2019-20 College adjusted operating position;**
- **Noted the impact of the Covid 19 pandemic lockdown on the 2019-20 operations and financial position of the College; and**
- **Noted the revised 2019-20 College cashflow position.**

**BM646 BUDGET 2020-21 AND FINANCIAL FORECAST TO 2022-23**

The Vice Principal Operations presented the following to the Board of Management for consideration:

- a) The 2020-21 College budget;
- b) The 2020-21 Student Association budget;
- c) The College financial forecast for the two years to 2022-23;
- d) A note of the budgetary and forecast assumptions used; and
- e) A sensitivity analysis of the key assumptions used.

Mr Alexander reported that the Finance and General Purposes Committee considered and approved these at its meeting held on 9 July 2020 for onward presentation to the Board of Management.

Mr Alexander and Mr Ritchie delivered a presentation and led the Committee through the detail of each one in turn making the following points:

- The SFC FFR guidance issued on 9 June 2020 provided the college sector with baseline assumptions for use in preparing the 2020-21 budget and financial forecast to 2022-23. In prior years, the SFC FFR guidance had requested colleges provide a financial budget and forecast to cover a five-year period, however, due to the uncertainty arising from Covid 19, a shorter three-year period had been requested. The College had applied this SFC guidance as required.
- The basis of the 2020-21 budget was a deficit accounting budget (due to the expending of cash arising from net depreciation) which, when adjusted for technical and underlying movements agreed by Audit Scotland and the SFC, provided a small adjusted operating surplus (effectively a breakeven position). Given the funding realignment that West College Scotland would receive in 2020-21, as a result of agreeing a business transformation plan with the SFC (which would see funding per

credit increase allied with a reduction in credit activity) the 2020-21 College budget and forecast to 2022-23 outlined plans to achieve a breakeven adjusted operating position in each of the three years covered by the FFR.

- The 2020-21 budget did not include any voluntary severance costs which may require to be met during the year, however, it currently assumed the College would require to realise staffing efficiencies and, while this may be achieved through staff turnover, vacant posts and other approaches, it was likely that part, and possibly all, of that saving may potentially be achieved through voluntary severance.
- College income was summarised. SFC income had been budgeted in line with the final SFC 2020-21 grant in aid settlement circular received on 9 June 2020 and the analysis of that was explained in detail as it related to WCS. Confirmation was awaited from the SFC in relation to funding for period poverty and mental health initiatives, but the College had assumed, within the 2020-21 budget, that this would be in line with 2019-20. SDS income in relation to modern and foundation apprenticeships was not anticipated to return to pre Covid 19 levels during 2020-21. Commercial and Tuition Fees were expected to generate an increase on 2019-20 levels, however, the level of commercial and other fee income in 2020-21 was not anticipated to grow significantly from 2019-20 levels as the market in this area may take a year to recover. Other Income included funds arising from areas including nursery provision, catering, property rentals and staff secondments and it was noted that the income arising from College catering operations was likely to experience a significant downturn during 2020-21 due to the reduction in the level of on campus College activity and the need to implement social distancing measures. The model of operation was currently under review, however, it was envisaged that, due to these restrictions, a limited 'grab and go' service would be made available with the impact being that an increased deficit was now expected.
- Employee and Non-staff costs were summarised. Employee costs remained the most significant element of expenditure for the College with key assumptions described. Key staff and non-staff movements were highlighted.
- The Student Association budget for 2020-21 had been incorporated into the overall College budget for next year. The level of expenditure incurred by the Student Association in 2019-20 was impacted by Covid 19, with several events cancelled due to the closure of on-site College operations.
- The Financial Plan detailed the forecasted financial position of the College for 2021-22 and 2022-23 including income, employee costs, non-staff costs and cash position.
- The Financial Plan contained an analysis of the sensitivities relating to several of the major components of the College income and expenditure account and the most significant areas of sensitivity in income, staff costs, non-staff costs and estates investment were highlighted.

The Board recognised that the financial operating environment of the College would remain challenging in seeking to achieve a breakeven position, with efficiencies required. Members were reassured that the impact of Covid 19 on operations would be kept under continuous review, with further engagement being sought with the SFC and partners should there be additional significant financial implications which were not currently anticipated. Similarly, with the impact of any voluntary severance costs in calculating the breakeven annual adjusted operating position should the SFC continue to hold the position that voluntary severance costs could not be excluded in calculating the annual adjusted financial operating position. In this regard, Mr Alexander explained that the 2020-21 College budget excluded the impact of any voluntary severance costs which may arise in arriving at the breakeven adjusted operating budget and this had been, and remained, the subject of ongoing discussion with the SFC. The Principal added that any voluntary severance process would prioritise service delivery and, while recognising the need for efficiency, would seek to take individual workloads and the wellbeing of remaining staff teams into account.



The Board noted the level of SFC maintenance funding had increased in 2020-21 but was still below the required level to maintain College campuses in order to deliver 21st century teaching and learning. Mr Ritchie explained that the College would have to review planned future projects and target those that maintained the buildings in a functional operational state. It was anticipated that this area would continue to have a high-risk rating within the College strategic risk register.

Reviewing the financial forecast for 2021-22 and 2022-23, the Board noted that Year 3 assumed the cessation of the sector ESF funding with a resultant decrease of credits for the College. This was an area where the college sector required clarification on future intentions as a priority.

The Board commended the solution focussed approach being taken by the College which had not only been modelled on/complied with SFC Guidance but had flexibility and agility at its centre.

**The Board of Management:**

- a) Considered the basis upon which the 2020-21 College budget had been created;**
- b) Approved the 2020-21 Student Association budget;**
- c) Approved the 2020-21 College budget on the basis outlined, which was an adjusted operating surplus of £27,000 excluding the impact of any voluntary severance costs which may arise; and**
- d) Considered the basis upon which the two-year financial forecast to 2020-23 had been created.**

**BM647 STUDENT DIGITAL POVERTY - PROCUREMENT**

The Vice Principal Operations explained that the issue of digital poverty had been especially highlighted as a result of the impact of Covid-19 on College operations. During the lockdown period, the College had required to deliver teaching and learning to students virtually, and future delivery of teaching and learning would require to be undertaken on a blended basis during the 2020-21 academic year.

Mr Alexander provided the Board with the background to the procurement of approximately 1,800 Chromebook computers, which would assist the College in addressing some digital poverty challenges by enabling IT equipment to be provided to students. This was particularly the case as it was expected that digital poverty would become an increasingly significant factor for the College as technology played an essential role in the provision of teaching and learning going forward.

Mr Alexander reported that, in accordance with the College Financial Regulation requirements for purchases of goods / services between £250,001 and £500,000, the Finance and General Purposes Committee considered and approved this procurement at its meeting held on 9 July 2020. The Committee agreed that its decision should be shared at the Board meeting on 20 July 2020 for information, context and awareness of the steps that the College was taking in seeking to address digital poverty.

The Board acknowledged the College's Digital Strategy which set out the digital ambition of the College as "Providing a positive digital experience for all students, with appropriately skilled and qualified staff and a digital infrastructure that is fit for purpose now and in the future". The Vice Principal Operations explained that, unfortunately the College was not currently provided with resource from the SFC to enable it to address all required current student digital poverty challenges in the West Region. However, an impact of Covid 19 had been a reduction in the level of childcare and travel allowances claimed from 2019-20 College Student Support Fund during the period since 20 March 2020 (when on site College operations ceased due to the Covid-19 lockdown period), and the College was,

therefore, forecasting it would have available student support funding which, if not expended by 31 July 2020, would require to be returned to the SFC. The College had, therefore, raised this matter with the SFC and advised of the need to apply this funding in order to address student digital poverty.

The Board discussed this investment which would enable more widespread and increased access to learning and teaching, as students would have the ability to pause, replay and progress their learning at a time and pace which suited their learning style better. The purchase of student chrome books was, therefore, considered to be a key component in addressing the digital poverty challenge.

Mr Alexander confirmed that the procurement would be evaluated by the Digital Strategy Group. Such feedback would be especially valuable given the likely continued increased emphasis on remote learning since the Covid 19 pandemic. He added that it was intended to also explore options to make more study spaces available for students on College campuses.

The Principal confirmed that the College would work with the Student Association to help take forward the communications around the initiative as well as their continued help and support. The President, Student Association added that she had a meeting arranged with the NUS President to discuss work being led by the Scottish Government to tackle digital poverty including internet access provision to the wider student population.

**The Board noted the detail and rationale for the purchase of up to £425,000 of Chromebook computers (at current pricing this would deliver approximately 1,800 devices) from supplier XMA, under the Scottish Government's Public Sector Procurement framework 'Web Based and Proprietary Client Devices Framework (SP-19-013)'.**

**BM648 ANY OTHER BUSINESS**

No other business items were raised.

**BM649 DATE OF NEXT MEETING**

Monday 5 October 2020 at 16:00 – Venue TBC

## Board of Management: Actions from the Minutes

Date of meeting	Min Ref	Matter for Action	Responsible Person	Action Taken	Timescale (where applicable)
<b>15 June 2020</b>	BM631	The seven editions to date of the College newsletter 'Homeworking Times' to be circulated to Board members for their information.	Shirley Gordon	Duly circulated on 16 June 2020.	Complete
	BM632	The Chair proposed arranging a separate meeting to discuss the SFC "Review of Coherent Provision and Sustainability" when more information was available on how the SFC intended to proceed with this review.	Chair	Session arranged for 27 July 2020.	Complete
	BM633.2	To arrange a Finance and General Purposes Committee meeting for early-July to consider and recommend to the Board a Budget for 2020-21 and 3-Year Financial Forecast and, thereafter, to hold a Board meeting to approve these.	D Alexander	1 – FGPC – arranged for Thursday 9 July 2020  2 – Board meeting arranged for 20 July 2020.	1 - Complete  2 - Complete
<b>23 March 2020</b>	BM610	The presentation and discussion scheduled with two inspectors from Education Scotland on their College Progress Visit Report - postponed until a later date.	Shirley Gordon	Will rearrange with Janet and John.	tbc
	BM616	Business Transformation Plan - Board to be kept informed of progress in discussions with SFC.	L Connolly		Ongoing Board updates via the CE Report
	BM619	KPIs - some analysis work to be undertaken to review overall performance prior to the coronavirus pandemic so that new	S Graham		tbc

		base and pro-rata performance indicators would be available.			
	BM620	Board to receive the same presentation that the Estates Committee received on 10/12/19 on the College's estate	D Alexander	1 - Original paper/presentation to Oct 2020 Board meeting for information.  2 - A separate strategy session to discuss estates issues will be arranged.	1 – Oct 2020 Board  2 - TBC
<b>3 Feb 2020</b>	BM600	Greenock Campus - continue to report progress to Board meetings.	L Connolly		Ongoing Board updates via the CE Report
	BM605	Suggested as future Board briefing: - The role of the College as a Corporate Parent.	I Forster-Smith	Presentation to October 2020 Board	Oct 2020 Board meeting
<b>9 Dec 2019</b>	BM591.3	Student Support: Presentation to the Board on the College's provision of support for care experienced, carers and estranged students.	I Forster-Smith	Presentation to October 2020 Board	Oct 2020 Board meeting
<b>7 Oct 2018</b>	BM565 (i) 544	Brexit – small group to be established to consider what kind of College there should be in the future and align this with the potential impact of Brexit.	?	Board to return to this matter once more information is available	Future meeting - tbc
	BM570 (v) 515.1	Chair's Report - Review of Committee Structure – Board supported the proposals emerging. Further consideration to be given to how to achieve them.	Chair / L Connolly		Future meeting - tbc



**Board of Management**  
**5.10.20**  
**Paper 6**

**The Student Association Board September 2020**

The Students' Association {SA} continues to work for the benefit of all students. At the time of writing, The SA consists of Student President– Vanessa Thompson and three Vice Presidents at Paisley – Chris Bett, at Clydebank – Stefana Margarint and at Greenock Paul Sefton. We are currently recruiting Executive Officers throughout the campuses and this process will continue throughout the next few months.

The SA would like to thank West College Scotland's staff for all of their support and assistance during the lockdown period. Despite the challenge, we were delighted with the feedback from students who were given supported during this difficult time. The SA says goodbye to Priya Kaur who stepped down from her role as Vice President. We want to thank Priya for all the hard work and dedication she has given the Student Association and wish her good luck with her future endeavours. In her place, we would like to welcome Paul Sefton to the team. Paul will be taking up the role of Vice President at our Greenock campus and we wish him the best of luck in his new position. Additionally, following on from our recruitment process we are happy to announce the appointment of our first student liaison officer Chris Haldane. Chris joins the team with a wealth of experience in student representation and has also worked various roles within the college so will offer the team some good insight.

The SA continues to work in partnership with the college in order to support students through the ongoing COVID-19 pandemic. Over the past couple of weeks restrictions have been placed in certain areas in the West of Scotland. The SA will continue to update students on any changes to current regulations and will offer support and guidance to anyone who requires it. We continue to have regular meetings with student funding about support measures for students during this difficult and unpredictable period. We are available for all students through email, phone and social media platforms and continue to provide any support and guidance that is required.

Some positive news to share and that is the pending delivery of additional chromebooks for students. The SA would like to give thanks to West College Scotland for their assistance in securing this new equipment. These will be much needed for our students particularly with many working from home with limited resources.

Think Positive is our latest campaign to be given focus. The campaign is a mental health agreement with the college to offer much needed support to students. Key information and guidance will be offered to help and support students especially around stress and anxiety. This will be promoted online using our social media platforms and will also be supported by Kirsty McEwan who is the Health and Wellbeing officer for West College Scotland.

Freshers is live on Myday! Make sure to check this out for the latest offers and events over the next couple of weeks. It is not the way the SA would like to have celebrated Freshers although we have tried to make it as fun and interactive as possible whilst also keeping it safe and within the guidelines.

Finally, our focus over the next few weeks is on the creation of a campaign based around student safety within the college. Some students will be required to physically attend their campuses to fulfil their course obligations. The SA takes this extremely seriously and wants to ensure that students understand the rules and consequences of adhering to the regulations set out by West College Scotland. It is a challenging time for everyone but if we work together then we are confident of providing a safe and engaging learning environment for all students and staff.

Many thanks and good luck for the year ahead.

**Lead:** Vanessa Thompson, President, Students' Association.

**Status:** Open

**TITLE:** CHIEF EXECUTIVE'S REPORT

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

**Lead** Liz Connolly, Principal and Chief Executive

**Status** Open

### **Covid-19**

#### **1.1 Start of the New Academic Year**

As members are aware over the summer months the College has been planning for the new academic year, with the new cohort of students joining the College on 21<sup>st</sup> September.

As previously reported a mobilisation team was established to coordinate this planning. The team includes representatives from across the College including curriculum, estates, HR, Health and safety, IT and communications. Our Trade Unions and the College Student President are also part of the team.

The College set out three key principles to guide the work of the mobilisation team:

- To have the fewest possible number of people on campus at any one time
- To ensure the safest possible environment for those on campus
- To ensure the best possible learning and working experience for students and staff

1.2 In mid-August all Colleges were asked to update the Scottish Government of their plans for the start of the new academic year. A copy of the letter sent to Richard Lochhead which details the steps the College has taken to ensure safe operations is attached as Annex 1.

1.3 The mobilisation group continues to meet to consider any emerging issues and new guidance in what remains a very fluid situation.

#### **2 SFC Review of Coherent Provision and Sustainability in Further and Higher Education**

2.1 As members are aware the Scottish Funding Council is currently conducting a review of Coherent Provision and Sustainability in Further and Higher Education. Following a specific Board session on 27<sup>th</sup> July the College submitted evidence to the review. A copy of the Colleges submission is attached as Annex 2

- 2.2 An initial report from the Funding Council following the first phase of the review is anticipated by early October.

### **3 Regional Outcome Agreement**

- 3.1 The College ROA to cover the period 2020-21 was finalised following the SFC 2020-21 final funding announcement on 9<sup>th</sup> June. The annual process that has operated to date would then see formal agreement of the ROA reached with SFC by 31<sup>st</sup> July. However, the College received correspondence from the SFC on 29<sup>th</sup> May which stated:

SFC conforms the following

**1.SFC will not ask governing bodies (College Boards and University Courts) to sign off the AY2020-21 Outcome Agreements in the usual way.**

We recognise that most institutions produced their near final AY2020-21 OAs prior to the COVID-19 crisis. Therefore, institutions will not be in a position to sign off commitments and targets that they already know they can no longer deliver. To do so would lead to a reputational risk for the sector and for SFC. This move acknowledges the reality of the current emergency situation and the anticipated scale of the disruption to business. However, the current OAs do contain ongoing high level commitments that may still be relevant moving forward and SFC would want to recognise this.

**2. SFC will not publish the AY2020-21 Outcome Agreements on our SFC website.**

We will not move to publish the OAs on our website as usual, acknowledging that there will be no formal sign off of the accepted AY2020-21 OAs.

**3. SFC will attach the allocation of core funding in AY2020-21 to refocussed sector commitments and activity which will provide us with reassurance on use of designated funding.**

Although we do not know exactly what these commitments will be, we are working closely with the sectors to establish more high level set of outcomes for AY2020-21 that realign priorities with what will be needed to support economic recovery, to support those already in the education system (schools, colleges and universities) during the crisis period, and those who may be looking to re-enter employment. At the same time, we expect colleges and universities to continue to widen access, deliver high quality research and ensure a high quality learning experience for all students that may be different in shape, structure and mode to previous years.

- 3.2 At this time the College awaits SFC confirmation of the refocussed sector commitments and activity that are outlined under point 3. For now, the College is therefore proceeding on the basis that the key outcomes previously detailed within



the final 2020-21 draft will remain and will require to be delivered. It is not expected that any changes in funding will arise as a result of the SFC correspondence of 29<sup>th</sup> May.

- 3.3 Further updates on this matter will be provided to the Board at future meetings. A copy of the correspondence received from SFC is attached as annex 3.

#### **4 College Involvement with Local Strategic Groups**

- 4.1 As part of the discussions the Chairs group has been having on regional economic development all colleges were asked to provide details of the local and/or regional Strategic Groups that they were involved in. For information, Annex 4 provides a list of the Groups in which the College participates. More information on these groups can be provided if required.

#### **5 Greenock Campus**

- 5.1 As previously reported, prior to lockdown two meetings had been held between the management team, union representatives and the Student President and Vice President to discuss the contents of the '10-point plan' for Greenock previously presented to the Board.
- 5.2 Two meetings that had been scheduled for this group since prior to the summer break had, unfortunately, to be cancelled due to key individuals being unable to attend.
- 5.3 A constructive and positive meeting of the Group was held shortly after the new term began. Further meetings will be held to continue the discussion.

**Richard Lochhead MSP**

St Andrew's House  
Regent Road  
Edinburgh  
EH1 3DG

24<sup>th</sup> August 2020

Dear Minister,

**RE: START OF THE NEXT ACADEMIC YEAR**

Thank you for your letter on 18<sup>th</sup> August 2020 regarding our plans for the new academic year during Phase 3 of the Scottish Government's *Route Map Through and Out of the Crisis*.

As the Chair of the sector-wide Academic Year Planning Group, I recognise the collective and collaborative approach to responding to the impact of Covid-19 that you praise the college sector for in your letter. Likewise, as Principal of West College Scotland, I am proud of the resilience and adaptability that our staff have shown throughout the pandemic. Their efforts have kept our College open virtually since March, whilst our buildings have been closed to all but essential maintenance staff, and prepared us for a 'new normal' in the coming academic year.

At the start of the Covid-19 crisis, the College implemented its Business Continuity Plan which commenced with the creation of a Covid-19 Incident Response Team (IRT). This team was led by myself and was composed of senior staff from both teaching and operational areas across the College. The IRT oversaw the physical closure of the College campuses in an orderly manner and the transfer of teaching and operational matters from campus-based to virtual in a very short space of time. The IRT continued to meet on a weekly basis after the closure of the campuses to address a range of operational issues.

Reopening our campuses to both our students and staff in the safest way possible and delivering first-class education and training is of paramount importance to the College. In June, we established a Mobilisation Group – whose membership draws on the skills and expertise of estates, curriculum, health and safety, HR, IT and communications, as well as trade union and student representation – to lead on our work to prepare for an appropriate level of activity to resume on our campuses. The work of the Mobilisation Group is underpinned by three clearly defined aims, which are to ensure that we have the:

- Fewest possible people on campus at any one time
- Safest possible environment for those on our campuses
- Best possible learning and working experience for students and staff

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**Paisley Campus**

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Paisley, PA3 4DR

To achieve this, in line with the Scottish Government's guidance, we have planned for a phased return with a blended model of remote and limited on-campus learning. Our position remains that if our staff can work from home, they should continue to do so. For the limited number of students and staff who will attend our campuses, visible public health measures will be in place to reduce the risk of the transmission of Coronavirus. These will include highly visible floor and wall signage, hand sanitization stations at entrances and other key points around our campuses and a continual updating of the FACTS messaging across all College communication platforms.

I welcome the opportunity to outline the measures we are taking to mitigate the harms associated with Coronavirus in the specific areas you have highlighted in your letter:

### **Self-Isolating Students**

The College has procedures in place for students who are required to self-isolate in the event that they have symptoms of – or a positive test for – Coronavirus or has been traced through the Test and Protect system as a close contact of someone who has.

As we suspended face-to-face teaching and closed our buildings in March to safeguard our students and staff, the College had prepared for the continuity of learning and teaching online, using resources like Moodle, Microsoft Teams and Zoom. Digital technology and remote learning are at the heart of our plans for blended learning and minimising footfall on campus for the new academic year. We are confident that we will be able to minimise the disruption to a student's learning if they are required to self-isolate through these means.

Of course, for self-isolating students who do not have digital access, the College will offer support by providing hard copy workbooks and notes, as well as staff keeping in touch to check on their wellbeing, monitor progress and offer guidance, throughout the self-isolation period.

### **Contact Tracing**

We take our duty to safeguard our staff and students with the utmost seriousness and have ensured that we have processes in place to support contact tracing across our campuses.

Any member of staff or student wishing to access a campus for any reason must have the express permission of the College management prior to attending. Upon entering the College all staff are required to sign in and student registers are taken at the start of each class. Similarly, but separately, all visitors and contractors must sign in and provide contact details. All staff, visitors and contractors are also required to sign out when leaving. This enables us to ascertain quickly who was on campus at a particular time, where they were and for what reason in order to support contact tracing.

### **People on Campus**

As mentioned previously, minimising the number of people on our campuses at any one time is a key principle underpinning our preparations for the new academic year to accommodate social distancing and reduce the risk of the transmission of Coronavirus.

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Our blended model of remote and limited on-campus learning, alongside staff continuing to work from home where their presence on campus is not essential to enable them to fulfil their duties, are central to ensuring the fewest people are on campus. As mentioned above, any member of staff or student wishing to access a campus for any reason must have the express permission of College management prior to attending. All unnecessary visitors will be discouraged, and all deliveries will be pre-arranged to reduce traffic on our campuses.

Inevitably, of course, there are areas of the College – such as curriculum, IT and estates, for example – where there is an operational need that unavoidably requires staff and students to be present on campus.

To safeguard staff and students when required and permitted to be on campus, visible public health measures have been installed throughout our buildings – including, but not limited to, “keep left – keep apart” signage, floor markings to encourage social distancing and hand sanitising stations at entrances and toilets throughout our buildings. Our cleaning team will also sanitise touch surfaces in circulation areas and toilets throughout the day and cleaning materials will be provided to staff and students to enable them to disinfect their work area and equipment before and after use.

To ensure that staff are safe to be on campus, we have worked with our occupational health providers to prepare a self-assessment questionnaire to identify any underlying health conditions or other factors that may make any of our colleagues more vulnerable to Coronavirus. Any colleagues who were identified with confirmed or suspected vulnerabilities were subsequently referred to our occupational health provider for a consultation. This exercise, that I am pleased to confirm achieved near 100 per cent participation among our 1,200 staff, has enabled us to take additional steps to protect our colleagues through individual risk assessments.

Staff requiring the services of our departments operating on campus, such as IT and printing services, will receive support on a managed appointment system to reduce activity on our campuses.

Physical attendance to classes on our campuses will, in the main, be restricted to specialist facilities and resources which otherwise cannot be replicated using remote learning and teaching. We have planned to reduce class sizes to adhere to social distancing measures and have given careful consideration to the timetabling of classes to reduce congestion by staggering start, finish and break times where appropriate.

Two duty managers, comprising of members of the Senior Management Team or Heads of Sector, are present on each campus during opening times to ensure that procedures are being adhered to, as well as to assist with any queries. If required, a duty manager can be identified on the rota or contacted through the reception of each campus.

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## Communication

In these unprecedented and uncertain times, the College acknowledges the importance of communicating the measures we are taking in response to the Coronavirus pandemic clearly, confidently and compassionately to our staff and students.

The College appreciates that the prospect of returning to our campuses after many months of living in lockdown measures may be daunting for a number of our colleagues and learners. It has therefore been our priority to keep all stakeholders informed, demonstrate that we are taking the necessary steps to safeguard their health and wellbeing and, in doing so, lessen their concerns. We have done this through a range of channels, including our:

- **Staff Intranet:** We established a Coronavirus information page on the staff intranet to provide our colleagues with a central location to keep informed of the measures we were taking, to find documents for more information and to ask questions using the Q&A feature.
- **Student Intranet:** Similarly, we ensured that the student intranet was updated regularly, developed a frequently asked questions section and encouraged students to get in touch with Student Services if they had any queries.
- **Website and Social Media:** Throughout the pandemic, we have used our website and social media channels to disseminate key information about the closure of our buildings, our courses, plans for re-opening and '10 Things You Need To Know When On Campus'.
- **Internal Publications:** To stay engaged with our staff who have been working remotely, we have produced regular internal staff publications – the new *Homeworking Times* and the readily established staff magazine *WestWorld* – with light-hearted content as well as key corporate and public health messages.
- **Staff Guidance and Student Inductions:** Information on the measures we are taking and the behaviours we expect on campus to suppress the virus have been incorporated into the guidance issued to staff and the student induction process.
- **On-Campus Signage:** Of course, as mentioned previously, we have produced and erected prominent signage throughout our buildings to make people aware of the measures in place and to encourage compliance.

## Outbreak Management

In accordance with Scottish Government's *Guidance for Colleges*, the College will suspect that there is a localised outbreak if two or more linked cases (confirmed or suspected) of Covid-19 occurs in a setting within 14 days or there is an increase in staff absence rates in a setting due to suspected or confirmed Covid-19 cases. In such an instance, the College will immediately inform NHS Greater Glasgow and Clyde Health Board's Health Protection Team and work with them to put appropriate interventions in place to control any suspected outbreak.

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## Schools

The College is proud of our record in delivering vocational training to 1,200 school pupils across our four main local authorities. We are committed to continuing to undertake this important work with young people across our region in the new academic year and have taken steps to ensure that it will be done safely.

Firstly, we are conducting a Covid-19 induction with senior phase pupils that is predominately focused on health and safety requirements and support for learning online. The majority of the College offering to schools follows a blended learning approach with the start of most courses being delivered 100 per cent online from the start of the academic year to reduce activity on our campuses during Phase 3.

When required to attend our campus, senior phase pupils will be met by a member of our staff and asked to follow the College's sanitisation procedure before being taken to their place of study. This will be mirrored on their exit from our campus. The activities of senior phase pupils have been risk assessed following government and public health advice and guidance and relevant information will be available in each workspace to help guide all learners on expected behaviours and procedures.

Unlike schools, the College is still operating the 2-meter social distancing rules and this will apply to every person – including pupils – that attend our campuses. When senior phase pupils are on campus, we are responsible for limiting their interaction with other WCS students and, for this reason, activity for senior phase pupils will not include break times.

Additionally, senior phase pupils have been allocated to a "school bubble" where they will only be in contact with this small group of pupils during their time at our College. Where there is a need for senior phase pupils to move about within the learning space to perform activities – to access resources, for example – this will be organised to minimise any congregations in a concentrated area.

If any senior phase pupil who is due to attend our campuses develop Covid-19 symptoms, or lives with someone who has developed Covid-19 symptoms, will be advised that they should not attend as planned.

In line with our established procedures and advice to staff and students, if a senior phase pupil develops Covid-19 symptoms whilst on campus, as covered in their induction, they should notify a member of our staff as soon and as safely as possible. They will then be shown to an unused room nearest the closest point of exit and a first aider called. We will always advise anybody with suspected Coronavirus symptoms to self-isolate at home and to visit the NHS Inform website or call 0800 028 2816. Once any possible case has left the premises, Estates will be notified to clean any areas occupied by the senior phase pupil.

The Scottish Government's *Guidance on Preparing for the Start of the New School Term* made no direct mention of school-college partnerships but does ask that staff attendance between schools on consortium arrangements be kept to an absolute minimum and pupil interaction between schools limited. Taking cognisance of this advice, our staff will not deliver activity in school settings.

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### Greenock Campus

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### Paisley Campus

Renfrew Road  
Paisley, PA3 4DR

## **International Students and Accommodation**

I can confirm that we do not operate any student accommodation and we are not recruiting international or Erasmus students in the new academic year.

I trust that the work the College is undertaking and the measures we are implementing to start the new academic year and reduce the risk of the transmission of Coronavirus, as outlined in this letter, provides you with the clarity and additional reassurances you seek. I have also attached a list of our Covid-19 communications, signage plans and procedures for further information. We welcome the opportunity to discuss our plans and share best practice with yourself, your officials and the rest of the sector later this month and throughout the crisis.

Finally, just as we were in the aftermath of the 2008 financial crisis, colleges will be at the heart of the national and local economic recovery from the impact of Coronavirus. We are committed to continuing to work with the Scottish Government, the skills and enterprise agencies, the college sector, local government and industry to support sustainable growth in the safest possible way.

Yours sincerely,



**Liz Connolly**  
*Principal and Chief Executive*

Cc: Shona Struthers – Chief Executive, College Scotland

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## **Annexe A**

### **WCS Covid-19 Plans and Procedures**

1. [Remit of the Mobilisation Group](#)
2. [Circulation Principles](#)
3. [Cleaning Principles](#)
4. [Clean Desk Policy](#)
5. [Fire Alarm Evacuation Standard Procedure – Clydebank](#)
6. [Fire Alarm Evacuation Standard Procedure – Greenock](#)
7. [Fire Alarm Evacuation Standard Procedure – Paisley](#)
8. [Covid-19 Advice for First Aiders](#)
9. [WCS Covid-19 Workplace Risk Assessment](#)
10. [Covid-19 Health Vulnerability Self-Assessment Questionnaire](#)
11. [IT Print Services Principles](#)
12. [IT Service Desk Principles](#)
13. [Process for Requesting Monitors for Remote Working](#)
14. [Classroom Preparation General Principles](#)
15. [Library Covid-19 Guidelines](#)
16. [What To Do If Presented with Covid-19 Symptoms](#)

### **WCS Covid-19 Communications and Signage**

1. [Staff intranet](#)
2. [Student intranet](#)
3. [Homeworking Times](#)
4. [Campus signage](#)

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10<sup>th</sup> August 2020

Karen Watt  
Chief Executive  
Scottish Funding Council

Dear Karen

**Scottish Funding Council (SFC) Call for Evidence: A review of Coherent Provision and Sustainability in Further and Higher Education**

The Board of West College Scotland welcomes the opportunity to provide input to Phase 1 of the SFC's review and looks forward to ongoing engagement with the Funding Council as the review progresses through future Phases.

This input is provided within a context that recognises that Colleges have a critical role to play in a skills led economic recovery (both economic and social). In considering our input the Board has also been very clear that as a civic anchor in our community we should be prioritising the needs of our learners and the communities and businesses that we support.

**A.) What do you think works well in the current Further and Higher education arrangements that we should keep in order to secure Scotland's inclusive social and economic recovery from the pandemic? How can we best preserve and strengthen those features of education and innovation in Scotland that we most prize, in a very challenging funding environment?**

**Students:** In providing quality learning and teaching to our student body, Colleges seek to maximise that experience and to develop interventions that provide a wrap around service to our students, this ensures they are supported to achieve their full potential, gaining the skills, knowledge and experience needed to make sure that they can contribute fully to the economy. Supporting vulnerable and disadvantaged students is a key element of this ensuring that they have equity of opportunity and accessibility at all stages of their learning journey. Colleges are primarily skills-based learning institutions, which when coupled with work placements and apprenticeship schemes, provide a work-ready resource for employers.

**Communities:** The communities that West College Scotland serves are amongst the most disadvantaged in Scotland, currently around 40% of our students come from SIMD 20 reflecting the communities which we serve. We are a fundamental part of the community infrastructure working with our partners to promote economic growth and social inclusion, providing access inclusion and physical interaction for some of the most vulnerable in our society often providing the only viable opportunity for these learners to progress with their learning and education. Uniquely, the FE sector is the nexus of learning and employment, spanning across delivery in schools, community learning, in the college itself, supporting articulation to universities, and connections to employers.

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**Economic growth and Development:** We are fully integrated into our local business communities working with employers of all types providing the skills, learning opportunities and experiences students need to thrive in a modern economy. We work hard at maintaining these links and understanding the specific needs of our local business communities, this is illustrated by our recent publication 'Our Workforce, Our Future' which was based on a College led skills survey of our local business community. Our college is fully engaged in the Community Planning Partnerships across our areas, and works closely with the Chambers of Commerce, contributing systematically to economic growth and development with all agencies and the business sectors. An example of our approach to supporting business is our award winning, AC Whyte skills academy which trains students with the specific skills needed by the company.

**Staff Base:** We have a staff base with wide ranging skills sets and strong links to industry. Maintaining flexibility around this will ensure that we continue to be able to respond to the needs of the local business community. Our staff base is complemented by our business connections with businesses providing real life insight for our students through lectures and live project work.

**Flexibility:** Maintaining and growing the ability to deliver a range of interventions to support the upskilling and reskilling of individuals through a variety of delivery modes will be crucial to ensuring that we are agile and responsive to potentially rapidly changing economic pressures. This will also give individuals the opportunity to focus their learning needs in a way which improves the ability to secure employment and employment progression.

We believe that these features and strengths can best be preserved and strengthened by;

- Supporting Colleges to increase the economic, social and human capital of the regions they serve by prioritising greater flexibility within delivery and funding models
- Considering a joined up, strategic approach to funding based on social and economic outputs, rather than multiple funding pots
- Reducing competition between schools, colleges and universities in order to increase efficiency and a more effective use of available funding, seeking to secure best value
- Continuing to invest in estate as appropriate to ensure 21<sup>st</sup> century modern learning environments
- A better alignment of funding with planning, currently we have single year funding and three-year planning. Colleges need the ability to react with agility and flexibility in meeting local economic need. It should also not be assumed that flexible, blended and/or distance learning are less resource intensive – they require development time and infrastructure investment.

**B). What do you think colleges, universities and specialist institutions should stop doing, or should do differently, in order to contribute effectively to an inclusive social and economic recovery?**

There needs to be greater cohesion between schools, colleges and universities ensuring consistency of experience. There needs to be better regional strategic planning across education to meet the needs of local and regional economies.

The provision of education needs to be more responsive and flexible. Moving away from traditional on campus delivery and traditional patterns of delivery. Demand occurs throughout the year and we need to be more agile in responding to that demand.

The role of Colleges in innovation and knowledge exchange needs to be more widely recognised. Colleges have strong links in their business communities and have a track record of supporting, not only skills innovation, but also product and process innovation leading to productivity improvements. Innovation needs to be embedded throughout education at all stages.

Consideration of how funding is allocated regionally is important, ensuring that all players have the opportunity to contribute to regional growth. Equally there needs to be flexibility and autonomy within regions to allow local solutions to complement regional and national solutions.

There needs to be a continued focus on digital capacity, with appropriate investment to support this. Colleges need to deliver learning and teaching and skills development throughout the period of the pandemic, and to be able to support the flexibility of provision that is needed.

There needs to be a continued strong emphasis on apprenticeships. An Apprenticeship Pathways programme that enables employers to have a key ongoing role will be a valuable way of developing skills in key sectors.

**C). How can colleges, universities and specialist institutions best support Scotland's international connectedness and competitiveness in the post-pandemic, post-EU membership environment?**

Collaboration across institutions will be key to ensuring that we build on Scotland's strengths and reputation as a place to live, study and work.

Scottish institutions and the Scottish system have a lot to offer internationally and we should continue to work with the national organisations, including SDI to shape the proposition and determine appropriate overseas markets. West College Scotland has a track record of operating internationally with a number of strong partnerships in the Far east, this work has previously been supported by SDI.

It will also be important to continue to develop a global mindset within our student body, this has been a priority for West College Scotland.

Colleges will continue to have a key role in supporting Scotland's competitive position in securing foreign direct investment, ensuring a strong appropriately skilled workforce.

**D). What opportunities and threats does the post-pandemic environment hold for colleges, universities and specialist institutions? For institutional leaders, how are you planning to address these challenges and opportunities?**

**Opportunities:**

The experience of adapting quickly to operating throughout the pandemic has illustrated a flexibility and adaptability within the system which presents a number of real opportunities for the future. These include the following;

- a much improved ability to deliver more flexibly and digitally in the future.
- Engagement with a wider range of students through more flexible delivery.
- An enhanced recognition by individuals of the need to upskill and reskill
- Colleges recognised as anchor institutions in their communities, and critical to a skills based economic recovery.
- The increased understanding of digital poverty through the COVID experience could help enable more critical investment in digital infrastructure
- The opportunity to support green recovery and Scotland's green ambitions.
- Raise the profile of the College sector, and our ability to be agile and adaptive
- Opportunities to fast track the objectives in West College Scotland's own Corporate Strategy.

**Threats**

The greatest threat is the availability of funding to ensure that the college sector can maintain the capacity to meet increased demand. Other challenges include the following;

- Challenges with our physical estate and maintaining critical investment in technology.
- Student digital poverty, connectivity and hardware
- Digital skills of staff and students
- Financial stability of the sector
- Increased external competition

West College Scotland's recently published Corporate Strategy set out our approach to reshaping our College and making us fit for the future so that we could better serve the needs of our students and communities and make a lasting contribution to our regional

Economy. The strategy identified 4 strategic priorities; Personalisation, Collaboration, Agile and Adaptive and Digital. While the pandemic has changed the economic context, we believe that adhering to the ethos of our strategy will help us to address these opportunities and challenges.

**More specifically we will;**

- Continue to prioritise our curriculum to respond to student the changing levels of demand and needs of students, particularly those who are unemployed and want to start courses outside of the set academic year and have personal objectives for skills development & qualifications – short sharp offerings/roll on roll off/immediate response
- Provide additional support for staff and students in digital skills development and working remotely. Development of materials to support this which also have commercial potential.
- Continue to work closely with our local businesses (Explicit this includes and employers in the statutory and third sector?) to support their needs.

**E). What forms of collaboration within the tertiary eco-system would best enable a coherent and effective response to these challenges and opportunities?**

Employer collaboration works particularly well because the employer and college both have clear and distinctly different roles. In school and university collaboration this can be more challenging where there are elements of competition – duplication of Senior Phase/FE and HN/1<sup>st</sup> & 2<sup>nd</sup> year degree.

Consideration should be given to standardising articulation routes by moving to a 2+2 or a 2+1 model of delivery for honours and ordinary degrees respectively. This would ensure that all institutions give the same recognition for the same qualification when the learner is applying to the same or similar course at the same SCQF level.

Closer strategic alignment is needed within the tertiary system to ensure that pathways are student focused and not institution focused.

**F). How can SFC, alongside government and other enterprise, skills and education-focused agencies, best support colleges, universities and specialist institutions to make their full contribution to Scotland's inclusive, green and education-led recovery?**

The focus of agencies should be on delivering value for money, aligned to employment, including self-employment.

Consideration should be given to better alignment of different funding sources in terms of approaches, timescales and reporting requirements.

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This would reduce the administrative burden on institutions.

It may be helpful to consider the integration of funding sources.

The academic year model is driven through current approaches to funding and reporting. This may be too linear for students, and the needs of the economy, school then college then university or school then university. Consideration should be given to a more flexible model that allows more overlap – college students undertaking university options while at college; more students gaining equivalent qualifications whilst working; less delivery in set academic years overall. A system that is more agile and flexible, able to respond to the changing needs of students and employers.

The Scottish Government and the SFC should look to create clearer and more flexible planned funding for institutions, moving from annual funding to multiyear funding, this would support better long-term planning, and improve institutions ability to respond to quickly changing terms of demand.

Consideration should be given to having a smaller set of ROA targets, that are more realistic, impact focussed and capture the key priorities to be achieved within the sector.

We trust this submission is valuable and look forward to receiving the outcome of this Phase of the review and engagement with later phases.

Yours sincerely

Liz Connolly

Principal and Chief Executive

Waiyin Hatton

Chair – Board of Management

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## Local Authority / Community Group Involvement

West Region CPPs and Relevant Groups	Council Tier	WCS Representative
<b>Renfrewshire</b>		
LA - Community Planning Partnership Executive Group	1	Liz Connolly Principal and Chief Executive
LA – Future Paisley Partnership Board	1	Liz Connolly Principal and Chief Executive
LA - Economic Leadership Panel	2	Liz Connolly Principal and Chief Executive
LA - Improving Life Chances Board	2	Stephanie Graham Vice Principal
LA - Local Employability Partnership (Reports to Tier 2 Improving Life Chances)	3	Allan Dick Economic Development Manager
LA - Renfrewshire Council Community Protection (Prevent) Steering Group	2	Iain Forster-Smith Assistant Principal
Renfrewshire Chamber of Commerce Board	n/a	Liz Connolly Principal and Chief Executive
Engage Renfrewshire - Chair of the Board	n/a	Allan Dick Economic Development Manager
Renfrewshire and Inverclyde Divisional Multi Agency CONTEST / Serious Organised Crime Group	n/a	Iain Forster-Smith Assistant Principal
<b>East Renfrewshire</b>		
LA - Performance and Accountability Reviews (PAR).	1	Liz Connolly, Principal and Chief Executive / Allan Dick, Economic Development Manager

West Region CPPs and Relevant Groups	Council Tier	WCS Representative
LA - Improving Outcomes for Children and Young People	2	Iain Forster-Smith Assistant Principal
LA - Local Employability Partnership	2	Allan Dick Economic Development Manager
<b>Inverclyde</b>		
LA - Inverclyde Alliance Board	1	Sara Rae Assistant Principal
LA - Repopulation Partnership	2	Alan Ritchie Director
LA - Cultural Partnership	2	Angela Pignatelli Assistant Principal
LA - Regeneration & Employability Partnership (Reports to Repopulation Partnership)	3	Allan Dick Economic Development Manager
LA - CLD Strategic Implementation Group Meeting	3	Iain Forster-Smith/Fiona McKenzie Assistant Principal/Head of Sector
LA - Inverclyde MA CONTEST/SOC Tactical Group	3	Iain Forster-Smith Assistant Principal
Inverclyde Chamber of Commerce Board	n/a	Alistair Rodgers Head of Sector
Inverclyde Economic Recovery Group	n/a	Liz Connolly Principal and Chief Executive
Inverclyde Education Recovery Group	n/a	Stephanie Graham Vice Principal Educational Leadership
Renfrewshire and Inverclyde Divisional Multi Agency CONTEST / Serious Organised Crime Group	n/a	Iain Forster-Smith Assistant Principal
<b>West Dunbartonshire</b>		
LA - Community Planning West Dunbartonshire (CPWD)	1	Liz Connolly



West Region CPPs and Relevant Groups	Council Tier	WCS Representative
		Principal and Chief Executive
LA - Flourishing (previously Employability and Economic Growth)	2	Sara Rae Assistant Principal
LA - Strategic Employability Group	3	Iain Forster-Smith/Fiona McKenzie Assistant Principal/Head of Sector
Dunbartonshire Chamber of Commerce Board	n/a	Nick Allan Board Member
The Lennox Partnership – Non Executive Director Post		Sara Rae Assistant Principal
West Regional DYW Group		Liz Connolly Principal and Chief Executive

### Definitions of Tiers for Local Authority Groups

- Tier 1            The senior CPP Board in an area normally comprised of Chief Executives/Chief Officer of CPP Partners, provides strategic leadership and oversight
- Tier 2            Normally strategic groups providing leadership on key themes of the CPP, again comprised of senior officers of CPP Partners. They all formally report into the Tier 1 Board
- Tier 3            Operational groups not formally part of the CPP structure but normally reporting into Tier 2 Groups across specific remits

## **West College Scotland Board meeting 5 October 2020 - Chair's Report**

### **Board development**

Thank you to Board members for giving of their time to meet with me on the annual 1:1 reviews. This has provided positive feedback and constructive suggestions for making continuous improvements, particularly in the light of the 'new' landscape. A number of themes have emerged from the discussions and a summary 'report' will be made to Board members on any follow-up actions to be taken forward.

### **WCS submission to Scottish Funding Council (SFC) Review**

A Board session was held on 27 July 2020 to consider the WCS submission to the Review. Thank you to Board members who were able to attend and contribute to discussions, and to the Vice Principals for facilitating the group discussions. Outputs from the groups were incorporated into the WCS submission.

### **Colleges Scotland**

Since my last Chair's Report, the Colleges Scotland Board has met on 25 June when Jackie Henry, WCS Vice-chair, attended on my behalf. I attended the next meeting on 18 September where the focus was on the submission to the SFC Review. The SFC Chair and CEO attended the meeting to provide an update on the process and associated timelines for completion of the Review, and on key themes from the consultation process so far.

### **Colleges Chairs Group**

I attended the Chairs Group meetings in June, August and September 2020. Two sub-groups were formed to produce submissions to the SFC Review – the Economic Development Group, and the Communities, Inclusion and Learning Journey Group. I was a member of both groups and am grateful to Jackie Henry, WCS Vice Chair for advice on the Learning Journey. On my suggestion, both groups had representatives from the Principals' Group to ensure alignment.

The 17 June and 18 September meetings of the Chairs Group were primarily to prepare for a second and third meeting with Richard Lockhead, Minister for Education. These were informative and provided a welcomed opportunity for the Minister to be kept abreast of the achievements and challenges in the sector.

### **Chair's Induction**

Since the last Board in June, I attended further Assets and Infrastructure Committee; Finance and General Purposes Committee; and HR and Corporate Development Committee to 'keep up to speed'. I thank David Alexander (Vice Principal Operations) and Alan Ritchie (Director of Finance) for a most insightful session on WCS and the sector's landscape on finance.

The Principal and I have arranged to meet the Leaders and Chief Executives of each of the three councils in October 2020. This will provide an opportunity to have a sense-check of our respective organisation's current issues and thinking.

**Lead:** Waiyin Hatton, Chair.

**Status:** Open

**TITLE: STRATEGIC RISK REGISTER**

**Background:** Under the Corporate Governance Code, the College Board of Management is tasked with ensuring a framework of risk management and control is in place. This paper:

- provides an update on the actions taken by the College to develop the College Risk Management Strategy;
- outlines the next steps in the development of the College Risk Management Strategy; and
- presents the current College Strategic Risk Register for the consideration of the Board of Management.

**Action:** The Board of Management is requested to:

- note the update on the development of the College Risk Management Framework;
- consider and approve the revised reporting format for the College Strategic Risk Register;
- approve the next steps in the development of the College Risk Management Strategy; and
- review and approve the Strategic Risk Register and in doing so consider:
  - The risks included in the register;
  - The risk ratings both pre and post mitigations;
  - Whether any other risks should be considered for removal; and
  - Whether any new risks should be considered for inclusion.

**Lead:** David Alexander, Vice Principal Operations

**Status:** Open

## **1. Risk Management Strategy**

- 1.1 The West College Scotland Risk Management Strategy is approved by the Board of Management. The College Strategic Risk Register is subject to ongoing review by the Board of Management and all Board of Management Committees, with oversight being provided by the Audit Committee.

## **2. Development of the College Risk Management Framework**

- 2.1 The June 2020 Board of Management approved revisions to the College Risk Management Strategy which recognised the agreed College risk appetite categories, the College risk appetite statement and associated amendments to the ten risk categories. These revisions were the result of a significant piece of work with the Board of Management to review the overall risk categories and the risk appetite that the College was willing to tolerate. It was also agreed that a revised layout for the format of the College Strategic Risk Register report would be developed in order to capture and present the content in a more user-friendly way.
- 2.2 The September 2020 Audit Committee considered a proposal to revise the format of the Strategic Risk Register and endorsed the updated format provided, with the inclusion of Proximity in the summary of the top 5 risks along with the trend movement. Appendix A provides the College Strategic Risk Register report in the revised format. The primary changes to the Strategic Risk Register from the previous format include the following:
- Definition pages are now at the front of the Register to allow readers to fully understand the contents. These definitions include:
    - Proximity – as to when the risk might occur
    - Impact – the estimated effect of the risk on the College strategic priority
    - Probability – the estimated chance of the risk occurring
    - Risk Score – a RAG analysis of overall risk scoring
    - Trend – indication of how the risk has moved since last reviewed
    - Risk Appetite – pictorial representation of the Board approved risk appetite per category of risk
    - College Strategy 2019-25 – a summary of the College priorities and objectives
    - Summary of top 5 risks
  - The format of the register has changed to present each risk with the associated information on a separate page.
  - Apart from proximity - which is an addition to the risk information - the above information was included within the previous risk register reporting format.

- 2.3 The revised format has also been considered by the Finance and General Purposes, Asset and Infrastructure and HR and Corporate Development Committees during the September meeting cycle. All Committees commented that the revised format was a positive development and welcomed the proposed change.
- 2.4 The Board of Management is therefore requested to approve the proposed revision to the format of the Strategic Risk Register. If approval is provided, the College Risk Management Strategy will be amended to reflect the revised reporting approach and presented to the next meeting of the Audit Committee and Board of Management for approval.
- 2.5 The revised Risk Register will be uploaded onto the College's Pentana Risk system which will then allow College users to input and update the risk controls and mitigating actions in real time.
- 2.6 The College is currently reviewing and updating how it intends to develop the 2021-22 operational planning regime. As part of this review process the further integration of risk management into the operational planning cycle will further aid the development of the overall College approach to risk management. The Audit Committee will be kept updated on this work during 2020-21.

### **3. College Strategic Risk Register Update and Considerations**

- 3.1 The College Strategic Risk Register is provided at Appendix A for consideration.
- 3.2 The Board of Management approved the risk register ratings at its meeting in June 2020. Since then meetings of the Audit Committee, Finance and General Purposes Committee, Infrastructure Committee and HR and Corporate Development Committee have considered the Strategic Risk Register and have concluded that no revisions are required to the risks at this time. However, the Nominations Committee meeting of 23 June 2020 considered risk in relation to the activities within its remit. The Committee agreed to raise the following points at the October 2020 Board meeting in relation to consideration of the Strategic Risk Register:
- The risk register includes risks associated with staff and students throughout. The Committee wishes consideration to be given to whether a risk/risks relating to the Board of Management / Board members / Committee / governance associated risks should be included, with reference to business continuity succession planning in support of Board activity; and
  - Whether there is a need to recognise a risk associated with contingency plans for the Board Secretary role.
- 3.3 The Senior Management Team has continued to undertake a review the College Strategic Risk Register. The mitigating controls have been updated to reflect:
- Updating of risk controls, including recognition of recent SFC and other funders confirmation of 2020-21 funding;

- Work undertaken to address the challenges faced by the College as a result of Covid-19. An update on the work undertaken by the College regarding Covid-19 is noted from section 3.4, below;
- Impact of additional funding to address student Digital Poverty;
- Inclusion of various Strategy Update reports received by Board of Management Committees including HR Annual Report, Financial Strategy and 2020-21 Budget and IT Strategy;
- Outcomes from recent internal audit reports;
- The revised Board Committee structure relating to the Asset and Infrastructure Committee; and
- The position in relation to future estate development activities.

3.4 The most significant risk faced by the College continues to be the business continuity challenges caused by the Covid-19 outbreak. The College successfully closed all on-site campus operations during March 2020 and transferred most teaching and learning to online - with some final deferral teaching and learning taking place on campus for 2019-20 students from July. The College is now in the process of implementing a staged reopening of all campuses in advance of the start of term on 21 September 2020. This will present several operational and teaching challenges due to the changing guidance from the Scottish Government. It should also be noted that the ongoing impact of Covid-19 means the financial position of the College is likely to remain challenging, and this remains as a significant risk on the Strategic Risk Register.

#### **Covid-19 Risk**

3.5 The Covid-19 health crisis continues to be the most significant challenge the College has faced to date, and this has resulted in a level of uncertainty the organisation has not experienced before.

3.6 The College implemented its Business Continuity Planning arrangements and has formed a Covid-19 Incident Response Team comprising of members of the Executive, SMT and other operational staff as required. The work of the Incident Response Team has been supplemented by a Mobilisation Group being formed to address the issues relating to the commencement of on-site activities at all campuses. This Group is led by the Director of Organisational Development & HR and meets weekly. It is composed of operational staff and both student association and union representatives, and reports to the Covid-19 Incident Response Team.

3.7 Reopening the College campuses to both students and staff in the safest way possible, whilst delivering first-class education and training, is of paramount importance. The College has made significant progress in adapting the estate to comply with Scottish Government Covid-19 guidance allowing staff and students to return, firstly to undertake activities deferred from last year then to allow the start of the new teaching term on 21 September 2020. The return to on-campus teaching will be restricted to ensure that the College adheres to the requirement to minimise the number of people on any one campus at any one time.

3.8 Some of the more specific estate related actions taken over the past few months have included:

- The College has created a Mobilisation Group which is led by the Director of Organisational Development and HR. The Group has wide representation from across the College and includes teaching, support and estates staff along with representatives from the staff unions and the Staff Association.
- All campuses have had widespread signage installed which reinforces both Scottish Government health awareness messages and the requirement for building users to 'Keep Left, Keep Apart'.
- Clear entrances and exits have been created at each campus with corridors being divided and where possible one-way systems being put in place to maintain social distancing requirements. Social seating has been restricted to stop groups of students congregating.
- The College has maintained excellent domestic cleaning arrangements which were previously reported to the Finance and General Purposes and Estates Committees. In addition, these arrangements have been supplemented by the creation of sanitising teams who will clean those surfaces which are frequently touched, such as door handles and lift buttons.
- Supplies of disinfectant gels and wipes have been made available in all staff workrooms and toilets.
- Sanitising stations have been erected at all major entrances and exits on College campuses, allowing staff and students to disinfect their hands on entering and exiting the buildings.
- The capacity of teaching rooms has been reviewed with the users of the rooms. Where necessary room adaptations have taken place through the removal of surplus seating or taping off workstations.
- The College has introduced a clean desk policy in workrooms to allow the cleaning staff to thoroughly clean work desk along with the removal of workstations to ensure staff remain socially distant whilst in workrooms.
- Catering provision will be modified to deliver a limited 'Grab and Go' service, which is designed to ensure users move through the refectory spaces as quickly as possible.



- 3.9 Further information can be found on the College intranet at:  
<https://intranet.westcollegescotland.ac.uk/cv19mob/SitePages/Home.aspx>  
The intranet page also includes a video which shows the works that have been undertaken to make the College a 'Covid-19 secure location'.
- 3.10 The College has therefore made good progress in adapting the estate to date in order to comply with Scottish Government Covid-19 guidance. As Scottish Government guidance changes and adapts future consideration will be given to any further adaptations required. and some estates maintenance funding may need to be reprioritised in order to meet the cost of any necessary building adaptations.
- 3.11 Despite there being several mitigating controls in place the Senior Management Team believes that the level of uncertainty remains high around the actions that the College can take to influence the impact of the Covid-19 risk. The Board of Management has been kept update by the Principal as to the continued actions that the College has taken to address the health crisis. The risk as recognised within the Strategic Risk Register will continue to be reviewed as further information and clarity of direction become available.

#### **4. Conclusion**

- 4.1 The Board of Management is requested to:
- note the update on the development of the College Risk Management Framework;
  - consider and approve the revised format for the College Strategic Risk Register;
  - approve the next steps in the development of the College Risk Management Strategy; and
  - review and approve the Strategic Risk Register and in doing so consider:
    - The risks included in the register;
    - The risk ratings both pre and post mitigations;
    - Whether any other risks should be considered for removal; and
    - Whether any new risks should be considered for inclusion.

# **Strategic Risk Register**

**Proximity:** when might the risk occur.

Description	Timing
Immediate	Now
Medium-term	Within three to six months
Longer-term	Greater than six months

**Impact:** this is the estimated effect of the risk on the Strategic Priorities.

Impact	Criteria	
Catastrophic	4	Significant and unacceptable impact on objectives that would require a material change to approach, procedure or process.
Critical	3	Moderate impact on Priorities that may require minor changes in approach, procedure or process.
Marginal	2	Minor impact on Priorities, which requires little overall change in approach.
Negligible	1	No real impact on achieving Priorities.

**Probability:** this is the estimated chance of the risk occurring.

Likelihood	Criteria	
Almost certain	6	Extremely likely to occur
Very likely	5	Almost certain to occur
Likely	4	Most likely to occur than not
Possible	3	May occur
Very unlikely	2	Unlikely to occur
Remote chance	1	Extremely unlikely to occur

**Risk Score:** Impact x Probability

Impact		Result			
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
		1	2	3	4
<b>Probability</b>		Negligible	Marginal	Critical	Catastrophic

**Risk Score:** the overall risk level.

Risk level	Score	Description
High	16 - 24	Unacceptable level of risk exposure that requires a review of controls and immediate mitigating action
Medium	6 - 15	Acceptable level of risk exposure subject to regular monitoring
Low	1 - 5	Acceptable level of risk exposure subject to periodic monitoring

**Net Risk Score:** the overall risk level after controls and mitigating actions are put in place

**Trend:** after controls and mitigating actions are considered

↑	New or increasing risk
↔	No change to risk
↓	Declining risk

## Risk Appetite

	Averse	Minimalist	Cautious	Open	Hungry
Finance					
Political					
Governance					
Competitive Environment					
Staffing and HR					
Student					
Reputational / External					
Infrastructure					
Learning and Teaching					
Digital					

Classification	Description
<b>AVERSE</b>	Avoidance of risk and uncertainty is a key organisational objective.
<b>MINIMALIST</b>	Preference for ultra-safe business delivery options that have a low degree of inherent risk and only have a potential for limited reward.
<b>CAUTIOUS</b>	Preference for safe delivery options that have a low degree of residual risk and may only have limited potential for reward.
<b>OPEN</b>	Willing to consider all potential delivery options and choose the one that is most likely to result in successful delivery while also providing an acceptable level of reward (and value for money etc.).
<b>HUNGRY</b>	Eager to be innovative and to choose options offering potentially higher business rewards, despite greater inherent risk.

## College Strategy 2019-2025

Priorities		Objectives	
(1) Personalisation	We will deliver the skills solutions that employers are looking for and the learning outcomes that students want, in a way that suits individual students.	1.1	Developing Bespoke solutions, Fast
		1.2	Raising Aspirations and Enabling Students to achieve outcomes
		1.3	Recruiting and Retaining Talented People
(2) Collaboration	We will build the immersive relationships and make the connections that enhance value for customers and stakeholders by creating learning pathways, developing new delivery partnerships and integrating learning into wider local strategies.	2.1	Creating Learning Pathways
		2.2	Immersive Partnerships
		2.3	Delivering Inclusive Growth
(3) Agile and Adaptive	We will develop the capability to respond to shifts in demand and seize new opportunities quickly' putting in place specialist delivery capabilities.	3.1	Developing new income opportunities
		3.2	Developing the Market
		3.3	Utilising Specialist Capabilities
		3.4	Managing for Resilience
(4) Digital	We will ensure that the College has the digital capacity and capabilities to deliver in a modern economy.	4.1	Using Data
		4.2	Inspirational Learning
		4.3	Developing the skills base

## Risk Register: Summary of Top 5 Risks

Risk No.	Risk Description	Proximity	Gross	Net	Prior	Trend since last report
1	<b><u>Business Continuity / Cyber Resilience Planning</u></b> Inadequate business continuity / cyber resilience planning leading to material interruptions to service delivery primarily resulting from Coronavirus epidemic.	Medium-term	24	24	24	↔
2	<b><u>SFC Funding and Funding Methodology</u></b> Inability to clearly forecast the volatility and impact of SFC funding and funding methodology changes in relation to core-grant-in-aid, credit activity model; reduction in European funding; student support funding and estates maintenance.	Immediate	24	24	24	↔
3	<b><u>Estate Strategy</u></b> Failure to deliver Estate Strategy objectives due to business cases for development of estate being delayed, with this having a resultant negative impact on the ability of the College to recruit students, retain staff and address legislative requirements.	Long-term	24	20	20	↔
4	<b><u>Estates maintenance / capital funding</u></b> Failure to secure adequate estates maintenance / capital funding for future investment or refurbishment of IT and physical infrastructure.	Medium-term	20	16	16	↔
5	<b><u>Brexit</u></b> Failure to prepare for the anticipated impact upon the College of Brexit including loss of European funding, loss of students / staff and access to exchange programme funding.	Medium-term	15	15	15	↔

<b>Risk number</b>	<b>1</b>	<b>WCS 7</b>
<b>Risk description</b>	<b><u>Business Continuity / Cyber Resilience Planning</u></b> Inadequate business continuity / cyber resilience planning leading to material interruptions to service delivery primarily resulting from Coronavirus epidemic.	
<b>Link to the Strategic Priority</b> <i>Refers to the relevant Strategic Priority.</i>	1.2 - Raising Aspirations and Enabling Students to achieve outcomes 3.4 - Managing for Resilience	
<b>Risk category / appetite</b>	Reputational/External	Open
<b>Proximity</b>	Medium-term	
<b>Impact/Likelihood</b>	6 x 4	
<b>Gross Risk Score</b>	<b>24</b>	
<b>Controls</b> <i>A control is a framework in place to mitigate the risk.</i>	1) Business Continuity Plan available on the College intranet to staff along with departmental plans to assist during any incident.	
	2) Business Continuity scenario planning sessions undertaken on a quarterly basis with involvement from both teaching and support staff. Externally facilitates and lessons learned shared with staff.	
	3) College Mobilisation Group established to oversee the reopening of campuses for teaching purposes. Group is chaired by the Director of OD & HR and has representatives from staff, unions and Student Association. The Group meets weekly and is assisted by a Project Manager.	
	4) Good interaction with staff, trade unions and Student Associations with regular meetings taking place and information being supplied to all parties on a timely basis normally via the College intranet, with the use of the Homeworking Times publication being key.	
	5) Continued engagement with Scottish Funding Council, Skills Development Scotland and other funding bodies to gain clarity on future funding and determine impacts upon College financial sustainability.	
	6) Planning at an advanced stage for limited return to campuses for the 2020-21 session from 21 September 2020, including: <ul style="list-style-type: none"> <li>- development of online materials across all areas of learning and teaching;</li> <li>- purchase of IT equipment to support students where there is an identified need;</li> <li>- estate adaptations including specified access / egress points to all campuses; improved signage; increased cleaning regime; and development of policy manuals – circulation; cleaning and catering;</li> <li>- on-going monitoring of supply chains based upon risk analysis supplied by APUC.</li> </ul>	



Probability/Impact	6 x 4
Net Risk Score	24
Trend	↔
Risk Owner	VP Operations

Risk number / Reference	2	WCS1
Risk description	<b><u>SFC Funding and Funding Methodology</u></b> Inability to clearly forecast the volatility and impact of SFC funding and funding methodology changes in relation to core-grant-in-aid, credit activity model; reduction in European funding; student support funding and estates maintenance.	
Link to the Strategic Priority <i>Refers to the relevant Strategic Priority</i>	1.1 - Developing Bespoke solutions, Fast 1.3 - Recruiting and Retaining Talented People 3.1 - Developing new income opportunities 3.4 - Managing for Resilience	
Risk category / appetite	Finance	Minimalist
Proximity	Immediate	
Probability/Impact	6 x 4	
Gross Risk Score	24	
Controls <i>A control is a framework in place to mitigate the risk.</i>	1. Detail of 2020-21 SFC core funding for teaching, estate and student funding confirmed. Ongoing engagement with SFC on funding for period poverty and counselling support – expected to be confirmed shortly.	
	2. Break-even adjusted operating position (excluding the costs of voluntary severance) budget approved for 2020-21 by the Board of Management on 20 July 2020 along with 3-year financial scenario plan. Budget will be monitored continuously by SMT and quarterly by the Board of Management through provision of budget to forecast variance analysis.	
	3. Transformation Plan agreed with SFC to take effect from 2020-21 onwards and funding confirmed by SFC to support this. Requirement for College to deliver 2020-21 curriculum activity in accordance with the agreed Business Transformation Plan.	
	4. Estates Strategy 2016-2026 includes objective to improve / rationalise the College estate utilising estate maintenance funding. Annual Strategy update provided to Asset and Infrastructure Committee including progress towards achievement of objectives.	
	5. College Commercial Development and Credit Group report to HR and Corporate Development Committee at each meeting on level of SFC credit activity and on actions taken to maintain ESF income and to grow other non-SFC income.	
	6. Commercial Development and Credit Group monitor current and future curriculum delivery plans including credit delivery and staffing requirements. Report provided to each SMT meeting on credit activity.	
	7. Input to SMT and other College groups through representation and involvement in external review groups, CDN Finance network and student funding.	

Probability/Impact	6 x 4
Net Risk Score	24
Trend	↔
Risk Owner	VP Operations / VP Educational Leadership

Risk number	3	WCS 3
Risk description	<b><u>Estate Strategy</u></b> Failure to deliver Estate Strategy 2016-2026 objectives due to business cases for development of estate being delayed, with this having a resultant negative impact on the ability of the College to recruit students, retain staff and address legislative requirements.	
Link to the Strategic Priority <i>Refers to the relevant Strategic Priority.</i>	1.2 - Raising Aspirations and Enabling Students to achieve outcomes 3.1 - Developing new income opportunities 3.3 - Utilising Specialist Capabilities 3.4 - Managing for Resilience	
Risk category / appetite	Infrastructure	Open
Proximity	Long-term	
Impact/Likelihood	6 x 4	
Gross Risk Score	24	
Controls <i>A control is a framework in place to mitigate the risk.</i>	1. Asset and Infrastructure Committee (A&I) receive VP Update Report at each meeting on College engagement with stakeholders including SFC, SFT, local councils and other key stakeholders.	
	2. Board approved Estate Strategy 2016-2026 with A&I Committee receiving annual implementation update which highlight required estate investment for consideration by SFC and Scottish Government.	
	3. Outline Business Cases for Paisley and Greenock estate submitted to the SFC. Update on progress made in relation to OBCs made to each A&I Committee including engagement with SFC and local councils.	
	4. Update report provided to each meeting of the A&I Committee which indicates how the College has prioritised the use of SFC estate maintenance funding to address the College 2019 Estate Condition Survey results.	
Probability/Impact	5 x 4	
Net Risk Score	20	
Trend	↔	
Risk Owner	VP Operations	

<b>Risk number</b>	<b>4</b>	<b>WCS 2</b>
<b>Risk description</b>	<b><u>Estates maintenance / capital funding</u></b> Failure to secure adequate estates maintenance / capital funding for future investment or refurbishment of IT and physical infrastructure.	
<b>Link to the Strategic Priority</b> <i>Refers to the relevant Strategic Priority.</i>	1.1 - Developing Bespoke solutions, Fast 1.2 - Raising Aspirations and Enabling Students to achieve outcomes 2.3 - Delivering Inclusive Growth 4.1 - Using Data	
<b>Risk category / appetite</b>	Infrastructure	Open
<b>Proximity</b>	Medium-term	
<b>Impact/Likelihood</b>	<b>5 x 4</b>	
<b>Gross Risk Score</b>	<b>20</b>	
<b>Controls</b> <i>A control is a framework in place to mitigate the risk.</i>	1. College Estate Strategy 2016-2026 submitted to SFC highlighted significant need of investment in College. Annual update report on implementation and progress to Asset and Infrastructure Committee. SFC updated at least twice a year on estate challenges faced by the College.	
	2. A&I Committee receive report on the level of SFC estate maintenance funding which is for 2020-21 only. A&I Committee receive report on planned level of expenditure compared to need and how the College is prioritising the use of the amount allocated to it. Update reports provided to each Committee on use of SFC estate maintenance funds.	
	3. The College regularly engages both formally and informally with both Renfrewshire and Inverclyde Councils to discuss opportunities for development of College facilities. Update report on progress provided to A&I Committee at each meeting.	
	4. Outline Business Cases for Paisley and Greenock submitted to the SFC following Board of Management approval. College pursuing with SFC wider curriculum horizon scanning exercise to allow the College to provide wholistic approach to curriculum delivery across the regions it serves.	
	5. The College has undertaken an estate condition survey in 2019 to provide up to date information of the investment required to bring the estate to Condition B status and to maintain it at this level. A presentation on the 2019 results was made to A&I Committee and the detail of this provided to the Board of Management. SFC have received a copy of the presentation for their information as well as being updated by the Vice Principal Operations. A Board of Management development session to consider estates challenges and opportunities will now take place during 2020-21.	

Probability/Impact	4 x 4
Net Risk Score	16
Trend	↔
Risk Owner	VP Operations

<b>Risk number</b>	<b>5</b>	<b>WCS 16</b>
<b>Risk description</b>	<b><u>Brexit</u></b> Failure to prepare for the anticipated impact upon the College of Brexit including loss of European funding, loss of students / staff and access to exchange programme funding.	
<b>Link to the Strategic Priority</b> <i>Refers to the relevant Strategic Priority.</i>	1.3 - Recruiting and Retaining Talented People 2.2 - Immersive Partnerships 3.1 - Developing new income opportunities 3.4 - Managing for Resilience	
<b>Risk category / appetite</b>	Governance	Cautious
<b>Proximity</b>	Medium-term	
<b>Impact/Likelihood</b>	<b>5 x 3</b>	
<b>Gross Risk Score</b>	<b>15</b>	
<b>Controls</b> <i>A control is a framework in place to mitigate the risk.</i>	1) College has undertaken a review of possible impacts of Brexit on operations and continues to keep this under review. This has been discussed at senior management level and with Board Committees.	
	2) The College is a member of a sector working group on Brexit allowing access to latest intelligence specific to the College sector. The College continues to consider to review developments as they arise on a continuous basis.	
	3) Liaison with SFC on future funding arrangements post 31 July 2021 when current ESF funding is due to end.	
<b>Probability/Impact</b>	<b>5 x 3</b>	
<b>Net Risk Score</b>	<b>15</b>	
<b>Trend</b>	↔	
<b>Risk Owner</b>	Principal	

<b>Risk number</b>	<b>6</b>	<b>WCS 4</b>
<b>Risk description</b>	<b><u>SFC Regional Outcome Agreement</u></b> Failure to deliver SFC Regional Outcome Agreement targets at a time of limited resource results in future credit and/or funding adjustments.	
<b>Link to the Strategic Priority</b> <i>Refers to the relevant Strategic Priority.</i>	1.2 - Raising Aspirations and Enabling Students to achieve outcomes 2.1 - Creating Learning Pathways 3.2 - Developing the Market 3.4 - Managing for Resilience	
<b>Risk category / appetite</b>	Learning and Teaching	Open
<b>Proximity</b>	Long-term	
<b>Impact/Likelihood</b>	<b>5 x 4</b>	
<b>Gross Risk Score</b>	<b>20</b>	
<b>Controls</b> <i>A control is a framework in place to mitigate the risk.</i>	1) 2020-21 ROA finalised however revised SFC guidance awaited on monitoring of 2020-21 outcomes given impact of Covid-19 upon targets. Board of Management to be kept updated of revised SFC ROA requirements for 2020-21 once known. 2020-21 ROA reported to Board of Management and individual Committees made aware of ROA objectives relevant to their remit.	
	2) Effective ROA monitoring and reporting procedures in place, including operational planning process, and monitoring through the Board of Management and all Committees.	
	3) Regular contact and review meetings with local authorities and schools in order to access attainment funding in support of College activities.	
	4) Detailed curriculum development planning and review process which has been subject to positive review by internal audit.	
	5) Blended approach to delivery of teaching and learning including online learning allowing College to address changes in recruitment and delivery.	
	6) Curriculum offering is reviewed to ensure employer and student needs are met and appropriate courses delivered.	
<b>Probability/Impact</b>	<b>4 x 3</b>	
<b>Net Risk Score</b>	<b>12</b>	
<b>Trend</b>	↔	
<b>Risk Owner</b>	Principal	



<b>Risk number</b>	<b>7</b>	<b>WCS 5</b>
<b>Risk description</b>	<b><u>National Pay Bargaining</u></b> Impact and outcome of National Pay Bargaining for both teaching and support staff has an adverse effect on either efficiency of delivery or 2020-21 budget.	
<b>Link to the Strategic Priority</b> <i>Refers to the relevant Strategic Priority.</i>	1.1 - Developing Bespoke solutions, Fast 1.2 - Raising Aspirations and Enabling Students to achieve outcomes 1.3 - Recruiting and Retaining Talented People 3.4 - Managing for Resilience	
<b>Risk category / appetite</b>	Staffing and HR	Open
<b>Proximity</b>	Medium-term	
<b>Impact/Likelihood</b>	<b>6 x 3</b>	
<b>Gross Risk Score</b>	<b>18</b>	
<b>Controls</b> <i>A control is a framework in place to mitigate the risk.</i>	1) College representation and involvement at senior level in national Employers Association and national joint negotiating committee (NJNC). Update reports provided to both SMT and Board of Management Committees.	
	2) Financial impact assessment / planning scenarios on the impacts of National Bargaining included within the planning of 2020-21 budget and three-year forecast.	
	3) Business Continuity Planning considered impact of industrial action, with specific plans in place.	
	4) Local trade union consultation and negotiating committees for support and teaching staff continuing to meet on a regular basis in order to maintain positive College industrial relations.	
	5) Robust sector and College communication plan including liaison with Student Association on potential impact on students and staff of outcome from National Bargaining negotiations as required.	
	6) Workforce planning being carried out at departmental level based on national agreements. Results of latest round of planning incorporated into Human Resources Annual Report 2019.	
<b>Probability/Impact</b>	<b>4 x 3</b>	
<b>Net Risk Score</b>	<b>12</b>	
<b>Trend</b>	↔	
<b>Risk Owner</b>	Principal	

Risk number	8	WCS 6
Risk description	<b>IT Systems and Infrastructure</b> Failure to maintain or acquire and use IT systems and infrastructure to support the digital ambitions of the College.	
Link to the Strategic Priority <i>Refers to the relevant Strategic Priority.</i>	1.1 - Developing Bespoke solutions, Fast 2.1 - Creating Learning Pathways 3.3 - Utilising Specialist Capabilities 4.2 - Inspirational Learning	
Risk category / appetite	Digital	Hungry
Proximity	Medium-term	
Impact/Likelihood	4 x 4	
Gross Risk Score	16	
Controls <i>A control is a framework in place to mitigate the risk.</i>	1) IT Strategy, Policies / Procedures and system access processes in place. The Asset and Infrastructure Committee review progress achieved in delivering the IT Strategy on an annual basis.	
	2) College involvement in national college sector digital group remains ongoing, with outcomes required which will support and enable required levels of SFC funding for investment in ICT.	
	3) Staff and student feedback and evaluation procedures in place. Action planning in place to address issues raised through feedback mechanisms.	
	4) IT Contingency Plan in place with regular review and update undertaken.	
	5) College has renewed Cyber Essentials Plus accreditation as required. Work commencing on updating the Scottish Government Cyber Resilience Framework.	
	6) College Digital Strategy sets out digital ambitions for the College, presented and approved by the Board of Management. Annual Strategy update report provided to Learning, Teaching and Quality Committee with regular updates provided to SMT. This will provide a basis for College digital developments and a basis for seeking required levels of Scottish Government and SFC funding to support this.	
Probability/Impact	4 x 3	
Net Risk Score	12	
Trend	↔	
Risk Owner	VP Operations	

<b>Risk number</b>	<b>9</b>	<b>WCS 15</b>
<b>Risk description</b>	<b><u>College Transformation Plan</u></b> Failure to deliver the financial and/or non-financial objectives outlined in the College Transformation Plan "Future Proofing Our College".	
<b>Link to the Strategic Priority</b> <i>Refers to the relevant Strategic Priority.</i>	1.1 - Developing Bespoke solutions, Fast 2.1 - Creating Learning Pathways 3.4 - Managing for Resilience 4.3 - Developing the skills base	
<b>Risk category / appetite</b>	Governance	Cautious
<b>Proximity</b>	Long-term	
<b>Impact/Likelihood</b>	<b>4 x 4</b>	
<b>Gross Risk Score</b>	<b>16</b>	
<b>Controls</b> <i>A control is a framework in place to mitigate the risk.</i>	1) Transformation Plan has been developed by the College and discussed in detail with the SFC. Plan formally agreed and funding provided by SFC from 2020-21 to support this. Requirement for College to deliver the Transformation Plan from 2020-21 and reduce the level of third-party distance learning.	
	2) Board of Management have approved the Plan and financial objectives are monitored through the F&GP Committee. Board of Management monitor overall plan achievement.	
<b>Probability/Impact</b>	<b>3 x 4</b>	
<b>Net Risk Score</b>	<b>12</b>	
<b>Trend</b>	↔	
<b>Risk Owner</b>	Principal	

<b>Risk number</b>	<b>10</b>	<b>WCS 9</b>
<b>Risk description</b>	<b><u>Staff Relations</u></b> Inability to maintain positive staff relations.	
<b>Link to the Strategic Priority</b> <i>Refers to the relevant Strategic Priority.</i>	1.2 - Raising Aspirations and Enabling Students to achieve outcomes 1.3 - Recruiting and Retaining Talented People 3.4 - Managing for Resilience	
<b>Risk category / appetite</b>	Staffing and HR	Open
<b>Proximity</b>	Long-term	
<b>Impact/Likelihood</b>	<b>4 x 3</b>	
<b>Gross Risk Score</b>	<b>12</b>	
<b>Controls</b> <i>A control is a framework in place to mitigate the risk.</i>	1) Approved Workforce Plan in place and implementation reviewed by the HR and Corporate Development Committee.	
	2) Clear procedures for communication and engagement with Trade Unions and College staff verified by 2018-19 internal audit on internal communications	
	3) Staff engagement sessions and staff surveys undertaken on regular basis allowing matters to be raised and issues to be addressed early.	
	4) Local trade union consultation and negotiation committees in place for teaching and support staff. Minutes of the meetings are provided to staff via the College intranet.	
	5) College is supportive of staff involvement in national negotiations and has open dialogue with trade unions at local and national levels as to how staff can be supported.	
<b>Probability/Impact</b>	<b>3 x 3</b>	
<b>Net Risk Score</b>	<b>9</b>	
<b>Trend</b>	↔	
<b>Risk Owner</b>	Principal	

Risk number	11	WCS 11
Risk description	<b><u>Alternative Income Growth</u></b> Ability to generate consistent levels of alternative income or to grow alternative income streams.	
Link to the Strategic Priority <i>Refers to the relevant Strategic Priority.</i>	1.1 - Developing Bespoke solutions, Fast 2.3 - Delivering Inclusive Growth 3.1 - Developing new income opportunities 3.2 - Developing the Market	
Risk category / appetite	Competitive Environment	Open
Proximity	Long-term	
Impact/Likelihood	4 x 3	
Gross Risk Score	12	
Controls <i>A control is a framework in place to mitigate the risk.</i>	1) Alternative Income plans, targets and activities developed annually as part of the Operational Planning Process and shared across the College. Income plans and ambitions are in response to requirements of College Transformation Plan objectives. Reporting and monitoring on activity and progress will be subject to review by HR and Corporate Development Committee.	
	2) 2020-21 Alternative income budget and forecast agreed and monitored by the HR and Corporate Development Committee.	
	3) Update report provided to HR and Corporate Development committee on partnership working with local employers and stakeholders.	
	4) Operation planning combined with Curriculum Development Planning procedure used to identify potential opportunities for income growth.	
	5) Adaption of course portfolio to meet student / employer needs.	
	6) Financial strategy and planning in place to address variations.	
	7) Commercial Development and Credit Group meet twice a month to review budget / create forecast and address challenges of delivering alternative income.	
Probability/Impact	3 x 3	
Net Risk Score	9	
Trend	↔	
Risk Owner	VP Educational Leadership	

Risk number	12	WCS 10
Risk description	<b>Workforce Planning</b> Failure to embed Workforce Plan resulting in lack of appropriate resources and skills being developed to achieve College strategic objectives and outcomes	
Link to the Strategic Priority <i>Refers to the relevant Strategic Priority.</i>	1.3 - Recruiting and Retaining Talented People 2.3 - Delivering Inclusive Growth	
Risk category / appetite	Staffing and HR	Open
Proximity	Long-term	
Impact/Likelihood	4 x 3	
Gross Risk Score	12	
<b>Controls</b> <i>A control is a framework in place to mitigate the risk.</i>	1) Board of Management approved College Workforce Plan in place and annual update report provided to HR and Corporate Development Committee.	
	2) Detailed teaching resource planning through use of curriculum mapping tool (CMAP).	
	3) Resourcing of support staff structures reviewed on an ongoing basis by Executive Management Team to ensure alignment with operational and strategic priorities.	
	4) ITrent HR and payroll software developed to provide staff data and reports including a College establishment report.	
	5) Professional Development Policies are aligned to strategic priorities.	
	6) Roll out of College CPD review process is ongoing and supports succession planning, leadership development and assists in mitigating the impact of the loss of key staff.	
	7) Results from staff skills survey being used to allow the College to identify and address future skills gaps.	
Probability/Impact	3 x 2	
Net Risk Score	6	
Trend	↔	
Risk Owner	Principal	

Risk number	13	WCS 13
Risk description	<b><u>General Data Protection Regulations</u></b> Inability to ensure a holistic response to data and information governance, including compliance with the General Data Protection Regulations (GDPR).	
Link to the Strategic Priority <i>Refers to the relevant Strategic Priority.</i>	3.4 - Managing for Resilience 4.1 - Using Data	
Risk category / appetite	Governance	Cautious
Proximity	Long-term	
Impact/Likelihood	3 x 3	
Gross Risk Score	9	
Controls <i>A control is a framework in place to mitigate the risk.</i>	1) The College has appointed a Data Protection Officer (DPO) in compliance with legislative requirement.	
	2) Ongoing review by DPO of departmental compliance with data legislation and addressing issues as required. Report provided to SMT on progress and issues identified / rectified.	
	3) College GDPR and Data Management Working Group which involves SMT and wider staff involvement as required. The Group has oversight of the information risk assessment process and provides reports to SMT as required.	
	4) Data Protection concepts and principles embedded within the operations of the College.	
Probability/Impact	3 x 2	
Net Risk Score	6	
Trend	↔	
Risk Owner	Principal	

<b>Risk number</b>	<b>14</b>	<b>WCS 14</b>
<b>Risk description</b>	<b><u>Estate Investment Works</u></b> Normal business activities are unduly affected due to the complexity of sequencing estates investment works.	
<b>Link to the Strategic Priority</b> <i>Refers to the relevant Strategic Priority.</i>	1.2 - Raising Aspirations and Enabling Students to achieve outcomes 3.4 - Managing for Resilience	
<b>Risk category / appetite</b>	Learning and Teaching	Open
<b>Proximity</b>	Long-term	
<b>Impact/Likelihood</b>	<b>4 x 2</b>	
<b>Gross Risk Score</b>	<b>8</b>	
<b>Controls</b> <i>A control is a framework in place to mitigate the risk.</i>	1) Detailed resource planning involving all relevant parties at early stages to address any issues in advance of project start date. 2) Staff resource increased through recruitment of additional Project Manager to address the significant increase in level of expenditure and complexity of projects being undertaken. 3) Well embedded Project / Estate Team with knowledge base that allows issues to be identified and addressed. 4) Use of external professional advisors to provide oversight and critical review of proposed activities / plans.	
<b>Probability/Impact</b>	<b>3 x 2</b>	
<b>Net Risk Score</b>	<b>6</b>	
<b>Trend</b>	↔	
<b>Risk Owner</b>	VP Operations	



**TITLE: ASSET AND INFRASTRUCTURE COMMITTEE**  
**Draft Minutes of the meeting held on Wednesday 16 September 2020**

**Action:** The draft Asset and Infrastructure Committee minutes from the meeting held on Wednesday 16 September 2020 are attached for information. They will be formally approved at the next Committee meeting scheduled for Tuesday 8 December 2020.

The Committee Chair, Nick Allan will lead the Board through key matters discussed at the meeting and the Board is asked to note:

- EM423 – Catering and Cleaning Service Update – the College continued to liaise with catering staff and trade unions about the future model of on campus catering provision.
- EM425 - Monitoring of Regional Outcome Agreement Objectives – received assurance that engagement with all College partners had continued throughout all stages of the pandemic. In terms of ensuring outcomes were achieved and noted that, although the delivery format of some College courses may change going forward, the College process for the measurement of outcomes would remain consistent to that in previous years.
- EM426 – Emerging Opportunities Report - noted that the College continued to discuss the College Outline Business Cases (OBCs) for Greenock and Paisley with the SFC Chief Operating Officer, SFC and noted the partnership work required by the SFC in order to progress these.
- EM427 - Estates Maintenance Plan and Sustainability Update - Reopening the College campuses to both students and staff in the safest way possible, whilst delivering first-class education and training, was of paramount importance. The College had made significant progress in adapting the estate to comply with Scottish Government Covid-19 guidance allowing staff and students to return, firstly to undertake activities deferred from last year then to allow the start of the new teaching term on 21 September 2020. The number of staff and students returning to on-campus teaching would be restricted to ensure that the College adhered to the Scottish Government requirement to minimise the number of people on any one campus at any one time. With this in mind, Mr Ritchie referred to some of the more specific estate related actions taken over the past few months adding that, as Scottish Government guidance changes and adapts, future consideration would be given to any further adaptations required and some estates maintenance funding

may need to be reprioritised in order to meet the cost of any necessary building adaptations.

- EM430 - IT Strategy – noted the key outcomes for year 5 of the IT Strategy, and that the College's ability to invest in the ICT infrastructure was becoming increasingly challenging given the level of resource available. The level of IT funding was the subject of ongoing dialogue with the SFC and a focus for the college sector. Should this lead to any further resource becoming available, then this would be used to support delivery of the IT Strategy outcomes. Given the challenging financial environment in which the College was operating, there was always a constant need to maximise any investment in the IT infrastructure.

**Lead:** Nick Allan, Chair, Asset and Infrastructure Committee

**Status:** Open

## **ASSET AND INFRASTRUCTURE COMMITTEE**

**MINUTES:** Wednesday 16 September 2020

**Present:** Nick Allan (in the Chair), Liz Connolly, John McMillan, Andrew Hetherington, Jenifer Johnston.

**Apologies:** Peter Thorne (Head of Estates).

**Attending:** David Alexander (Vice Principal Operations), Stephanie Graham (Vice Principal Educational Leadership), Alan Ritchie (Director of Finance), Shirley Gordon (Secretary to the Committee), Martin Joyce (Director of Infrastructure), Brian Stobbs (Head of IT), Waiyin Hatton (Board Chair).

### **EM419 WELCOME**

The Chair welcomed everyone to the meeting, thanked them for their attendance via Teams and introduced Martin Joyce the newly appointed Director of Infrastructure.

### **EM420 DECLARATIONS OF INTERESTS**

- John McMillan and Liz Connolly - Trustees of the West College Scotland Foundation.
- David Alexander - member of the Council of the Scottish Funding Council (SFC) and Chair of the SFC's Audit and Compliance Committee.
- Waiyin Hatton: Wai Beyond, People and organisational development consultancy; Harvey McMillan, People and organisational development consultancy; Action Against Stalking; Ayrshire Sportsability; Scottish Chamber of Commerce.

### **EM421 MINUTES**

The minutes of the meeting held on Tuesday 26 May 2020 **were approved** pending the addition of Waiyin Hatton to the attendance list.

### **EM422 ACTIONS FROM THE MINUTES**

The actions of the meeting held on Tuesday 26 May 2020 **were noted**.

### **EM423 Matter Arising**

The following matter arising was reported:

- Catering and Cleaning Service Update – the College continued to liaise with catering staff and trade unions about the future model of on campus catering provision. A significant reduction in demand for catering services was forecast when the campuses re-opened for the 2020-21 session on 21 September 2020. This was due to the fact the Scottish Government Covid-19 guidance stated that only essential activity should take place on site and so the number of students and staff attending all campuses would be significantly reduced. All catering staff were currently on furlough and it was anticipated that a limited “grab and go” service model would require the return of some but not all catering staff. The level of demand for catering would be kept under review and staff would return from furlough if demand increased. There would be a need to engage with catering staff and trade unions in relation to voluntary

severance, redeployment and reduced hours. The Committee recognised the challenging circumstances and noted that future updates would be provided.

**The Committee noted the update.**

**EM424 Committee Remit and Committee Meeting Dates 2020-21**

The Secretary to the Committee presented the Committee remit, current membership list and 2020-21 meeting dates.

**The Committee:**

- **Approved the Asset and Infrastructure Committee remit.**
- **Noted the current membership of the Committee.**
- **Approved the 2020-21 meeting dates as follows:**
  - ❖ Wednesday 16 September 2020
  - ❖ Tuesday 8 December 2020
  - ❖ Tuesday 9 March 2021
  - ❖ Tuesday 11 May 2021

**EM425 Monitoring of Regional Outcome Agreement Objectives**

The Vice Principal Operations reported that the Board of Management had agreed that each Committee should monitor progress on areas of the Regional Outcome Agreement (ROA) for which they had responsibility and provide a report to the Board at the end of the academic year.

Mr Alexander reported that the College ROA (to cover the period 2020-21) was finalised following the SFC 2020-21 final funding announcement on 9 June 2020. The annual process that had operated, in previous years to date, would then have seen formal agreement of the ROA reached with the SFC by 31 July 2020. The College received correspondence, however, from the SFC on 29 May 2020 and Mr Alexander summarised the detail and implications of the SFC correspondence. The correspondence concluded that the SFC would not ask governing bodies (College Boards and University Courts) to sign off the AY2020-21 Outcome Agreements in the usual way, would not publish the AY2020-21 Outcome Agreements on its website and would attach the allocation of core funding in AY2020-21 to refocused sector commitments and activity which would provide them with reassurance on use of designated funding.

Given this, Mr Alexander explained that the College awaited SFC confirmation of the refocused sector commitments and activity. For now, the College was, therefore, proceeding on the basis that the key outcomes previously detailed within the final draft 2020-21 ROA would remain and required to be delivered. It was not expected that any changes in funding would arise as a result of the SFC correspondence of 29 May 2020 and further updates would be provided to the Committee and Board at future meetings.

Mr Alexander offered assurance that engagement with all College partners had continued throughout all stages of the pandemic. In terms of ensuring outcomes were achieved, he explained that, although the delivery format of some College courses may change going forward, the College process for the measurement of outcomes would remain consistent to that in previous years.

In relation to the Programme for Government announced by the First Minister on 1 September 2020 for the coming parliamentary year, the Principal summarised some of the commitments / investment for the sector and confirmed that work continued with the SFC and SDS to explore opportunities for economic recovery which may help inform how any funding was allocated.

**The Asset and Infrastructure Committee:**

- **Noted the background information provided in relation to the ROA process.**
- **Noted the key objectives of the West College Scotland Regional Outcome Agreement; which covered the period to 31 July 2021.**
- **Noted that further information in relation to the 2020-21 ROA process and refocused sector commitments and activity required to be provided by the SFC, and that further updates would therefore be provided to the Committee and Board of Management on these matters as required.**
- **Considered and agreed that the required processes were in place to enable Asset and Infrastructure Committee monitoring of required 2020-21 ROA outcomes and to support provision of the required report to the Board of Management. In agreeing that, it was noted that should the further information to follow from the SFC regarding the 2020-21 ROA process require a revision of these processes then this would be able to be considered by the Committee at a future meeting.**

**EM426 Emerging Opportunities Report**

The Vice Principal Operations provided the Committee with an update on emerging opportunities and partnership engagement and summarised the following:

- Progress to date in considering emerging estates opportunities and models with partners in Renfrewshire, West Dunbartonshire and Inverclyde;
- The current position in relation to College Outline Business Cases (OBCs) for Greenock and Paisley; and
- An outline of the West College Scotland Senior Management responsibilities for infrastructure which were now in place.

The Committee noted the Renfrewshire Council media statement of 16 July 2020 confirming that it had agreed terms to conclude its purchase of the bulk of the 24-acre site at Renfrew Road from Pernod Ricard's Chivas Brothers and it was anticipated ownership of the site would transfer to the Council later this year. The Chivas Brothers land had been identified as a possible site for the new Paisley Grammar School, with a public consultation to take place at a future date. The remainder of the site was being occupied by the Scottish Leather Group.

Mr Alexander confirmed that he continued to discuss the College Outline Business Cases (OBCs) for Greenock and Paisley with the SFC Chief Operating Officer and summarised the partnership work required by the SFC in order to progress these.

Mr Ritchie reported that the College continued to seek engagement with representatives of West Dunbartonshire Council in order to discuss and clarify the district heating system project milestones, timelines and financial implications. Detailed correspondence containing a number of new areas of information was received from West Dunbartonshire Council in relation to the project on 1

September 2020, and the College was currently reviewing this. The College would look to present a status update paper to the next Committee meeting.

The Principal added that, as part of the Board Chair's induction, meetings were being arranged with the Leaders and CEOs of Renfrewshire, West Dunbartonshire and Inverclyde Councils.

**The Committee noted the update.**

**EM427 Estates Maintenance Plan and Sustainability Update**

The Director of Finance provided an update in relation to the Scottish Funding Council (SFC) Estate Maintenance Funding; the College Estate Maintenance Plans; Carbon Management and Sustainability projects and the transfer of activity from the YMCA Building to the Renfrew Road Campus.

Mr Ritchie led the Committee through an update in relation to key College estates maintenance projects being progressed utilising the SFC Lifecycle Maintenance Funding and High Priority Maintenance funding from 2019-20 and 2020-21.

Mr Ritchie reported that work had re-commenced on the refurbishment of the Inchinnan Building at the Paisley Campus which would accommodate the relocation of the YMCA curriculum activities during the early months of 2021, and advised that the College had also made progress in relation to the:

- Furniture replacement programme, with new classroom chairs being delivered along with seating for student social areas.
- Fire prevention programme, with works being undertaken mainly in Paisley and Greenock campuses.

Mr Ritchie reported that one area where the works programme had been suspended was in relation to remodelling of classroom space due to the uncertainty about what space would be required when students / staff returned. That project would be progressed once the demand for space in 2020-21 was better understood. Similarly, the College was currently assessing the catering operating model as discussed earlier and there may still be a requirement to fund certain adaptations to allow the catering service to reopen.

Reopening the College campuses to both students and staff in the safest way possible, whilst delivering first-class education and training, was of paramount importance. The College had made significant progress in adapting the estate to comply with Scottish Government Covid-19 guidance allowing staff and students to return, firstly to undertake activities deferred from last year then to allow the start of the new teaching term on 21 September 2020. The number of staff and students returning to on-campus teaching would be restricted to ensure that the College adhered to the Scottish Government requirement to minimise the number of people on any one campus at any one time. With this in mind, Mr Ritchie referred to some of the more specific estate related actions taken over the past few months adding that, as Scottish Government guidance changes and adapts, future consideration would be given to any further adaptations required and some estates maintenance

funding may need to be reprioritised in order to meet the cost of any necessary building adaptations.

Referring to carbon management and sustainability, Mr Ritchie highlighted some of the actions progressed since the last meeting of the Committee in May and reported that, as the College returned to the limited resumption of on-site operations, it was hoped that the level of student engagement could be increased over the coming months. At the same time the Sustainability Officer would be looking to see how the previously high levels of staff engagement could be maintained in the new operating environment.

In response to a question, Mr Ritchie explained that the main contractor was due to complete the Inchinnan building refurbishment works by mid December 2020, with final fit out works being completed by the end of February 2021. That date may be subject to change if the work was impacted by further Covid-19 lockdowns / staff isolation periods. The internal refurbishment portion of the works was the largest component of the project and this commenced in early July 2020 following a delay due to the Covid-19 lockdown. To date there had been no major issues regarding the programme nor impacts from Covid-19 to either the contractors' staff, sub-contractors or supply chain. The funding for the project had been allocated from SFC estates maintenance funding and this approach has been approved by the Scottish Funding Council. Following recent discussions with the contractor and the College professional advisors, the full budget (£1.4m) would be expended on the project and, at this time, there were no indications that additional funding would be required.

The College was continuing to discuss the required repairs to the Abercorn roof with the tenant and had undertaken to carry out an initial feasibility study (due to the likely phased replacement programme).

The Chair acknowledged that the College had made progress in progressing the summer estate maintenance work over the recent period since lockdown whilst dealing with the implications of addressing the operational challenges of the Covid-19 pandemic and thanked Mr Ritchie and his team.

**The Asset and Infrastructure Committee:**

- **Considered the update provided in relation to the College estates maintenance plan and associated funding for 2019-20 and 2020-21.**
- **Considered the update on the work undertaken in order to relocate activity from the Centre for Performing Arts to the Inchinnan Building on the main Paisley Campus.**
- **Considered the work progress being made in progressing carbon management and sustainability projects.**
- **Reviewed and considered the overall report.**

**EM428 College Leasing Arrangements – Annual Update**

The Director of Finance provided a summary of the terms and conditions contained within the leases of those properties occupied by the College.

Mr Ritchie summarised the College's total leasing commitment and led the Committee through the current position of each property.

**The Committee noted the current position regarding College property leasing arrangements.**

**EM429 Strategic Risk Consideration**

The Director of Finance reported that, in accordance with the Corporate Governance Code, the College Board of Management was tasked with ensuring a framework of risk management and control was in place.

The Director of Finance provided:

- An update on the actions taken by the College to develop the College Risk Management Strategy.
- The next steps in the development of the College Risk Management Strategy.
- A College Strategic Risk Register for the consideration of the Asset and Infrastructure Committee in both the previous reporting format and in a new revised format for consideration.

Mr Ritchie explained that the Board of Management approved the current version of the risk register at its meeting in June 2020. Since that meeting, the Senior Management Team (SMT) had continued to carry out a review of the College Strategic Risk Register. The mitigating controls had been updated to take account of items such as the ongoing interactions with the SFC, the outcomes of internal / external audit reports and any Scottish Government / Scottish Funding Council (SFC) announcements.

Mr Richie led the Committee through the current version of the College Strategic Risk Register explaining that it was proposed to amend the format of the current Register so that a revised layout captured and presented the content in a user-friendly way. He provided an exemplar of the proposed revised format and summarised the primary changes. The Committee agreed that the revised format was an excellent improvement in terms of structure, layout and overall accessibility.

The Chair welcomed the approach taken to define and control Risk No 4 *“Estates maintenance / capital funding - Failure to secure adequate estates maintenance / capital funding for future investment or refurbishment of IT and physical infrastructure”*, given it crossed in the areas of IT, procurement and property and asked for some additional narrative to be added to reflect the fact that IT and property investment were now, for the first time, within the domain of the Asset and Infrastructure Committee. **{ACTION – AR}.**

He also acknowledged his support for those areas of risk identified by the Nominations Committee in relation to their remit, for discussion at the Board of Management meeting on 5 October 2020.

**The Committee:**

- **Noted the update on the actions taken to embed risk across the College.**
- **Commented favourably in regard to the revised format for the Risk Register report.**
- **Noted the next steps in the development of the College Risk Management Strategy.**
- **Reviewed the current Strategic Risk Register and in doing so considered:**



- ❖ **The risks included in the register;**
- ❖ **The revised risk rating both pre and post mitigation;**
- ❖ **Whether any other risks should be considered for removal; and**
- ❖ **Whether any new risks should be considered for inclusion.**

#### **EM430 IT Strategy**

The Vice Principal Operations and Director of Infrastructure explained that the College IT Strategy was recommended for approval at the Finance and General Purposes Committee meeting on 8 March 2016 and subsequently approved by the Board on 21 March 2016. In approving the IT Strategy, it was agreed that an annual update on progress would be provided to the Finance and General Purposes Committee.

Given that the Infrastructure Committee remit now included Information Technology, the latest annual IT Strategy update report, which was provided to the Finance and General Purposes Committee on 10 March 2020, was issued in order to provide an understanding of IT Strategy implementation to date and agreed 2020-21 priorities. Mr Alexander provided an update on the technology impacts of Covid-19 and explained that the report had been updated to include the 2020-21 IT budget which had not been approved at the time the report was originally considered in March 2020.

The fundamental role of the IT Strategy was to provide the support and infrastructure that is necessary to deliver the College Digital Strategy, which was published during the fourth year of the IT Strategy. Implementation of the Digital Strategy was one of the ongoing projects detailed within the *Future Proofing our College* business transformation plan that the College submitted to the Scottish Funding Council and which had now been agreed with the SFC to take effect from 2020-21. Mr Alexander explained that an action plan was now being developed for the implementation of the College Digital Strategy and as that came into place, the IT Strategy would be reviewed and updated as necessary in order to support the requirements arising from that action plan. The College remained in ongoing dialogue with the SFC about strategic funding to support implementation and delivery of its IT and digital ambitions.

Mr Alexander led the Committee through the key outcomes for year 5 of the IT Strategy, highlighting that the College's ability to invest in the ICT infrastructure was becoming increasingly challenging given the level of resource available. The level of IT funding was the subject of ongoing dialogue with the SFC and a focus for the college sector. Should this lead to any further resource becoming available, then this would be used to support delivery of the IT Strategy outcomes. Given the challenging financial environment in which the College was operating, there was always a constant need to maximise any investment in the IT infrastructure.

#### **The Asset and Infrastructure Committee:**

- **Reviewed the progress made in the first four years of implementing the College IT Strategy.**
- **Considered the IT Strategy priorities which were agreed by the Finance and General Purposes Committee for 2020-21.**
- **Noted that the current IT Strategy was in the fifth and final year and would require review and updating in 2021.**

- **Agreed that an update report on key IT projects be provided at future meetings of the Committee, adopting a similar format and approach to that provided for Estates Maintenance projects.**

**EM431 Scottish Government - College Cyber Resilience Framework Update**

The Vice Principal Operations and Director of Infrastructure reported that the Finance and General Purposes Committee had been provided with regular updates on the College's response to the Scottish Government's Public Sector Action Plan on Cyber Resilience since March 2018.

On 20 January 2020, the Deputy First Minister wrote to all Scottish Public Sector organisations advising of the release of the Scottish Public Sector Cyber Resilience Framework and Supply Chain Cyber Security Guidance. Mr Alexander provided information on the Cyber Resilience Framework, Supply Chain Cyber Security Guidance and the College's planning for response to these publications and added that these were considered by the Finance and General Purposes Committee on 10 March 2020. An update advising that the College continued to progress that approach was also provided at the Finance and General Purposes Committee meeting on 2 June 2020.

The College was continuing to progress the required response to the Scottish Government Public Sector Action Plan on Cyber Resilience as outlined. Given that the Asset and Infrastructure Committee remit now included Information Technology it was proposed that updates on this matter be provided at future meetings and this was welcomed.

**The Finance and General Purposes Committee:**

- **Noted the implications for the College as outlined within the Cyber Resilience Framework and Supply Chain Cyber Security Guidance.**
- **Noted the College's planned response to the publications.**
- **Agreed that an update report on the College's response to the Scottish Government's Public Sector Action Plan on Cyber Resilience be provided at future meetings of the Committee.**

**EM432 Funding to Support Student Digital Provision**

The Vice Principal Operations reported that the issue of digital poverty had been especially highlighted as a result of the impact of Covid-19 on College operations. During the lockdown period, the College had required to deliver teaching and learning to students virtually, and future delivery of teaching and learning would require to be undertaken on a blended basis during the 2020-21 academic year.

Mr Alexander provided the Committee with an update on an order for approximately 1,800 chrome books that had duly been placed since approval at the July FGPC meeting. When these were received, the IT team was ready to mobilise to distribute the equipment to students. In addition to that, Mr Alexander summarised additional SFC funding received and the re-purposing of kit within the College that had taken place which, overall, would result in over 3,000 pieces of IT equipment being available for distribution to students. An IT Helpdesk (staffed by students) would also be made available to support student use of IT equipment. The Committee recognised the challenges ahead in the application / distribution process of this equipment but commended the College for bringing this opportunity

to fruition. It was a fantastic initiative which would result in vital support to students and staff.

Mr Joyce added that the College had undertaken a digital survey during the 2020-21 enrolment period in order to fully assess how many students required IT equipment to support their teaching and learning experience. The survey remained ongoing, however, to date around 10% of students responding had indicated that they did not require a College device and the College would use this information in order to inform any further steps that may be required. The College was liaising with the Student Association President regarding these matters on an ongoing basis.

In response to a question regarding digital poverty and connectivity, the Board Chair reported that the College Chairs Group repeatedly raised the issue with the Minister for Further Education, Higher Education and Science.

**The Asset and Infrastructure Committee:**

- **Considered the update provided in relation to the provision of IT equipment for students.**
- **Agreed that updates on digital provision to students be provided at future meetings.**

**EM433 Infrastructure Commission for Scotland: Phase 2: Delivery Findings Report**

The Director of Infrastructure provided an update on the progress of the work of the Infrastructure Commission for Scotland.

Mr Joyce led the Committee through a summary of the Phase 1 Key Finding Report published in January 2020 which included a set of eight core areas of recommendation which the ICS believed could help to achieve the desired outcomes. Following on from the Phase 1 report, the ICS identified three areas for further detailed investigation during Phase 2. There was a total of four references to the college sector, with two of these relating to case study information / examples of work underway at Edinburgh College and City of Glasgow College. The further college sector references specifically related to the question of 'Skills and Diversity'.

**The Committee reviewed and considered the progress made by the Commission and the noted the outputs of the Phase 2 Delivery Findings report.**

**EM434 Asset Transfer Requests: Evaluation of Part 5 of the Community Empowerment (Scotland) Act 2015**

The Director of Finance provided a summary of the Scottish Government evaluation of Part 5 of the Community Empowerment (Scotland) Act 2015 (the Act) which came into effect on 23 January 2017.

Mr Ritchie summarised the evaluation report's 10 recommendations, with 4 being for the Scottish Government to implement and 6 for relevant authorities. The report concluded that asset transfer requests may help to address inequalities and support communities to deliver better and more appropriate services. To maximise the impacts of asset transfer requests and to achieve the longer-term changes in

community empowerment envisaged by the Act, government and relevant authorities needed to take further steps to promote and support asset transfer requests – focusing on less-advantaged communities in particular – and to continue to improve monitoring and tracking of the results.

**The Asset and Infrastructure Committee noted:**

- That, as reported to the May 2020 Estates Committee, the College had fulfilled its obligations regarding the Act.
- The College was already complying or capable of complying with the further six requirements of public bodies as set out by the Scottish Government report.

**EM435 Schedule of Business 2019-20**

The Director of Finance outlined how the Schedule of Business for 2020-21 enabled the Committee to fulfil its remit and summarised business items coming up.

**The Committee noted its schedule of business for 2020-21.**

**EM436 Any other Business**

No other business items were raised.

Date of Next meeting: **Tuesday 8 December 2020 (location TBC)**

**TITLE: COLLEGE ESTATE CONDITION SURVEY - UPDATE**

**Background:** The College commissioned an updated building condition survey in July 2019. The initial findings from the survey were presented to the Estates Committee in December 2019. Following the December meeting the Committee requested further analysis work to be carried out and for the results of this work to be presented to the next meeting.

This report:

- Sets out the results of the discussions with Thomson Gray surveyors on the cost basis for years 6 to 20;
- Summarises the implications the output from the survey may have on the College Estate Strategy 2016-2026;
- Outlines the College operational priorities now arising from this exercise, and how the survey results will be used to inform the use of future maintenance funds over the next two years; and
- Updates the Committee on the continuing engagement that the College has had with the SFC regarding the condition of the College estate.

**Action:** The Estates Committee is asked to consider the content of the report.

**Lead:** Peter Thorne, Head of Estates

**Status:** Open

## **1. Introduction**

- 1.1 West College Scotland commissioned an updated survey of the building fabric, mechanical and electrical installations across the estate in July 2019. The work was undertaken to help identify operational priorities and inform the application of any future estate maintenance funding.
- 1.2 The updated condition survey was undertaken in July and August 2019 by Thomson Gray, a specialist firm of Chartered Building Surveyors. Their reports have identified the condition of the structure and fabric of our principle buildings and assessed the cost of bringing the estate up to a well-maintained condition (Condition B - generally sound, wind and watertight and to a state whereby existing defects are not significantly worsening or compounding) over the next 5 years and to maintain it at that standard over the following 15 years.
- 1.3 The December 2019 Estates Committee received a report which concentrated on the first 5-years whilst discussions continued with the surveyors on the content and basis of the further 15-year period.
- 1.4 The December Committee welcomed the report and requested that the College:
  - Conclude discussions with Thomson Gray surveyors on the survey outcomes and the cost basis for years 6 to 20;
  - Consider any further implications the output from the survey might have on the College Estate Strategy 2016-2026;
  - Use the information contained in the 2019 survey to help identify the operational priorities and inform the application of any future estate's maintenance funds;
  - Update the Estate Committee on the final output from the 2019 condition surveys;
  - Share the 2019 survey outputs with the SFC; and
  - Continue to engage with the SFC and their advisors to press the requirement for significant investment in the College estate.
- 1.5 This report updates the Estate Committee on the work undertaken to address the above matters.

## **2. Survey Outcome**

- 2.1 The December report to the Estates Committee highlighted the different valuation approaches taken by the College within the original 2015 report and the subsequent 2019 report, and by the SFC, in arriving at a value for future maintenance funding requirements.
- 2.2 The 2019 Thompson Grey Condition survey report which was prepared in July and August 2019 reported on the expenditure required in year 1; the total for years 1-5; the average for years 6-20 and the total required over 20 years. Normal practice is for the Surveyors to identify the costs on a day one basis and to assume that all works are to be undertaken as a single contract. However, on this occasion they were advised that due to funding constraints the College are likely to implement any works in packages of up to £200,000 and by agreement, have increased their valuation rates by 20% to reflect the additional costs associated with this approach.
- 2.3 Accordingly, Thompson Grey's approach was to identify the cost of the required works and then to add 20% to reflect the small scale of the works packages; 15% for fees; and 20% for VAT. All costs were on a day one basis but exclude contingencies and ignore inflation. This approach is felt to more closely reflect the College approach to future estates investment
- 2.4 The updated condition survey undertaken in 2019 assessed the cost of bringing the College estate up to Condition B over the next 5 years as being £42.4m, an average of around £8.5m each year. The annual cost of the work required during each of years 1-5 is shown in Appendix 1. During 2019-20 the College received £2.5m of high priority estates maintenance funding from the SFC.
- 2.5 Appendix 2 summarises the works that will be required over the course of years 1 to 5 as reported to the December Committee meeting.
- 2.6 The 2019 report shows the level of expenditure now required over the next 10 years as £82.3m, whereas the Estate Strategy 2016-2026, identified a requirement for £32.6m over a similar period. This increase of £49.7m, is despite the fact that the College has demolished Barshaw, Inchinnan North and the vacant houses in Paisley; no longer operate, nor have obligations for Dumbarton High Street and Drumry Road, Clydebank, and will be soon be moving out of the CPA in New Street. The size of the estate has therefore been reduced from 80,903m<sup>2</sup> to 74,540m<sup>2</sup>, a reduction of 6,363m<sup>2</sup> (7.9%). The annual expenditure in years 1-10 is shown in Appendix 3.

2.7 The difference of £49.7m is accounted for as follows:

- 20% premium charged for small scale of investment £17.5m
- 5% increase in fees charged £5.2m
- Balance due to age of buildings being 4 years older £27.0m

With the College estate having aged by 4 years since the 2015 survey and with the average annual investment required to bring the estate up to Condition B not being met by SFC estates maintenance funds during that period, it must be expected that the gap in funding will increase and the 2019 survey outcome is consistent with that premise.

2.8 The expenditure required over the following 10 years (years 11 to 20) to keep the estate at Condition B is a further £70.2m (£7m per annum on average) as shown in Appendix 3.

2.9 The 2019 College condition survey report recognises that some of the older properties require significant investment in the building fabric, whilst many of the services and finishes within the newer properties are now approaching the end of their design life and will soon require cyclical replacement. Whilst it is possible to estimate the level of expenditure required to bring the building up to Condition B over a 5 year period, any work beyond that point assumes that the investment is actually made in years 1-5, and expenditure beyond that is based upon routine maintenance and cyclical replacement.

2.10 Significant parts of the College estate are currently 10-12 years old. In another 10 years they will all be more than 20 years old and therefore many of the components will have reached the end of their design life. This will produce another spike in the expenditure however this issue is compounded if the required investment is not made in the initial 5-year period.

2.11 Any form of meaningful future planning - even 5 years ahead - requires a stable financial environment and an expectation that funds will be available as anticipated. The SFC's current funding model is therefore compounding the difficulty in planning future needs. Section 4 of this report provides an outline of the way in which the College prioritises the available funding.



- 2.12 The 2019 report indicates that over the course of the next 20 years the following expenditure will be required to bring the College estate up to Condition B and then to maintain it at that level as:

	<b>Period Spend</b>	<b>Cumulative Spend</b>
• Years 1 to 5	£42.4m	
• Years 6 to 10	£39.8m	£82.3m
• Years 10 to 20	£70.2m	<b>£152.5m</b>
• Projected SFC Funding for 20-year period (using 2019-20 high priority funds as a basis)		<b>£34.2m</b>

- 2.13 The annual average level of funding required in years 1 to 5 of £8.5m and then £7.0m per annum to maintain the buildings will not therefore be met by the current funding received from the SFC, given that the annual level of high priority maintenance funding is approximately £1.7m, of which we currently need to use £538,000 to support operational costs and a further £162,000 to fund interest on previous borrowings, the existing level of SFC funding would see the College have a shortfall in excess of £119m over the 20 year period. The following section provides more detail on the level and nature of future SFC estates funding.
- 2.14 Over the course of the next 20 years the College should have £152.5m invested in the aging building stock to maintain it at Condition B. The Outline Business Cases for Paisley and Greenock submitted to the SFC show that the investment required at each location is approximately £100m per campus development or £200m in total.
- 2.15 The College met with Rufus Logan, the newly appointed SFC Assistant Director, Capital and Climate Change on 17 January 2020. The College provided Rufus with a tour of the Paisley campus and a presentation on the condition of the Estate and the estimated cost of bringing it to Condition B. Having sat on the SFC Estate Committee Rufus is well versed with the challenges faced by not only the College sector but by more specifically West College Scotland.

### **3. Available Funding**

3.1 The funding for estates maintenance activities is obtained from two main sources:

a) SFC core grant – This is utilised to cover estate running costs (2018-19: £5.7m – staff £2.2m and non-staff £3.5m); and

b) Estate maintenance funding:

a. Lifecycle maintenance funding (2019-20: £0.8m)

b. High priority maintenance funding (2019-20: £1.7m)

3.2 The College utilise all SFC lifecycle maintenance funding to ensure that the buildings are kept running and, in a wind, and watertight condition as far as possible. The detail of how this funding is utilised is reported to each Estates Committee meeting through the Estate Maintenance and Sustainability Report.

3.3 The Draft Scottish Government Budget for 2020-21 allocated £35.7 million for estate investment in the College sector, compared to the 2019-20 figure of £47.6 million. It is important to note that the 2019-20 figure included £22m for the Forth Valley College Campus build in Falkirk, while in 2020-21, there is up to £3m for the Fife College build. After adjusting for these two items this leaves £32.7m for estate investment in 2020-21, which compares to an equivalent figure of £25.6m for 2019-20. The sector budget for 2020-21 therefore indicates an increase of £7.1m may be available for backlog maintenance and lifecycle costs.

3.4 The College will require to wait to see how this increase in overall funding is distributed to the sector through the SFC indicative grant letter. However, given the ongoing dialogue which the College has sustained with the SFC, it is hoped that an increased level of funding for both lifecycle maintenance and high priority maintenance will be made in 2020-21 – however in effect West College Scotland would require to receive the entire increase of £7.1m for the sector during 2020-21 in order to meet the year 1 Condition B investment need.

3.5 It is doubtful that when compared with the yearly average required to bring the estate up to Condition B that any future SFC funding will bridge the current gap. The College estate will continue to deteriorate, and the College will find it increasingly difficult to achieve the objectives contained within the 2016-2026 Estate Strategy.

#### **4. Establishing Annual Operational Priorities**

- 4.1 The principle repairs required at each campus were summarised in the report to the December Estates Committee and are contained within Appendix 2 to this report. The College will not be able to address all the requirements within the 2019 condition survey report and therefore will require the adopt a prioritisation approach to future expenditure.
- 4.2 The College has an established annual process for agreeing operational expenditure priorities which must be adaptive to prevailing circumstances.
- 4.3 The College will utilise the 2019 condition survey report to inform future investment plans through prioritisation of expenditure in the following order:
- Health and safety issues (including fire safety)
  - Legislative requirements
  - Maintaining the property in a wind and watertight condition
  - Maintaining operational functionality
  - Environmental improvements
- 4.4 As the College buildings are aging on an annual basis the College is also experiencing significant unexpected building failures from roof leaks, electrical installation failures and heating breakdowns. These items will require to be treated as a priority matter in order to keep the buildings operational.
- 4.5 SFC maintenance funding is also required to meet the cost of modifying the College accommodation to meet curriculum demands. Curriculum requests are normally finalised in January each year and at that point of the year the College will look to prioritise funds towards curriculum developments if possible.
- 4.6 The annual estate maintenance plans are reported to the Estate Committee at each meeting and further update will therefore be provided as the College seeks to revise projects and priorities going forward within the context of the significant estates investment need.

#### **5. Conclusion**

- 5.1 The 2019 College building condition survey clearly shows that the level of investment required to maintain the current estate will not be met from current SFC funding streams. This therefore creates a very challenging environment for the College to operate in with several competing demands to satisfy with a limited level of funding.

- 5.2 The College does not expect to see significant increases in the availability of SFC funding, nor has it been indicated that material levels of capital funding will be provided imminently towards the development of new campuses.
- 5.3 In addressing this situation, the College intends:
- To use the 2019 condition survey report as the basis for future estate investment decisions;
  - Continue the ongoing dialogue with the SFC as to the level of estate maintenance funding the College annually receives; and
  - Will share the 2019 condition survey report with the SFC.
- 5.4 The Estates Committee is requested to consider the content of this report.

## Appendix 1

## Building Fabric Refurbishment and Maintenance Expenditure 2019- 2038

	Total for years 1-5 inc	Expenditure required in year 1	Expenditure required in year 2	Expenditure required in year 3	Expenditure required in year 4	Expenditure required in year 5
Finnart Campus	20,306,620	18,036,930	5,700	424,190	261,270	1,578,530
Waterfront Campus	1,100,220	583,680	5,360	14,030	75,860	421,290
Clydebank	4,495,080	89,300	829,540	86,700	3,105,000	384,540
<b>Paisley Campus</b>						
Abercorn	963,000	875,000	22,000	22,000	22,000	22,000
Barshaw	0	0	0	0	0	0
Oakshaw	6,941,020	2,211,450	396,170	3,695,810	294,220	343,370
ICE	219,930	97,220	10,900	9,450	102,360	0
Inchinnan	2,131,820	268,970	215,500	1,406,840	223,970	16,540
Renfrew	3,891,080	442,640	20,540	1,962,520	1,277,540	187,840
Renfrew North	2,397,150	351,110	2,280	55,960	1,987,800	0
BDU House	0	0	0	0	0	0
Vacant House	0	0	0	0	0	0
	16,544,000	4,246,390	667,390	7,152,580	3,907,890	569,750
Barrhead	0	0	0	0	0	0
New Street Paisley	0	0	0	0	0	0
	42,445,920	22,956,300	1,507,990	7,677,500	7,350,020	2,954,110

Note: The costs do not include:

1. The cost of upgrading bespoke learning environments, equipment or furniture.
2. Annual Estates revenue expenditure on cyclical inspection, servicing and maintenance costs.
3. By the date of the survey, the Barshaw, the BDU building, the vacant house and the larger part of Inchinnan had been demolished.

**Summary of Expenditure Required over Years 1 to 5**

**Appendix 2**

**Clydebank Campus**

The building fabric is generally in a satisfactory condition. However, many of the services are approaching the end of their economic life thus requiring significant expenditure within the next 5 years.

Overall the building is currently regarded as being condition B.

Over the next 5 years £4.5m will be required to maintain the building. Of this total, approximately £0.8m is required in 2020 to replace corroded heating pipes and radiators with a further £2.9m being required in 2022 for replacement of the BMS; external drainage; CCTV; security and internal lighting installations.

**Greenock – Finnart Street**

Although some areas of the building have recently been refurbished, overall the property is in a poor condition. Many of the building services installations are now beyond the end of their economic life, requiring significant expenditure within the next 5 years.

Overall the building is currently regarded as being Condition C.

The total expenditure required to bring the building up to condition B over the next 5 years is £20.3m. Of this total, approximately £14.6m is required to over clad the building and a further £2.6m is needed to replace electrical and heating services installations. In 2022 £1.6m is required to replace the roof covering to the workshop block and redecorate the interior of the campus.

**Greenock – Waterfront**

The building fabric is generally in a satisfactory condition with only minor issues noted. However, many of the services are approaching the end of their economic life requiring expenditure within the next 5 years.

Overall the building is currently regarded as being condition B.

The total expenditure required to maintain the building over the next 5 years is £1.1m. Of this total, approximately £0.3m is required to replace light fittings, emergency lighting and the fire alarm installation with a further £0.6m being required in 2023 for replacement of boilers calorifiers and the ventilation system.

**Paisley – Abercorn**

The survey of the Abercorn building was undertaken by Building Surveying Solutions, who had been appointed separately by West College Scotland in February 2019. Thomson Gray were provided with the information arising from that survey, reviewed this and incorporated it on a comparable basis.

Overall the building is currently regarded as being condition C.

The total expenditure required to bring the building to condition B over the next 5 years is £0.9m, with it being estimated that most of this should be undertaken within the early part of the 5-year period. The £0.9m relates to the slated roof covering, and particularly the timber framed, and clad ventilation towers are in poor condition and require immediate repairs. Some areas of the upper walls and particularly the parapets need to be repointed and re-secured.

**Paisley – ICE**

The building fabric and services installations are generally in a satisfactory condition with only minor issues noted.

Overall the building is currently regarded as being Condition B.

The total expenditure required to maintain the building over the next 5 years is £0.2m. Of this total, approximately £0.1m is required to repair a leaking roof deck to the renewable technology demonstration area, and a range of minor deficiencies., with a further £0.1m being required in 2022 for cyclical decoration.

**Paisley – Inchinnan**

The building fabric is generally in a poor condition with damage and cracking to the building fabric; concrete frame and brickwork. The roof covering to the main building is nearing the end of its serviceable life. Internally the building requires replacement floor coverings and redecoration. Many of the building services installations are now beyond the end of their economic life, requiring significant expenditure within the next 5 years.

Overall the building is currently regarded as being Condition C.

The total expenditure required to bring the building up to condition B over the next 5 years is £2.1m. Of this total, approximately £0.1m is required to upgrade the fire alarms, £0.2m for decoration and minor fabric repairs and in 2021 a further £1.4m for replacement of services.

**Paisley – Oakshaw**

Although some areas inside the building have recently been refurbished overall the property is in a poor condition.

The main office / classroom block (two floors of which are unoccupied) is in a poor state of repair and the curtain walling, gutters and rainwater pipes have reached the end of their effective life. Internally, most of the building is in very poor condition, with new floor wall and ceiling finishes being required. Most of the internal services are beyond their economic life and now need to be replaced.

At the workshop block, the external brickwork is damaged with poor pointing evident throughout all elevations. The flat roof and rooflights are generally in a fair condition, although two rooflights have failed and require replacement. The valley gutters; external downpipes, box eaves and fascias all require redecoration.

Internally, many of the workshops are in poor condition with decoration, floor wall and ceiling finishes generally beyond their economic life. As with the classroom block, within those areas which have not been refurbished, most of the internal services are beyond their economic life and now need to be replaced.

Overall the building is currently regarded as being condition C.

The total expenditure required to bring the building up to condition B over the next 5 years is £6.9m. This expenditure includes extensive refurbishment of the building fabric including curtain walling, electrical and heating services.



**Paisley – Renfrew**

Externally the building fabric is largely in a poor condition. The render has completely failed to the western elevation and should be replaced. The brickwork to the ground floor is showing open joints in several areas, and there is damaged brickwork, possibly from vehicle movement around the staffroom / kitchen areas. The roof is generally satisfactory, although no edge protection was present.

Although some areas inside the building have recently been refurbished, overall the property is in a poor condition. Many of the building services installations are now beyond the end of their economic life, requiring expenditure within the next 5 years.

Overall the building is currently regarded as being condition C.

The total expenditure required to bring the building up to condition B over the next 5 years is £3.9m. Of this total, approximately £0.4m is required for fabric and services repairs, with a further £1.8m required in 2021 to upgrade the life expired electrical installation.

**Paisley – Renfrew North**

Overall the property is generally in a fair condition although many of the fixtures, finishes and service installations now approaching end of their economic life, requiring significant expenditure within the next 5 years.

Overall the building is currently regarded as being Condition B.

The total expenditure required to bring the building up to condition B over the next 5 years is £2.4m. Of this total, approximately £0.4m is required to replace finishes and undertake minor fabric and services repairs, with a further £1.6m required in 2022 to upgrade major parts of the life expired electrical installation.

## Appendix 3

## Building Fabric Refurbishment and Maintenance Expenditure 2019-2038

	Total for years 1-5 inc		Total expenditure for years 6-10		Total expenditure for years 11-20		Total required over 20 Years	
Finnart Campus		20,306,620		10,655,260		12,423,650		43,385,530
Waterfront Campus		1,100,220		2,901,810		3,286,620		7,288,650
Clydebank		4,495,080		10,320,170		20,291,730		35,106,980
<b>Paisley Campus</b>								
Abercorn	963,000		2,901,810		3,286,620		7,151,430	
Barshaw	0		0		0		0	
Oakshaw	6,941,020		3,328,270		7,071,110		17,340,400	
ICE	219,930		972,780		2,939,090		4,131,800	
Inchinnan	2,131,820		571,280		932,070		3,635,170	
Renfrew	3,891,080		2,348,150		4,676,860		10,916,090	
Renfrew North	2,397,150		5,847,050		15,321,900		23,566,100	
BDU House	0		0		0		0	
Vacant House	0		0		0		0	
		16,544,000		15,969,340		34,227,650		66,740,990
Barrhead		0		0		0		0
New Street Paisley		0		0		0		0
		<b>42,445,920</b>		<b>39,846,580</b>		<b>70,229,650</b>		<b>152,522,150</b>

Note: The costs do not include:

1. The cost of upgrading bespoke learning environments, equipment or furniture.
2. Annual Estates revenue expenditure on cyclical inspection, servicing and maintenance costs.
3. By the date of the survey, the Barshaw, the BDU building, the vacant house and the larger part of Inchinnan had been demolished.

**TITLE: Finance and General Purposes Committee**

**Draft Minutes of the meetings held on Tuesday 2 June 2020, Thursday 9 July 2020 and Tuesday 8 September 2020.**

**Action:** The draft F and GP Committee minutes from the meetings held on Tuesday 2 June 2020, Thursday 9 July 2020 and Tuesday 8 September 2020 are attached for information. The minutes from the meetings held on Tuesday 2 June 2020 and Thursday 9 July 2020 were approved by the Committee on Tuesday 8 September 2020. The minutes from the meeting held on Tuesday 8 September 2020 will be approved at the next F&GPC meeting scheduled for Tuesday 24 November 2020.

The Committee Chair, Jim Hannigan will lead the Board through key matters discussed at the meetings and the Board is asked to note:

- **Tuesday 2 June 2020 meeting**
  - ❖ FPM322 - Since the College lockdown from 20 March 2020 due to Covid 19, progress with how improvements could be made through the in-house model of catering and cleaning services currently in place had been limited, particularly as the staff cohort in catering and cleaning were not currently able to be active in their roles given the nature of their jobs and the closure of all College buildings. It was, therefore, intended to revisit this at a late date and, meantime, focus on modelling various scenarios for the mobilisation of the return of staff to the workplace. The Committee agreed with this approach.
  - ❖ FPM326 - An annual overview of the pension schemes currently in operation within the College was provided.
  - ❖ FPM327 - The Committee recognised the constantly evolving and challenging national picture regarding modelling assumptions to help inform local decision making and thanked College staff for their input to national discussions on funding and financial sustainability in a bid to assess and understand the local impact.
  - ❖ FPM331 - The Committee recognised that the Covid 19 pandemic was the most significant challenge the College had faced to date, and this had resulted in a level of uncertainty the organisation had not experienced before. In addressing the challenges, the Director of Finance and Estates explained that the College implemented its Business Continuity Planning arrangements and had formed a Covid 19 Response Team comprising members of the Executive, SMT and other staff as required. This allowed the College to understand the main scenarios that could most impact it and to put in place appropriate control and response measures that reflected the exposure. Furthermore, the College Senior

Management Team considered the impacts of the Covid 19 pandemic be recorded within the Strategic Risk Register as a significant part of the Business Continuity Risk which was already represented within the register. The risk probability and impact had been scored at the highest level.

- **Thursday 9 July 2020 meeting**

- ❖ FPM337 - The Committee considered and noted the revised 2019-20 College adjusted operating position; noted the impact of the Covid 19 pandemic lockdown on the 2019-20 operations and financial position of the College; and noted the revised 2019-20 College cashflow position.
- ❖ FPM338 - The Committee considered the basis upon which the 2020-21 College budget had been created; Approved the 2020-21 Student Association budget; Approved the 2020-21 College budget; and Considered the basis upon which the two-year financial forecast to 2020-23 had been created.
- ❖ FPM339 - The Committee noted the content of the paper and the rationale for the purchase; and Approved the purchase of up to £425,000 of Chrome Book computers (at current pricing this will deliver approximately 1,800 devices) from supplier XMA, under the Scottish Government's Public Sector Procurement framework 'Web Based and Proprietary Client Devices Framework (SP-19-013)'.

- **Tuesday 8 September 2020 meeting**

- ❖ FPM344 - Catering and cleaning review update – the College would continue to liaise with catering staff and trade unions about the future model of on campus catering provision. A significant reduction in demand for catering services was anticipated when the campuses re-opened for the 2020/21 session on 21 September 2020. This was due to the fact the Scottish Government Covid-19 guidance stated that only essential activity should take place on site and so the number of people attending campuses would be significantly reduced. All catering staff were currently on furlough and it was expected that a limited “grab and go” service model would be provided on return, with the level of demand being kept under review. There would be a need to engage with catering staff and trade unions in relation to voluntary severance, redeployment and reduced hours. The Committee recognised the challenging circumstances and noted that future updates would be provided. Mr Alexander also outlined the process by which catering staff would start to return to work.
- ❖ FPM344 - Digital Poverty – Procurement of Student IT Equipment – an order for approximately 1,800 chrome books had duly been placed since approval at the July FGPC meeting. When these were received, the IT team was ready to mobilise to distribute the equipment to students. In addition to that, Mr Alexander summarised additional SFC funding received and the re-purposing of kit within the College that had taken place which,

overall, should ultimately result in over 3,000 pieces of IT equipment being available for distribution to students. An IT Helpdesk (staffed by students) would also be made available to support student use of IT equipment. The Committee recognised the challenge ahead in the application / distribution process of this equipment but commended the College for bringing this opportunity to fruition. It was a fantastic initiative which would result in vital support to staff and students.

- ❖ FPM346 - Monitoring of Regional Outcome Agreement - Mr Alexander offered assurance that engagement with all College partners had continued throughout all stages of the pandemic. In terms of ensuring outcomes were achieved and he explained that, although the delivery format of some College courses may change going forward, it was expected that the SFC and College processes for the measurement of outcomes would remain consistent to that in previous years.
- ❖ FPM348 - 2019-20 Financial Year End Update - The Committee thanked Mr Ritchie for the encouraging update and commended the College for maximising a host of opportunities which had resulted in such an improved financial position.
- ❖ FPM349 - The Committee recognised the challenges and uncertainties impacting on the College financial forecast and was reassured by the prudent approach taken.

**Lead:** Jim Hannigan, Chair, F and GP Committee

**Status:** Open

## **FINANCE AND GENERAL PURPOSES COMMITTEE**

**MINUTES:** Tuesday 2 June 2020

**PRESENT:** Jim Hannigan (in the Chair), Liz Connolly, John Leburn, Angela Wilson.

**ATTENDING:** David Alexander (Vice Principal Operations), Alan Ritchie (Director of Finance and Estates), Vivienne Mulholland (Head of Finance and Student Funding), Waiyin Hatton (Chair of the Board of Management), Shirley Gordon (Secretary to the Committee).

**APOLOGIES** No apologies were received.

### **FPM320 DECLARATIONS OF INTERESTS**

- Jim Hannigan - NMIS Programme Manager, Skills Development Scotland.
- Liz Connolly - Trustee of the West College Scotland Foundation.
- Angela Wilson – West Dunbartonshire Council.
- David Alexander - Board member of the Scottish Funding Council and as Chair of the Scottish Funding Council Audit and Compliance Committee.
- Waiyin Hatton: Wai Beyond, People and organisational development consultancy; Harvey McMillan, People and organisational development consultancy; Action Against Stalking; Ayrshire Sportsability; Scottish Chamber of Commerce.

### **FPM321 MINUTES**

The minutes of the meeting held on Tuesday 10 March 2020 **were approved.**

### **FPM322 ACTIONS**

The Committee **noted** a report on actions taken since the last meeting and the following updates were reported:

- Catering and Cleaning Review – The Vice Principal Operations referred to the presentation delivered to the Finance and General Purposes Committee meeting on 10 March 2020 on the College Cleaning and Catering Services Review which had been undertaken in late 2019. It had been agreed through this process that the next formal review of how the provision of catering and cleaning services were to be provided would be undertaken after a three-year period, by summer 2023 and the College was, therefore, currently focusing on how improvements could be made through the in-house model of provision currently in place – with updates to be provided to the Finance and General Purposes and Estates Committees on this.

The Vice Principal Operations explained that, since the College lockdown from 20 March 2020 due to Covid 19, progress with this had been limited, particularly as the staff cohort in catering and cleaning were not currently able to be active in their roles given the nature of their jobs and the closure of all College buildings. It was, therefore, intended to revisit this at a later date and, meantime, focus on modelling various scenarios for the mobilisation of the return of staff to the workplace. The Committee agreed with this approach.

- Student Support Funding - The Vice Principal Operations confirmed that funding to the total value requested had been received as previously advised and this action was, therefore, complete.

**FPM323 MATTERS ARISING FROM THE MINUTES (NOT OTHERWISE ON THE AGENDA)**

An update on the following matters arising was provided:

- Finalisation of 2018-19 Financial Statements – The Head of Finance and Student Funding confirmed that the College had received notification on 28 April 2020 that the College Financial Statements for 2018-19 had been laid before the Scottish Parliament and had, thereafter, been made public and filed with OSCR.
- Internal Audit and Other Audit Services – it was confirmed that the Board of Management had approved the appointment of Wylie & Bissett as the College internal auditors for an initial three-year period commencing 1 August 2020, with the option to extend this further until 31 July 2025, in line with the Audit Committee recommendation. The Director of Finance and Estates agreed to circulate to members a copy of the draft internal audit plan 2020-21. **{ACTION – AR}**

**The Committee noted the matters arising.**

**FPM324 COMMITTEE REMIT AND PROPOSED COMMITTEE MEETING DATES 2020-21**

The Secretary to the Committee explained that, with a change in Directorate portfolios and the introduction of a new position of Director of Infrastructure, there was a requirement to review the remit of both the Finance and General Purposes Committee and the Estates Committee, primarily to transfer the IT element of the Finance and General Purposes Committee to the Estates Committee.

The Chair led the Committee through a tracked change version of the current Committee remit for consideration and the Vice Principal Operations explained the reasoning behind the re-naming of the Estates Committee to the Asset and Infrastructure Committee.

**The Committee:**

- **Approved the revised Finance and General Purposes Committee remit.**
- **Noted the current membership of the Committee.**
- **Approved the 2020/21 proposed meeting dates as follows:**
  - ❖ **Tuesday 8 September 2020**
  - ❖ **Tuesday 24 November 2020**
  - ❖ **Joint Audit and FGPC – Tuesday 24 November 2020**
  - ❖ **Tuesday 2 March 2021**
  - ❖ **Tuesday 1 June 2021**

**FPM325 VICE PRINCIPAL UPDATE / OVERVIEW REPORT**

The Vice Principal Operations provided an overview of the report highlighting several updates in relation to the following:

- **Funds arising from net depreciation** – cash arising from net depreciation was available to be utilised during the current financial year and it had been agreed with the SFC that this be applied towards meeting the following College priorities during 2019-20 as follows:
  - ❖ Repayment of bank loans.
  - ❖ Funding of core College ICT expenditure.
  - ❖ To meet the cost prior year staff pay increases.
- **SFC 2020-21 funding announcement** – the SFC issued Circular SFC/AN/06/2020 - College outcome agreement funding allocations for Academic Year 2020-21 on 7 April 2020. Mr Alexander provided a summary of the funding decisions set out in the

announcement for the college sector within this 2020-21 academic year. He noted, however, that the Circular did not confirm all SFC funding for 2020-21 and that further funding information from SFC would be essential in the coming weeks to enable the College to approve a 2020-21 budget and five-year financial strategy prior to August 2020.

The Committee recognised that the wider financial, cash and governance impacts on the College operating environment as arising from Covid 19 and that meant that wider financial sustainability would be extremely challenging in 2019-20 and 2020-21. Members appreciated that the College would continue to engage with the SFC regarding financial sustainability and the actions required to achieve a balanced budget on an ongoing basis.

- **Ongoing West College Scotland engagement with the SFC** – SFC Circular SFC/AN/06/2020 - College outcome agreement funding allocations for Academic Year 2020-21 – issued on 7 April 2020 - provided formal confirmation that there was to be a reduction in credit activity when compared with 2019-20. This was in line with the expectations of the Business Transformation Plan that the College previously agreed with the SFC. The SFC had not consequently reduced associated teaching funding with this movement in credit and that reflected discussions the SFC had had with the College to recognise the movement towards higher cost activity over the course of previous years. As a condition of this change, the College must reduce its third-party distance learning activity. The College would, therefore, continue to engage with the SFC regarding the revised business model that was required.

The Vice Principal Operations discussed the impact of the Covid 19 pandemic on the College and Committee members welcomed any opportunity to work with the SFC in a collaborative way going forward in seeking to address any challenges arising from the impacts of Covid 19 and social distancing requirements.

- **National bargaining** – for support staff, the process of national job evaluation was continuing, and he led the Committee through project progress at each key stage including: Stage One – Role Outline Questionnaires; Stage Two – Role Analysis; Stage Three – Implementation; Stage Four – Appeals. The Scottish Funding Council had set aside an allocation to fund any pay implications as a result of the implementation of job evaluation. Discussion with trade unions on 2019-20 pay claims would also be taking place over the coming period.
- **Information Technology** – the College IT team had been focussed over the recent period on supporting the transition of College on-site operations to enable staff and students to teach, learn and work from home as a result of the Covid 19 pandemic. This mobilisation required to take place over a short period of time leading up to College closure on 20 March 2020 and the process involved providing staff and high priority students with the hardware and software capability to work from home, with the IT support team continuing to provide a Helpdesk service remotely. The College IT Department would continue to provide that essential support and looked to build on the progress that had been made in the levels of technology engagement going forward.

Given that the requirement for social distancing as a result of Covid 19 was likely to continue going forward, College campuses would not be able to support the same level of staff and student physical presence on-site. As a result of that, digital poverty was expected to be an increasing area of concern and one that the College sector would require to engage with. WCS had advised the SFC that the College would be submitting a proposal to apply an amount of 2019-20 student supporting funding



towards addressing digital poverty and supporting students with their technology needs. However, there was a need for a long-term sustainable funding model to be put in place within the college sector to support this. The Committee was fully supportive of this approach.

- **West College Senior Management** – Estates and Infrastructure – the College had appointed Martin Joyce as its Director of Infrastructure and it was planned he would commence the role on 24 August 2020.

**The Committee noted the report for information.**

#### **FPM326 OVERVIEW OF COLLEGE PENSION SCHEMES**

The Director of Finance and Estates provided an annual overview of the pension schemes currently in operation within the College. He led the Committee through a summary of the two pension schemes in operation within the College; the Scottish Public Pensions Agency (SPPA) scheme, which was accessible to teaching staff; and the Strathclyde Local Government Pension Scheme (LGPS), which provided pension arrangements for support staff members.

The Director of Finance and Estates summarised the level of each scheme membership as well as the level of employer pension contributions made by the College over the recent period for the year ending 31 March. He added that, in addition to the ongoing annual cost of employer pension contributions to the SPPA and LGPS, the College required to meet the cost of unfunded pension liabilities as part of a legacy arrangement and that continued until the death of the pensioner or their spouse. It was also highlighted that a review of the level of employer pension contribution for the LGPS scheme was due, with any change coming into effect from 1 April 2021. However, at this stage the sector had no visibility on whether this may result in a required increase to employer contribution levels, and this had been raised with the SFC as part of 2020-21 funding discussions that were ongoing.

**The Committee noted the report.**

#### **FPM327 SFC REPORT – BRIEFING NOTE COVID-19 FURTHER AND HIGHER EDUCATION FINANCIAL IMPACTS**

The Vice Principal Operations reported that the Scottish Funding Council (SFC) published a report outlining the financial impact of Covid 19 on the Scottish Further and Higher education sectors on 29 April 2020 and confirmed that the College continued to engage with the SFC regarding those funding impacts and the financial sustainability challenges arising from them.

The Vice Principal Operations led the Committee through the report which acknowledged that the financial position of Colleges was already challenging pre-Covid 19 and that the outbreak on Colleges' financial sustainability was significant with the main Covid 19 financial impacts including lower income from funding streams including ESF, FWDF, tuition fees and education contracts, SDS, nursery, accommodation, catering, short-courses including evening classes and other commercial activity including international income. Any savings in costs were minimal and did not offset these income movements. Given this, he explained that cash would be essential in maintaining ongoing College operations and sector cash balances were expected to move significantly. The SFC was seeking to assist and engage with the financial sustainability faced by the sector, and it would continue to work with Colleges to establish the full financial impact particularly when there was greater clarity about European Social Fund (ESF) activity targets/income, and income recognition for Flexible Workforce Development (FWDF) and Skills Development Scotland (SDS) funding.

The Committee recognised the constantly evolving and challenging national picture regarding modelling assumptions to help inform local decision making and thanked College staff for their input to national discussions on funding and financial sustainability in a bid to assess and understand the local impact.

**The Committee noted the content of the SFC briefing paper, the financial impacts arising from Covid 19 and that the College continued to engage with the SFC in relation to financial sustainability challenges arising therein.**

#### **FPM328 MANAGEMENT ACCOUNTS TO 30 APRIL 2020**

The Director of Finance and Estates presented the Management Accounts for the period to 31 March 2020. He explained that the Covid 19 pandemic had had a material impact on the operations of West College Scotland and the financial position for 2019-20 and beyond. The March 2020 financial forecast to 31 July 2020 was based on the current information available to the College and would require to be updated as further clarification was received from the Scottish Funding Council and other key stakeholders.

The Director of Finance and Estates led the Committee through the accounts drawing attention to the following:

- The Statement of Comprehensive Income and Expenditure which provided a summary of the financial position and showed a comparison of the approved 2019-20 budget with the full year forecast position to 31 July 2020. This statement also included the audited 2018-19 figures for comparison.
- An analysis of key variances that provided detail of the movement between the budgeted and forecast position for 2019-20.
- The Balance Sheet that reflected the assets and liabilities of the College.
- The cashflow analysis that showed the actual cash position to date and forecasts the cashflow to 31 July 2020.
- The student funding analysis that provided a summary of the budgeted and forecast income and expenditure to 31 July 2020 resulting from the processing of student bursary, childcare and discretionary expenditure. The only element which was recorded within the College Statement of Comprehensive Income and Expenditure was childcare income and expenditure as the College was deemed to act as an agent for those funds. All other funds were accounted for through the College balance sheet.
- The financial graphs and performance indicators that provided background information about income and expenditure and highlight the main indicators of financial sustainability.
- The aged debt analysis that showed a summary of the age of the sales ledger along with a split between corporate and student debt. The emphasis continued to be the reduction in the level of debt in excess of 3 months.

The Director of Finance and Estates added that, as a result of the closure of onsite operations due to the Covid 19 lockdown period, the College was now currently forecasting an adjusted operating deficit and had confirmed this revised forecast position and deficit figure to the SFC in submitting a requested financial Mid-Year Return (MYR) on 19 May 2020. This current forecast deficit was based on information available to the College at this time and it was likely the forecast outturn position may be subject to some change as further information became available from the SFC and Scottish Government over the coming months. However, while it was likely that further guidance and clarification from the SFC and Scottish Government may result in changes to the outturn position as at 31 July 2020, it was anticipated the College would still have an adjusted deficit position at the year-end due to the impacts arising from Covid 19.

The Vice Principal Operations explained that the College would continue to; monitor costs and income closely, to enable it to continually estimate the financial outturn and cashflow position for 2019-20; re-assess the likely impact upon its financial outturn and cashflow once the clarifications required from the SFC were provided; and engage on an ongoing basis with the SFC in relation to the financial challenges arising as a result of Covid-19.

In response to a question, the Vice Principal Operations summarised the basis and methodology issued by the SFC in relation to the furloughing of staff and he confirmed that the College was following the SFC guidance in this regard as well as liaising with trade unions.

**The Committee:**

- **Noted the revised 2019-20 adjusted operating position, the detailed impact that COVID-19 had had on the operations and financial position of the College and the cashflow position;**
- **Approved the Management Accounts for the period to 31 March 2020.**

**FPM329 2020-21 BUDGET AND FINANCIAL PLAN**

The Vice Principal Operations explained that the Covid-19 pandemic had had a material impact on the operations of the College and the institutional financial position for 2019-20 and beyond. These impacts meant the College was currently awaiting guidance and direction from the SFC in relation to several financial and governance matters for the 2020-21 budget process and five-year financial plan to be presented to the Finance and General Purposes Committee and Board of Management for approval.

The Vice Principal Operations provided an update on the 2020-21 College budget process and five-year financial plan and the next steps associated with this. The College required to present a 2020-21 budget and five-year financial forecast based on a range of competent assumptions, however, as he outlined, currently no guidance or information had been provided by the SFC to the college sector to enable that process to be concluded to date. By way of next steps, therefore, the College would continue to:

- Engage with the SFC (through the SFC Outcome Agreement Manager and the college sector Finance Director's network) to seek to secure the required clarifications and guidance;
- Seek to present a draft budget and 5-year financial forecast to the Finance and General Purposes Committee at a meeting to be convened in July 2020 for consideration.
- Seek to present a budget and 5-year financial forecast to the Board of Management at a meeting to be convened in July 2020 for approval.

The Committee reflected on the unprecedented situation and welcomed the continued engagement with the SFC particularly as it had been confirmed by the Chief Executive of the SFC that colleges must deliver a breakeven position next year. Members recognised the excellent progress made so far by the College finance team and offered their assistance and support in any way required.

**The Committee:**

- **Noted the outcome of the SFC 2020-21 funding announcement, the status of the 2020-21 budget and five-year financial planning process and the essential information which required to be provided by the SFC to enable the College to conclude and approve a 2020-21 budget and five-year financial plan; and**
- **Approved the College proposed next steps.**

### **FPM330 GOVERNANCE COMPLIANCE AND ROA OUTCOMES**

The Vice Principal Operations reminded the Committee that its remit included the requirement “To ensure adherence to statutory requirements related to the College’s financial affairs and compliance with the Financial Memorandum, the Scottish Public Finance Manual (SPFM) and related guidance”. As such, he led the Committee through the report to provide assurance that in fulfilment of this remit the College was operating in compliance with the Financial Memorandum with SFC, the Scottish Public Finance Manual; and the Code of Good Governance. Mr Alexander added that there was also a need for the Committee to demonstrate that it had met its requirements in relation to the relevant areas of the 2019-20 Regional Outcome Agreement and confirm this to the Board of Management.

The Committee extended its appreciation of the efforts made by college staff to provide this assurance.

**The Committee noted the:**

- **Assurance provided in relation to governance compliance.**
- **Progress that has been made in relation to those Regional Outcome Agreement areas for which the Finance and General Purposes Committee had responsibility to provide an update to the Board of Management.**

### **FPM331 STRATEGIC RISK REGISTER REVIEW**

The Director of Finance and Estates reported that, in accordance with the Corporate Governance Code, the College Board of Management was tasked with ensuring a framework of risk management and control was in place. He presented the College Strategic Risk Register for consideration and provided an update on the actions taken by the College to embed risk management across the organisation.

Mr Ritchie explained that the Board of Management approved the current version of the risk register at its meeting in March 2020. Since that meeting, the Senior Management Team (SMT) had continued to carry out a review of the College Strategic Risk Register. The mitigating controls had been updated to take account of items such as the ongoing interactions with the SFC, the outcomes of internal/external audit reports and any Scottish Government/Scottish Funding Council (SFC) announcements.

The Committee recognised that the Covid 19 pandemic was the most significant challenge the College had faced to date, and this had resulted in a level of uncertainty the organisation had not experienced before. In addressing the challenges, the Director of Finance and Estates explained that the College implemented its Business Continuity Planning arrangements and had formed a Covid 19 Response Team comprising members of the Executive, SMT and other staff as required. This allowed the College to understand the main scenarios that could most impact it and to put in place appropriate control and response measures that reflected the exposure. Furthermore, the College Senior Management Team considered the impacts of the Covid 19 pandemic be recorded within the Strategic Risk Register as a significant part of the Business Continuity Risk which was already represented within the register. The risk probability and impact had been scored at the highest level.

The Vice Principal Operations noted that the financial and cashflow implications arising from Covid 19 were expected to be significant for both 2019-20 and 2020-21, and these matters would be required to be considered by the Finance and General Purposes Committee and Board of Management. The College was currently awaiting clarification and guidance from the SFC in relation to several significant financial, cashflow and governance matters in order to enable an informed financial strategy to be developed and implemented.

The Vice Principal Operations added that, at this point, there were many uncertainties around when the College may reopen campuses and the specific restrictions that there may be. An element of social distancing would be required, and, at present, the College was undertaking curriculum scenario planning for a range of circumstances. Curriculum teams were working on scenario planning and seeking to ensure a consistency of approach where required/possible. The planning also allowed staff to identify the impacts on other areas of the College such as Estates and IT. In tandem with this, there was overall College mobilisation planning, particularly in terms of Estates, Health and Safety and HR. With that in mind, the College was planning for the autumn using the following key aims to:

- Have the fewest possible people on a campus at any one time.
- Ensure the safest possible environment for those on any campus.
- Ensure the best possible learning and working experience for students and staff.

The Committee recognised the huge challenge and commended the work that had been done by all staff so far.

**The Committee reviewed and approved the College Strategic Risk Register and in doing so considered:**

- **The risks included in the register;**
- **The revised risk rating both pre and post mitigation;**
- **Whether any other risks should be considered for removal;**
- **Whether any new risks should be considered for inclusion; and**
- **The progress made in further developing the College Risk Management framework.**

#### **FPM332 WCS FRAUD UPDATE**

[REDACTED]

[REDACTED]

[REDACTED]

#### **FPM333 EXTERNAL AUDIT PLANNING MEMORANDUM 2019-20**

The Director of Finance and Estates presented the Mazar LLP (external auditor) Audit Strategy Memorandum and fee proposal for the review of the 2019-20 financial statements and confirmed that this Audit Strategy Memorandum and fee proposal were approved by the Audit Committee on 21 May 2020. Mr Ritchie reported that the Audit Strategy Memorandum document provided the Committee with an overview of the external auditor's preliminary audit planning procedures and approach in relation to the financial statements of the College for the year ended 31 July 2020. The memorandum also provided an overview of significant risks and key judgement areas and noted the four wider scope areas upon which the auditors required to make a judgement as follows:

- financial sustainability;
- financial management;
- governance and transparency; and
- value for money.

Mazars had set their fee for the audit within the fee range set by Audit Scotland.

**The Committee noted the content of the 2019-20 Audit Strategy Memorandum and the audit proposed fee.**

**FPM334 SCHEDULE OF BUSINESS 2019-20**

The Committee **noted** its schedule of business for 2019-20 as summarised by the Director of Finance and Estates.

**FPM335 ANY OTHER BUSINESS**

- No other business items were raised.
- Dates of next meetings:
  - ❖ As agreed at FPM329 a meeting in July would be arranged.
  - ❖ Tuesday 8 September 2020, Venue tbc.

## **FINANCE AND GENERAL PURPOSES COMMITTEE**

**MINUTES:** Thursday 9 July 2020

**PRESENT:** Jim Hannigan (in the Chair), Liz Connolly, John Leburn, Angela Wilson.

**ATTENDING:** David Alexander (Vice Principal Operations), Alan Ritchie (Director of Finance and Estates), Waiyin Hatton (Chair of the Board of Management), Shirley Gordon (Secretary to the Committee).

**APOLOGIES** No apologies were received.

### **FPM336 DECLARATIONS OF INTERESTS**

- Jim Hannigan - NMIS Programme Manager, Skills Development Scotland.
- Liz Connolly - Trustee of the West College Scotland Foundation.
- Angela Wilson – West Dunbartonshire Council.
- David Alexander - Board member of the Scottish Funding Council and as Chair of the Scottish Funding Council Audit and Compliance Committee.
- Waiyin Hatton: Wai Beyond, People and organisational development consultancy; Harvey McMillan, People and organisational development consultancy; Action Against Stalking; Scottish Chamber of Commerce.

### **FPM337 2019-20 COLLEGE FINANCIAL OUTTURN FORECAST – UPDATE**

The Vice Principal Operations provided the Finance and General Purposes Committee with an update on the 2019-20 College financial outturn forecast and cashflow position.

Mr Alexander explained that the Management Accounts, as at 31 March 2020, outlined that the College had been forecasting an adjusted operating surplus for 2019-20, however, due to the cessation of on-site College operations on 20 March 2020 as a result of the Covid 19 pandemic lockdown, a number of variances had arisen resulting in a revised College adjusted operating position with a forecast deficit.

Mr Alexander reported that the College had received updated information from the SFC, the Scottish Government and wider partners in relation to several areas since previous consideration of the 31 March 2020 Management Accounts. This had impacted the College operating environment and forecast financial outturn position as considered by the Finance and General Purposes Committee and Board of Management during June 2020. Mr Alexander summarised the 2019-20 financial impacts and variances arising from this updated information and highlighted that, while there had been some improvement in the College financial position for the current financial year, the overall movements still meant that an adjusted operating deficit was forecast for 2019-20.

Mr Alexander updated on the College cash-flow position explaining that the availability of cash in order to support ongoing College operations was essential. This would continue to be monitored on an ongoing basis in order to identify, mitigate and manage any risks that may emerge.

In response to a question, Mr Ritchie explained the terms and values of historical bank loan payments and added that these were manageable in terms of their continued cash / interest repayment.

The Chair, on behalf of the Committee, extended his thanks to the finance team for its outstanding work to help improve the financial outturn deficit position and the ongoing stable cash position.

**The Finance and General Purposes Committee:**

- **Considered and noted the revised 2019-20 College adjusted operating position;**
- **Noted the impact of the Covid 19 pandemic lockdown on the 2019-20 operations and financial position of the College; and**
- **Noted the revised 2019-20 College cashflow position.**

**FPM338**

**BUDGET 2020-21 AND FINANCIAL FORECAST TO 2022-23**

The Vice Principal Operations presented the following to the Committee:

- a) The 2020-21 College budget;
- b) The 2020-21 Student Association budget
- c) The College financial forecast for the two years to 2022-23;
- d) A note of the budgetary and forecast assumptions used; and
- e) A sensitivity analysis of the key assumptions used.

Mr Alexander and Mr Ritchie delivered a presentation and led the Committee through the detail of each one in turn making the following points:

- The SFC FFR guidance issued on 9 June 2020 provided the college sector with baseline assumptions for use in preparing the 2020-21 budget and financial forecast to 2022-23. In prior years, the SFC FFR guidance had requested colleges provide a financial budget and forecast to cover a five-year period, however, due to the uncertainty arising from Covid 19, a shorter three-year period had been requested. The College had applied this SFC guidance as required.
- The basis of the 2020-21 budget was a deficit accounting budget (due to the expending of cash arising from net depreciation) which, when adjusted for technical and underlying movements agreed by Audit Scotland and the SFC, provided a small adjusted operating surplus (effectively a breakeven position). Given the funding realignment that West College Scotland would receive in 2020-21, as a result of agreeing a business transformation plan with the SFC (which would see funding per credit increase allied with a reduction in credit activity) the 2020-21 College budget and forecast to 2022-23 outlined plans to achieve a breakeven adjusted operating position in each of the three years covered by the FFR.
- The 2020-21 budget did not include any voluntary severance costs which may require to be met during the year, however, it currently assumed the College would require to realise staffing efficiencies and, while this may be achieved through staff turnover, vacant posts and other approaches, it was likely that part, and possibly all, of that saving may potentially be achieved through voluntary severance.
- College income was summarised. SFC income had been budgeted in line with the final SFC 2020-21 grant in aid settlement circular received on 9 June 2020 and the analysis of that was explained in detail as it related to WCS. Confirmation was awaited from the SFC in relation to funding for period poverty and mental health initiatives, but the College had assumed, within the 2020-21 budget, that this would be in line with 2019-20. SDS income in relation to modern and foundation apprenticeships was not anticipated to return to pre Covid 19 levels during 2020-21. Commercial and Tuition Fees were expected to generate an increase on 2019-20 levels, however, the level of commercial and other fee income in 2020-21 was not anticipated to grow significantly from 2019-20 levels as the market in this area



may take a year to recover. Other Income included funds arising from areas including nursery provision, catering, property rentals and staff secondments and it was noted that the income arising from College catering operations was likely to experience a significant downturn during 2020-21 due to the reduction in the level of on campus College activity and the need to implement social distancing measures. The model of operation was currently under review, however, it was envisaged that, due to these restrictions, a limited 'grab and go' service would be made available with the impact being that an increased deficit was now expected.

- Employee and Non-staff costs were summarised. Employee costs remained the most significant element of expenditure for the College with key assumptions described. The College had attempted to maintain non-staff costs at a comparable level to the 2019-20 budgeted position where possible and key non-staff movements were highlighted.
- The Student Association budget for 2020-21 had been incorporated into the overall College budget for next year. The level of expenditure incurred by the Student Association in 2019-20 was impacted by Covid 19, with several events cancelled due to the closure of on-site College operations.
- The Financial Plan detailed the forecasted financial position of the College for 2021-22 and 2022-23 including income, employee costs, non-staff costs and cash position.
- The Financial Plan contained an analysis of the sensitivities relating to several of the major components of the College income and expenditure account and the most significant areas of sensitivity in income, staff costs, non-staff costs and estates investment were highlighted.

The Principal confirmed that the college sector was considering the recommendations of the Advisory Group on Economic Recovery (Towards a Robust, Resilient Wellbeing Economy for Scotland: Report of the Advisory Group on Economic Recovery) published in late June 2020, the findings of the Cumberford-Little Report (One Tertiary System: Agile, Collaborative, Inclusive) published in February 2020 and the Enterprise and Skills Review recommendations and had put together a range of propositions / interventions for the sector that were all focussed on economic recovery. It was also expected that the SFC "Review of Coherent Provision and Sustainability" for higher education, further education and research would feed into this conversation.

The Committee recognised that the financial operating environment of the College would remain challenging in seeking to achieve a breakeven position, with efficiencies required. Members were reassured that the impact of Covid 19 on operations would be kept under continuous review, with further engagement being sought with the SFC and partners should there be additional significant financial implications which were not currently anticipated. Similarly, with the impact of any voluntary severance costs in calculating the breakeven annual adjusted operating position should the SFC continue to hold the position that voluntary severance costs could not be excluded in calculating the annual adjusted financial operating position.

The Committee commended the solution focussed approach being taken by the College which had flexibility and agility at its centre.

**The Finance and General Purposes Committee:**

- **Considered the basis upon which the 2020-21 College budget had been created;**
- **Approved the 2020-21 Student Association budget;**
- **Approved the 2020-21 College budget; and**

- **Considered the basis upon which the two-year financial forecast to 2020-23 had been created.**

**FPM339**

**STUDENT DIGITAL POVERTY PROCUREMENT APPROVAL REQUEST**

The Vice Principal Operations explained that the issue of digital poverty had been especially highlighted as a result of the impact of Covid-19 on College operations. During the lockdown period, the College had required to deliver teaching and learning to students virtually, and future delivery of teaching and learning would require to be undertaken on a blended basis during the 2020-21 academic year.

Mr Alexander provided the background to a proposed purchase of laptop computers which would assist the College in addressing the digital poverty challenges and enable IT equipment to be provided to students. This was particularly the case as it was expected that digital poverty would become an increasingly significant factor for the College as technology played an essential role in the provision of teaching and learning.

The Committee acknowledged the College's Digital Strategy which set out the digital ambition of the College as *"Providing a positive digital experience for all students, with appropriately skilled and qualified staff and a digital infrastructure that is fit for purpose now and in the future"*. The Vice Principal Operations explained that, unfortunately the College was not currently provided with resource from the SFC to enable it to address current student digital poverty challenges in the West Region. However, on 11 June 2020 the SFC issued updated guidance on the use of Student Support Funds and, as an impact of Covid-19 had been a reduction in the level of childcare and travel allowances claimed from 2019-20 College Student Support Fund during the period since 20 March 2020 (when on site College operations ceased due to the Covid-19 lockdown period), the College was forecasting it would have available student support funding which, if not expended by 31 July 2020, would require to be returned to the SFC. The College had, therefore, raised this matter with the SFC and advised of the need to apply this funding in order to address student digital poverty.

The Committee discussed this investment which would enable more widespread and increased access to learning and teaching as learners would have the ability to pause, replay and progress their learning at a time and pace which suited their learning style better. The purchase of student chrome books was, therefore, considered to be a key component in addressing the digital poverty challenge.

Mr Alexander outlined the College Financial Regulation requirements for purchases of goods / services between £250,001 and £500,000 and explained that the College was proposing to use the Scottish Procurement's 'Web Based and Proprietary Client Devices' (SP-19-013) framework agreement to procure the Chrome Books.

In response to a question, Mr Alexander confirmed that, should the procurement be approved by the Committee, it would be thoroughly evaluated by the Digital Strategy Group and feedback on its effectiveness would be provided to the Committee at a later date.

**{ACTION – DA}**

The Committee valued the approach being suggested to purchase student chrome books and questioned whether this was likely to include internet access packages for students. The Principal referred to an initiative being led by the Scottish Government looking at internet access provision to the wider student population and explained that it was hoped this may offer a solution in relation to connectivity.

Mr Alexander confirmed that the College would work with the Student Association to help take forward the communications around the initiative as well as their continued help and support.

The Chair thanked members for the detailed discussion and confirmed that the Committee's decision would be submitted to the Board meeting on 20 July 2020 for information and context.

**The Finance and General Purposes Committee:**

- **Noted the content of the paper and the rationale for the purchase; and**
- **Approved the purchase of up to £425,000 of Chrome Book computers (at current pricing this will deliver approximately 1,800 devices) from supplier XMA, under the Scottish Government's Public Sector Procurement framework 'Web Based and Proprietary Client Devices Framework (SP-19-013)'.**

**FPM340 ANY OTHER BUSINESS**

- No other business items were raised.
- Date of next meeting - Tuesday 8 September 2020, 4pm, Venue tbc.

## **FINANCE AND GENERAL PURPOSES COMMITTEE**

**MINUTES:** Tuesday 8 September 2020

**PRESENT:** Jim Hannigan (in the Chair), Liz Connolly, John Leburn.

**ATTENDING:** David Alexander (Vice Principal Operations), Alan Ritchie (Director of Finance), Vivienne Mulholland (Head of Finance and Student Funding), Waiyin Hatton (Chair of the Board of Management), Shirley Gordon (Secretary to the Committee), Martin Joyce (Director of Infrastructure).

**APOLOGIES** Angela Wilson.

### **FPM341 DECLARATIONS OF INTERESTS**

- Jim Hannigan - NMIS Programme Manager, Skills Development Scotland.
- Liz Connolly - Trustee of the West College Scotland Foundation.
- Angela Wilson – West Dunbartonshire Council.
- David Alexander - Board member of the Scottish Funding Council and as Chair of the Scottish Funding Council Audit and Compliance Committee.
- Waiyin Hatton: Wai Beyond, People and organisational development consultancy; Harvey McMillan, People and organisational development consultancy; Action Against Stalking; Ayrshire Sportsability; Scottish Chamber of Commerce.

### **FPM342 MINUTES**

The Chair welcomed everyone to the meeting and introduced Martin Joyce, the newly appointed Director of Infrastructure who was in attendance as an observer as part of his induction.

The minutes of the meetings held on Tuesday 2 June 2020 and Thursday 9 July 2020 were **approved**.

### **FPM343 ACTIONS**

The Committee **noted** a report on actions taken since the last meeting and updates were reported.

### **FPM344 MATTERS ARISING FROM THE MINUTES (NOT OTHERWISE ON THE AGENDA)**

An update on the following matters arising was provided:

- Catering and cleaning review update – the College would continue to liaise with catering staff and trade unions about the future model of on campus catering provision. A significant reduction in demand for catering services was anticipated when the campuses re-opened for the 2020/21 session on 21 September 2020. This was due to the fact the Scottish Government Covid-19 guidance stated that only essential activity should take place on site and so the number of people attending campuses would be significantly reduced. All catering staff were currently on furlough and it was expected that a limited “grab and go” service model would be provided on return, with the level of demand being kept under review. There would be a need to engage with catering staff and trade unions in relation to voluntary severance, redeployment and reduced hours. The Committee recognised the challenging circumstances and noted that future updates would be provided. Mr Alexander also outlined the process by which catering staff would start to return to work.

- Digital Poverty – Procurement of Student IT Equipment – an order for approximately 1,800 chrome books had duly been placed since approval at the July FGPC meeting. When these were received, the IT team was ready to mobilise to distribute the equipment to students. In addition to that, Mr Alexander summarised additional SFC funding received and the re-purposing of kit within the College that had taken place which, overall, should ultimately result in over 3,000 pieces of IT equipment being available for distribution to students. An IT Helpdesk (staffed by students) would also be made available to support student use of IT equipment. The Committee recognised the challenge ahead in the application / distribution process of this equipment but commended the College for bringing this opportunity to fruition. It was a fantastic initiative which would result in vital support to staff and students.
- Pentana – a full update report would be made available to the November 2020 meeting of the Committee. Mr Ritchie confirmed that the system was now functional, operational and linked to the College Corporate Plan. Staff training was taking place as the first quarter operational planning updates for 2020-21 were required.

**The Committee noted the matters arising.**

**FPM345 COMMITTEE REMIT AND PROPOSED COMMITTEE MEETING DATES 2020-21**

The Secretary to the Committee presented the Committee's remit, current membership and 2020/21 meeting dates.

**The Committee:**

- **Approved the Finance and General Purposes Committee remit.**
- **Noted the current membership of the Committee.**
- **Approved the 2020/21 meeting dates as follows:**
  - ❖ Tuesday 8 September 2020
  - ❖ Tuesday 24 November 2020
  - ❖ Joint Audit and FGPC – Tuesday 24 November 2020
  - ❖ Tuesday 2 March 2021
  - ❖ Tuesday 1 June 2021

**FPM346 MONITORING OF REGIONAL OUTCOME AGREEMENT**

The Vice Principal Operations reported that the Board of Management had agreed that each Committee should monitor progress on areas of the Regional Outcome Agreement (ROA) for which they had responsibility and provide a report to the Board at the end of the academic year.

Mr Alexander reported that the College ROA (to cover the period 2020-21) was finalised following the SFC 2020-21 final funding announcement on 9 June 2020. The annual process that had operated, in previous years to date would then have seen formal agreement of the ROA reached with the SFC by 31 July 2020. The College received correspondence, however, from the SFC on 29 May 2020 and Mr Alexander summarised the detail and implications of that which ultimately concluded that the SFC would not ask governing bodies (College Boards and University Courts) to sign off the AY2020-21 Outcome Agreements in the usual way, would not publish the AY2020-21 Outcome Agreements on its website and would attach the allocation of core funding in AY2020-21 to refocused sector commitments and activity which would provide them with reassurance on use of designated funding.

Given this, Mr Alexander explained that the College awaited SFC confirmation of the refocused sector commitments and activity. For now, the College was, therefore, proceeding on the basis that the key outcomes previously detailed within the final draft

2020-21 ROA would remain and required to be delivered. It was not expected that any changes in funding would arise as a result of the SFC correspondence of 29 May 2020 and further updates on the ROA process would be provided to the Committee and Board at future meetings as required.

Mr Alexander offered assurance that engagement with all College partners had continued throughout all stages of the pandemic. In terms of ensuring outcomes were achieved and he explained that, although the delivery format of some College courses may change going forward, it was expected that the SFC and College processes for the measurement of outcomes would remain consistent to that in previous years.

In relation to the Programme for Government announced by the First Minister on 1 September 2020 for the coming parliamentary year, the Principal alluded to the commitments / investment for the sector and confirmed that work continued with the SFC and SDS to explore opportunities for economic recovery which may help inform how funding was allocated.

**The Finance and General Purposes Committee:**

- **Noted the background information provided in relation to the ROA process.**
- **Noted the key objectives of the West College Scotland Regional Outcome Agreement; which covered the period to 31 July 2021.**
- **Noted that further information in relation to the 2020-21 ROA process and refocused sector commitments and activity required to be provided by the SFC, and that further updates would therefore be provided to the Committee and Board of Management on these matters as required.**
- **Considered and agreed that the required processes were in place to enable Finance and General Purposes Committee monitoring of required 2020-21 ROA outcomes and to support provision of the required report to the Board of Management. In agreeing that, it was noted that should the further information to follow from the SFC regarding the 2020-21 ROA process require a revision of these processes then this would be able to be considered by the Committee at a future meeting.**

**FPM347 VICE PRINCIPAL UPDATE REPORT**

The Vice Principal Operations provided an overview of the report highlighting the following:

- Funds arising from net depreciation – The 2020-21 College budget (approved by the Finance and General Purposes Committee on 9 July 2020 and subsequently by the Board on 20 July 2020) detailed the cash arising from net depreciation that was available to be utilised during the current financial year. The College priority areas, to which this would be applied had been agreed with the SFC and these were summarised by Mr Alexander.
- 2020-21 SFC funding – The SFC had made two additional announcements of funding since approval of the College 2020-21 budget on 20 July 2020 and these were reported by Mr Alexander. He noted that some elements of SFC funding for 2020-21, including for initiatives such as mental health and period poverty, still required to be advised to the sector.
- College Voluntary Severance Scheme - The College 2020-21 budget assumed that a minimum of £500,000 in staffing efficiencies would be achieved with part, and possibly all, of this saving requiring to be achieved through voluntary severance (VS). The SFC FFR June 2020 guidance stated colleges should assume that up to 6 months of any VS costs would be supported by the SFC during 2020-21. Mr Alexander reported that

continuing discussions with the SFC since the Board approved the College budget on 20 July 2020 had seen the SFC advise that their stated 6 month financial support for College voluntary severance schemes during 2020-21 was only a planning assumption - and that the SFC had no budget cover to support that assumption. The position therefore remained that any voluntary severance costs would require to be funded by the College's own cashflow. The current closing date for applications to the College VS scheme was 31 August 2020 and Mr. Alexander provided an update on the VS applications that had been approved. The College would require to reflect upon the fact that the recent VS process had not provided the overall level of savings that had been identified as required for 2020-21. The Committee would receive further updates on this matter at future meetings.

- Ongoing West College Scotland engagement with the SFC – The SFC committed to a change in the College business model 'in principle' from 2020-21 and the College had been awaiting final agreement and confirmation of this decision. SFC Circular SFC/AN/06/2020 - *College outcome agreement funding allocations for Academic Year 2020-21* issued on 7 April 2020 and confirmed on 8 June 2020 provided that formal agreement, confirming that there was to be a reduction in credit activity of 5,000 for West College Scotland in 2020-21 – from 157,855 to 152,855 - when compared with 2019-20. That change was in line with the expectations of the Business Transformation Plan that West College Scotland previously agreed with the SFC. The SFC had not consequently reduced associated teaching funding with this movement in credit activity and this reflected discussions the SFC had had with the College to recognise movement towards higher cost activity over the course of previous years. As a condition of this change, the College must reduce its third-party distance learning activity. The College, therefore, required to ensure there was ongoing engagement with the SFC during 2020-21 regarding the revised business model that required to be in place under the Business Transformation Plan agreement.
- National bargaining and Job Evaluation – Existing pay agreements with teaching and support staff trade unions remained in place until 1 September 2020. However, the support staff trade unions had lodged a dispute procedure with the Colleges Scotland Employers Association regarding the application of the previous pay agreement to the period the end of August 2020 and this required to be considered through the national dispute resolution process. Negotiations with trade unions were ongoing regarding pay awards beyond August 2020. Mr Alexander explained that, for support staff, the process of national job evaluation was progressing, and he summarised the four stages of the process reporting that the impacts of the lockdown period on the overall project timescales was currently under review.
- West College Scotland Senior Management – Asset and Infrastructure – There was currently an ongoing transition of estates responsibilities from the Director of Finance to the Director of Infrastructure. The existing responsibilities of the Director of Finance would change to take on a wider responsibility for operational planning, data analysis and business process improvement going forward. Responsibility for all estates, IT and wider infrastructure would now be within the remit of the Asset and Infrastructure Committee.

**The Committee noted the report.**

#### **FPM348 2019-20 FINANCIAL YEAR END UPDATE**

The Director of Finance provided an update in relation to the 2019-20 College financial forecast and cashflow position. This position was subject to the finalisation of the external audit work which was due to commence on 14 September 2020.

The Director of Finance explained that the College had received updated information from the SFC, Scottish Government and wider partners in relation to several areas since consideration of the Management Accounts in July 2020. This had impacted on the College operating environment and forecast financial outturn position as considered by the Finance and General Purposes Committee and the Board during July 2020. Mr Ritchie summarised the 2019-20 financial impacts and further variances arising from this updated information and detailed income (including ESF Credit Activity, SFC Income Deferral, Fee and Commercial activity, UK Government Job Retention Scheme and Other income) and expenditure (including staff costs and non-staff costs). The impact of these changes was that the previous 2019-20 forecast adjusted operating deficit had been revised.

In terms of the College cashflow position, Mr Ritchie explained that the availability of cash in order to support ongoing College operations was essential and he summarised the movement in the year-end cash position since July 2020. These movements resulted in the actual cash balance as at 31 July 2020 increasing from the previously reported forecast and the College continued to ensure cashflow was monitored on an ongoing basis in order to identify, mitigate and manage any risk which may emerge.

The Committee thanked Mr Ritchie for the encouraging update and commended the College for maximising a host of opportunities which had resulted in such an improved financial position.

**The Finance and General Purposes Committee:**

- **Considered and noted the revised forecast 2019-20 College adjusted operating position.**
- **Noted the updated forecasted impact of the COVID-19 lockdown on the 2019-20 operations and financial position of the College.**
- **Noted the updated 2019-20 College cashflow position.**

**FPM349 2020-23 FINANCIAL FORECAST RETURN UPDATE**

The Director of Finance updated on key assumptions and sensitivities relating to the 2020-21 College budget and financial forecast to 2022-23 as approved by the Board of Management on 20 July 2020.

The Director of Finance explained that the key assumptions within the College 2020-21 budget and 2021-23 financial forecast were based on direction provided within the SFC Financial Forecast Return (FFR) guidance issued to the sector on 9 June 2020. The College had continued to engage with the SFC during August in seeking clarification in relation to several matters contained within the FFR guidance and Mr Ritchie provided an update in relation to the key assumptions and sensitivities. He confirmed that the College would continue to keep these under review on an ongoing basis to ensure financial stability and sustainability.

Mr Ritchie reported that, given the significant impact on learning and teaching that would arise from any loss of ESF activity and income in 2022-23, the College had continued to engage with the SFC regarding this matter. The SFC had advised of its expectation that the College would not lose ESF funding in Year 3 but would retain this and see a reduction in the level of SFC ESF credit activity. This would mean the College requiring to fund any VS costs arising from this structural change through retention of the SFC income previously associated with ESF credit activity in Year 3. The future planning assumption based on this SFC direction would therefore be that the College retained the same level of SFC income in Year 3 as in Year 2 but a reduced level of teaching activity – with this resulting in a growth in the core unit of SFC funding being made available to the College. However, on this basis it remained the case that the College would still require to review the level of



staffing that was currently required to deliver this reduced level of activity and how it would anticipate implementing this change.

In response to a question about the FWDF, Mr Richie explained that the College was continuing to engage with the SFC on both the confirmation of the allocation of the core and additional funding. The college sector was, as a matter of urgency, seeking clarification on how the remaining funding was to be distributed.

The Committee recognised the challenges and uncertainties impacting on the College financial forecast and was reassured by the prudent approach taken.

**The Finance and General Purposes Committee noted the paper.**

#### **FPM350 REVIEW OF FINANCIAL REGULATIONS**

The Director of Finance reported that the Committee remit included the requirement to *“advise the Board of Management on key issues of the College’s financial and resource management including regular review of finance policies, procedures and regulations”*. The College had undertaken a review of the Financial Regulations based on current operations and best practice.

The Director of Finance presented an updated set of College Financial Regulations which had been revised on that basis.

Mr Ritchie led the Committee through the proposed amendments and clarified that there was no longer a requirement, under government accounting, to prepare notional accounts for the SFC covering the period 1 April until 31 March.

**The Finance and General Purposes Committee considered the revised College Finance Regulations and approved the document to the Board of Management.**

#### **FPM351 STRATEGIC RISK REGISTER REVIEW**

The Director of Finance reported that, in accordance with the Corporate Governance Code, the College Board of Management was tasked with ensuring a framework of risk management and control was in place.

The Director of Finance provided:

- An update on the actions taken by the College to develop the College Risk Management Strategy.
- The next steps in the development of the College Risk Management Strategy.
- The current College Strategic Risk Register for the consideration of the Finance and General Purposes Committee.

Mr Ritchie explained the Board of Management approved the current version of the risk register at its meeting in June 2020. Since that meeting, the Senior Management Team (SMT) had continued to carry out a review of the College Strategic Risk Register. The mitigating controls had been updated to take account of items such as the ongoing interactions with the SFC, the outcomes of internal / external audit reports and any Scottish Government / Scottish Funding Council (SFC) announcements.

Mr Richie led the Committee through the current version of the College Strategic Risk Register explaining that it was proposed to amend the format of the current Register so that a revised layout captured and presented the content in a user-friendly way. He provided an exemplar of the proposed revised format and summarised the primary changes. The

Committee agreed that the revised format was an improvement in terms of structure, layout and overall accessibility.

Mr Alexander responded to a question by confirming that, in the event of no future SFC capital funding being received, the resultant impact on College estate would continue to be reflected on the Risk Register with associated mitigations.

**The Finance and General Purposes Committee:**

- **Noted the update on the actions taken to embed risk across the College.**
- **Considered the revised format for the Risk Register report and endorsed this.**
- **Noted and endorsed the next steps in the development of the College Risk Management Strategy.**
- **Reviewed the current Strategic Risk Register and in doing so considered:**
  - ❖ **The risks included in the register;**
  - ❖ **The revised risk rating both pre and post mitigation;**
  - ❖ **Whether any other risks should be considered for removal; and**
  - ❖ **Whether any new risks should be considered for inclusion.**

**FPM352 ANNUAL UPDATE REPORT – 2019-20 TAXATION MATTERS, BANKING ARRANGEMENTS AND BAD DEBT WRITE OFF**

The Head of Finance and Student Funding presented an update in relation to College banking arrangements and bad debt write off for 2019-20. Mrs Mulholland added that a further update on taxation matters would be presented to the November Committee meeting following the completion of the 2019-20 financial year end audit work.

The Head of Finance and Student Funding led the Committee through a summary of banking arrangements and bad debt. Ms Mulholland reported that the College considered it had complied with the Financial Regulations regarding debt recovery / write off during 2019-20. The outstanding debt position of the College was reported to the Finance and General Purposes Committee on an ongoing basis through the monthly Management Accounts and this would continue during 2020-21.

**The Finance and General Purposes Committee noted the:**

- **Year-end bank loan position and revision to the Clydesdale Bank loan covenant.**
- **Status of the College banking arrangements.**
- **Year-end debt position and bad debts written off during the year.**

**FPM353 EXTERNAL AUDIT PROGRESS UPDATE**

The Director of Finance provided a report on the progress made by Mazars in delivering their responsibilities as the College's external auditors. He also highlighted key emerging national issues and developments.

The Director of Finance reported that the Covid-19 pandemic had resulted in significant disruption for public bodies (and their capacity for financial reporting) and to auditors of the public sector. Due to this, the Auditor General for Scotland and the Accounts Commission for Scotland intended to extend the current external audit appointments by one year in the first instance. This was in line with provisions in the current external audit contracts that allowed for extensions of up to two years. The original appointments were for the audit of public bodies for the financial years of 2016/17 to 2020/21 inclusive. The intended extension would be through to the audit of the 2021/22 year. The Auditor General would confirm both the extension and the time period in Autumn 2020.

Mr Ritchie summarised key external audit review stages adding that overall, work was on track in relation to the 2019-20 financial year end review and there were no significant

issues arising. The auditors remained cognisant of the potential impact of the pandemic and would flex the timetable with the College, as appropriate, if required. He outlined audit progress since the issue of the External Audit Strategy Memorandum in May 2020 explaining that the final audit fieldwork was due to begin on 14 September 2020. The external auditors would work in line with Government Covid-19 guidelines in force at the time of the audit fieldwork, and this may mean that onsite working was limited. Where fieldwork was primarily undertaken remotely, the College would facilitate this by setting up secure online portals for sharing information. This ensured easier tracking of information provided and was accessible to all members of the external audit and finance team.

Detailed arrangements would be discussed and made with the finance team in the coming weeks to ensure the audit was as efficient as possible and the auditors would report to the Joint Audit and Finance & General Purposes Committee on 24 November 2020 with the Annual Audit Report and draft opinion on the financial statements. The accounts were due to be approved by the Board of Management on 14 December 2020.

**The Finance and General Purposes Committee noted the report.**

**FPM354 2019-20 ACCOUNTS DIRECTION FOR SCOTLAND'S COLLEGES**

The Head of Finance and Student Funding explained that the SFC issued mandatory guidance for the preparation of the annual report and accounts each year. Mrs Mulholland provided an overview of the detailed requirements for the 2019-20 financial year.

The Head of Finance and Student Funding outlined the key points arising from the 2019-20 SFC Accounts Direction and Guidance notes including the Strategic Report (Accountability Report), Performance Report, Adjusted Operating Position, Remuneration and Staff Report, Parliamentary Accountability Report, Corporate Governance and Financial Statements.

**The Finance and General Purposes Committee noted the report.**

**FPM355 SCHEDULE OF BUSINESS 2020-21**

The Committee thanked Mr Ritchie and his finance team for the excellent quality of all reports which made often difficult financial content concise and accessible.

The Committee **noted** its schedule of business for 2020-21 as summarised by the Director of Finance.

**FPM356 ANY OTHER BUSINESS**

- No other business items were raised.
- Date of next meeting:
  - ❖ Tuesday 24 November 2020 at 2pm followed by joint meeting with Audit Committee at 4pm (Location: TBC)

**TITLE: COLLEGE FINANCIAL REGULATIONS**

**Background:** The Finance and General Purposes Committee remit includes the requirement to *'advise the Board of Management on key issues of the College's financial and resource management including regular review of finance policies, procedures and regulations'*

The 8 September 2020 Finance and General Purposes Committee meeting considered and approved for presentation to the Board a revised set of College Financial Regulations. The College had undertaken a review of the Financial Regulations based upon current College operations and best practice.

**Action:** The Board of Management are requested to approve the revised College Financial Regulations.

**Lead:** David Alexander, Vice Principal Operations

**Status:** Open

## **1. The Financial Regulations**

- 1.1 This report presents an updated set of College Financial Regulations for consideration by the Board of Management. The College has undertaken a review of the Financial Regulations based upon current College operations and best practice.
- 1.2 The annual review has not resulted in a change to any of the procurement thresholds contained in the Regulations or how they are applied. The majority of proposed updates relate to changes in the Board of Management Committee structure; changes in title/responsibilities; matters of administration; and/or inserting links to enable direct accessibility to other documents which are referenced in the Regulations.
- 1.3 The following section outline the proposed changes.

## **2. Proposed Amendments**

### **Overall**

- Page, section and paragraph numbering will be updated once the document revisions have been concluded.
- The revision to the Board Committee structure has been updated throughout the document.
- The change in Senior Management Team members remits has been reflected in the regulations
  - Director of Finance and Estates to Director of Finance
  - Inclusion of new Director of Infrastructure as required.

### **Relevant Documents and Organisations**

- This section has been updated to reflect the current relevant documents referred to throughout the Regulations.

### **Section 2 – Status and Context**

- Section 2.6 referenced that a Board Committee could authorise a departure from a detailed provision within the Financial Regulations. This has been amended to allow only the Finance and General Purposes Committee, as the Committee with oversight of the Financial Regulations, to authorise any such departure.

### **Section 5 – Committee Structure**

- This section has been updated to reflect the new Board Committee structure.

### **Section 10 – Financial Planning**

- This section has been updated to reflect the role the new Director of Infrastructure will have in relation to capital and estate planning.

**Section 12 – Accounting Arrangements**

- The requirement for the College to prepare notional accounts to 31 March each year has been removed. The SFC will prepare this information from their data and thus this is no longer a requirement placed upon the College.
- The impairment section has been updated to ensure that any impairment valuation is undertaken by a qualified valuer.

**Section 13 – Audit Requirements**

- Where a fraud with a loss of greater than £5,000 has been perpetrated on the College, the Regulations now require this to be reported to the SFC immediately rather than annually in line with the best practice approach that the College has been applying.
- Access to documentation rights for the external auditors has been inserted.

**Section 16 – Other Income-Generating Activity**

- Donations to any Arms Length Foundation must take place within the relevant fiscal year not financial year and this has been clarified in the Regulations.

**Section 17 - Expenditure**

- Voluntary Severance
  - Voluntary severance payments to Vice Principals now require to be authorised by the Chair to the Board of Management.
  - This section has been updated to incorporate the latest direction from the Scottish Government on voluntary severance payments including the maximum payment of £95,000 and revised maximum pay back period of 2 years. These updates were previously considered by the Board of Management in approving the current College Voluntary Severance Policy.
- Receipt of goods at a stated point in the College has been removed to reflect the operational arrangement of delivery to desk or department.
- Late payment rules have been summarised.

**Section 18 – Petty Cash, Floats and Project Advances**

- The operational procedure for cash requests has been updated to reflect the use of digital requests and the removal of paper records.
- The requirement to take account of the 2013 Audit Scotland report on '*Managing early departure from the Public Sector*' has been removed as the content of the Audit Scotland report is now included in the SPFM.

**Section 21 – Assets**

- The section on lease/rental of property has been updated to reflect the continuing requirement for any lease/rental values in excess of £250,000 to be approved by the Asset and Infrastructure and Finance and General Purposes Committee. Agreements in excess of £500,000 will continue to require Board of Management approval. The wording reflects the level of procurement thresholds already approved by the Board of Management and which are in operation.

### **Equality Impact Assessment**

- This section will be completed following approval of these proposed amendments to the Financial Regulations by the Board of Management.

### **3. Conclusion**

- 3.1 The Board of Management are requested to approve the revised College Financial Regulations.

<b>Policy &amp; Procedure</b>	Financial Regulations
<b>Policy Area</b>	Finance
<b>Version Number</b>	<del>12</del> <sup>1</sup>
<b>Approving Committee</b>	Board of Management
<b>Date of Approval</b>	<del>November 2019</del> <u>September 2020</u>
<b>Date of Equality Impact Assessment</b>	September 2018
<b>Date of Next Review</b>	<del>November 2021</del> <u>September 2021</u>
<b>Responsible Senior Manager</b>	Director of <del>Finance and Estates</del> <u>Finance</u>



## History of Amendments

Date	Version	Summary of changes
	4	Changes to reflect revised college sector status arising from ONS reclassification of Colleges.
	5	Revisions to take account of Internal Audit report June 2015 ' <i>Review of Financial Regulations and Audit Committee Remit</i> '.
	6	Several changes to reflect revised Finance Department structure and a new Head of Service.
February 2017	7	Changes reflecting impact of revised procurement legislation, banking arrangements and minor administrative changes.
February 2018	8	Changes to reflect revised EU Procurement threshold values.
September 2018	9/10	Changes based on updated guidance and rationalisation of document content.
November 2019	11	Updated to current operating procedures and clarification of procurement operations.
<u>August 2020</u>	<u>12</u>	<u>Changes to reflecting new structure and updated guidance operating procedures</u>

## Policy Statement

The current approved version of the College Financial regulations is published on the West College Scotland staff intranet. Any revised version becomes effective as soon as it is published on the staff intranet.

Template documents and procedures associated with [these Regulations](#) ~~this policy~~ can be accessed through the Staff Intranet.

## Equality Statement

The College is committed to providing equal opportunities to ensure students, staff, customers and visitors are treated equally regardless of gender reassignment, race, religion or belief; disability; age; marriage and civil partnerships; pregnancy and maternity; sexual orientation; sex.

Please note this document is available in other formats, which can be requested by sending an email to ~~—~~ [finance@wcs.ac.uk](mailto:finance@wcs.ac.uk) [info@wcs.ac.uk](mailto:info@wcs.ac.uk)

## Contents

<b>A</b>	<b>GENERAL PROVISIONS .....</b>	<b>9</b>
<b>1</b>	<b><i>Introduction .....</i></b>	<b>9</b>
<b>2</b>	<b><i>Financial Regulations – Status and Context .....</i></b>	<b>10</b>
<b>B</b>	<b>CORPORATE GOVERNANCE .....</b>	<b>12</b>
<b>3</b>	<b><i>The Board of Management.....</i></b>	<b>12</b>
<b>4</b>	<b><i>The Principal and Chief Executive .....</i></b>	<b>14</b>
<b>5</b>	<b><i>Committee Structure .....</i></b>	<b>15</b>
<b>6</b>	<b><i>Financial Responsibility of Staff .....</i></b>	<b>16</b>
<b>6.1</b>	<b>Executive Team .....</b>	<b>16</b>
<b>6.2</b>	<b>Vice Principal Operations .....</b>	<b>16</b>
<b>6.3</b>	<b>Director of Finance .....</b>	<b>16</b>
<b>6.4</b>	<b>Assistant Principals and Directors.....</b>	<b>17</b>
<b>6.5</b>	<b>All members of staff .....</b>	<b>17</b>
<b>7</b>	<b><i>Risk Management .....</i></b>	<b>18</b>
<b>8</b>	<b><i>Whistleblowing .....</i></b>	<b>20</b>
<b>9</b>	<b><i>Code of Conduct .....</i></b>	<b>21</b>
<b>9.1</b>	<b>Receiving and Making of Gifts or Hospitality.....</b>	<b>21</b>
<b>C</b>	<b>FINANCIAL MANAGEMENT AND CONTROL .....</b>	<b>23</b>
<b>10</b>	<b><i>Financial Planning.....</i></b>	<b>23</b>
<b>10.1</b>	<b>Responsibility .....</b>	<b>23</b>
<b>10.2</b>	<b>Budget Objectives.....</b>	<b>23</b>
<b>10.3</b>	<b>Resource Allocation .....</b>	<b>23</b>
<b>10.4</b>	<b>Budget Process .....</b>	<b>23</b>
<b>10.5</b>	<b>Budget Review .....</b>	<b>24</b>
<b>10.6</b>	<b>Capital Expenditure .....</b>	<b>24</b>

10.7	Estate Development Programme.....	25
10.8	Other Major Developments Including Overseas Activity .....	25
11	<i>Financial Control</i> .....	26
11.1	Budgetary control.....	26
11.2	Financial information.....	26
11.3	Changes to the approved budget.....	26
11.4	Virement .....	27
11.5	Carry forward of budgets .....	27
12	<i>Accounting Arrangements</i> .....	28
12.1	Financial Year .....	28
12.2	Basis of accounting .....	28
12.3	Format of the financial statements.....	28
12.4	Capitalisation and depreciation.....	29
12.5	Accounting Records .....	30
12.6	Public Access .....	31
12.7	European Structural Funds Funded Projects.....	31
12.8	Taxation .....	31
13	<i>Audit Requirements</i> .....	33
13.1	General .....	33
13.2	SFC.....	33
13.3	External audit.....	33
13.4	Internal audit .....	34
13.5	Other audit services.....	36
13.6	Fraud, Bribery and Corruption.....	36
13.7	Value for Money.....	38
13.8	Other Auditors.....	39
14	<i>Cash Management</i> .....	40

14.1	Cash Management Policy .....	40
14.2	Borrowing .....	40
14.3	Banking Arrangements.....	40
14.5	Investments .....	41
15	<i>Income</i> .....	42
15.1	General .....	42
15.2	Repayment of SFC Grant .....	42
15.3	Maximisation of Income .....	43
15.4	Tuition Fees.....	43
15.5	Receipt of Cash and Cheques .....	43
15.6	Receipts by credit or debit card .....	43
15.7	Collection of Debts .....	44
15.8	Student Fees.....	45
16	<i>Other Income-Generating Activity</i> .....	46
16.1	Private Consultancies and Other Paid Work.....	46
16.2	Off-Site Collaborative Provision .....	46
16.3	European Union (EU) and other Matched Funding .....	47
16.4	Profitability and Recovery of Overheads.....	47
16.5	Donation of surplus funds to arms-length foundations .....	48
16.6	Deficits.....	48
16.7	Additional Payments to Staff.....	48
17	<i>Expenditure</i> .....	49
17.1	General .....	49
17.2	Scheme of Delegation/Financial Authorities .....	49
17.4	Credit Cards.....	52
17.5	Procurement .....	53
17.6	Scottish and EU Procurement Regulations .....	54

17.7	Quotations and Tenders.....	55
17.8	Building Contracts.....	58
17.9	Receipt of Goods and Services.....	59
17.10	Payment of invoices .....	59
17.11	Staff Reimbursement.....	60
17.12	Late Payment Rules .....	61
17.13	Losses and Special Payments .....	61
17.14	Bankruptcy / Liquidation / Receivership.....	63
18	<i>Petty Cash, Floats and Project Advances.....</i>	<i>64</i>
18.1	Cash Requests .....	64
18.2	Floats .....	64
18.2	Project Advances .....	65
19	<i>Checking Financial Transactions .....</i>	<i>66</i>
20	<i>Pay Expenditure .....</i>	<i>67</i>
20.1	Remuneration Policy.....	67
20.2	Appointment of Staff .....	67
20.3	Salaries and Wages .....	67
20.4	Pension Schemes .....	68
20.5	Travel, subsistence and Other Allowances .....	69
20.6	Non-salary Rewards.....	69
20.7	Overseas Travel .....	70
20.8	Travel and Expenses for Members of the Board of Management.....	70
20.9	Severance and Other Non-Recurring Payments.....	70
21	<i>Assets .....</i>	<i>72</i>
21.1	Overall Responsibility .....	72
21.2	Land, buildings, fixed plant and machinery .....	72
21.3	Fixed Asset Register .....	72

21.4	Inventories .....	73
21.5	Stocks and Stores.....	73
21.6	Safeguarding Assets.....	74
21.7	Personal Use.....	74
21.8	Asset Disposal .....	74
21.9	Impairments, Provisions and Write-Offs .....	75
21.10	All Other Assets.....	75
22	<i>Funds Held on Trust</i> .....	76
22.1	Gifts, Benefactions and Donations.....	76
22.2	Student Support Funds .....	76
23	<i>Other</i> .....	77
23.1	Maladministration .....	77
23.2	Insurance .....	77
23.3	Companies and Joint Ventures .....	78
23.4	Security .....	79
23.5	Contingent Commitments .....	80
23.6	Students' Association.....	80
23.7	Provision of Indemnities .....	81
24	<i>Intellectual Property Rights and Patents</i> .....	82
24.1	General .....	82
24.2	Patents.....	82
24.3	Intellectual Property Rights.....	82
24.4	Intellectual Property Rights by Students .....	83
Appendix 1: The Seven Principles of Public Life.....		84
Appendix 2: Summary of Protocols for Proposed Projects.....		85
Equality Impact Assessment.....		86

## Relevant Documents and Organisations

Noted below are several documents and organisations referred to throughout the Financial Regulations. The relevant weblink is also included to ensure the most up to date documents are available to the users of these Regulations.

Relevant Documents	
FM	<b>SFC Financial Memorandum with Fundable Bodies in the College Sector</b> <a href="http://www.sfc.ac.uk/web/FILES/Guidance_Governance/Financial_Memorandum_with_the_College_Sector_-_1_December_2014.pdf">http://www.sfc.ac.uk/web/FILES/Guidance_Governance/Financial_Memorandum_with_the_College_Sector_-_1_December_2014.pdf</a>
FReM	<b>Financial Reporting Manual</b> <a href="https://www.gov.uk/government/publications/government-financial-reporting-manual-2018-to-2019">https://www.gov.uk/government/publications/government-financial-reporting-manual-2018-to-2019</a> <a href="https://www.gov.uk/government/publications/government-financial-reporting-manual-2020-21">https://www.gov.uk/government/publications/government-financial-reporting-manual-2020-21</a>
SPFM	<b>Scottish Public Finance Manual</b> <a href="https://www.gov.scot/Topics/Government/Finance/spfm/Intro">https://www.gov.scot/Topics/Government/Finance/spfm/Intro</a>
Audit Code	<b>Audit Scotland Code of Audit Practice</b> <a href="https://www.audit-scotland.gov.uk/docs/corp/2011/110520_codeofauditpractice_bw.pdf">https://www.audit-scotland.gov.uk/docs/corp/2011/110520_codeofauditpractice_bw.pdf</a> <a href="https://www.nao.org.uk/code-audit-practice/wp-content/uploads/sites/29/2020/01/Code_of_audit_practice_2020.pdf">https://www.nao.org.uk/code-audit-practice/wp-content/uploads/sites/29/2020/01/Code_of_audit_practice_2020.pdf</a>
SORP	<b>Statement of Recommended Practice (SORP): Accounting for Further and Higher Educational Institutions</b> <a href="https://www.universitiesuk.ac.uk/policy-and-analysis/reports/Pages/statement-of-recommended-practice-2019.aspx">https://www.universitiesuk.ac.uk/policy-and-analysis/reports/Pages/statement-of-recommended-practice-2019.aspx</a>
Risk Management Strategy	<b>College Risk Management Strategy</b> <a href="https://www.westcollegescotland.ac.uk/college/about-us/publication-policies/">https://www.westcollegescotland.ac.uk/college/about-us/publication-policies/</a>
Whistleblowing Policy	<b>Public Interest Disclosure (Whistleblowing) Policy and Procedure</b> <a href="https://www.westcollegescotland.ac.uk/media/151856/public-interest-disclosure-policy-and-procedure-approved-sept-2017.pdf">https://www.westcollegescotland.ac.uk/media/151856/public-interest-disclosure-policy-and-procedure-approved-sept-2017.pdf</a>
Procurement Journey	<b>Scottish Government Procurement Journey</b> <a href="https://www.procurementjourney.scot/">https://www.procurementjourney.scot/</a>
Procurement Thresholds	<b>Procurement Thresholds</b> <a href="https://www.gov.scot/publications/eu-procurement-thresholds/">https://www.gov.scot/publications/eu-procurement-thresholds/</a> <a href="https://www.gov.scot/publications/new-eu-procurement-thresholds-from-1-january-2020/">https://www.gov.scot/publications/new-eu-procurement-thresholds-from-1-january-2020/</a>
Relevant Organisations	
SFC	<b>Scottish Further and Higher Education Funding Council</b> <a href="http://www.sfc.ac.uk/">http://www.sfc.ac.uk/</a>
ONS	<b>UK Office of National Statistics</b> <a href="https://www.ons.gov.uk/">https://www.ons.gov.uk/</a>
SG	<b>Scottish Government</b> <a href="https://www.gov.scot/">https://www.gov.scot/</a>
OSCR	<b>Office of Scottish Charity Regulator</b> <a href="https://www.oscr.org.uk/">https://www.oscr.org.uk/</a>

## A GENERAL PROVISIONS

### 1 Introduction

- 1.1 The College was created under the provisions of the Further and Higher Education Act (Scotland) 1992 and was designated a Regional College under the Post-16 Education (Scotland) Act 2013. The College structure of governance is laid down in the instrument and articles of government, which may only be amended by application to the First Minister for Scotland. The College is accountable through its Board of Management which has ultimate responsibility for the effectiveness of its management and administration.
- 1.2 The College is an exempt charity by virtue of the Charities and Trustees Investment (Scotland) Act 2005. [The College](#) ~~with~~ charity number is SCO21185 as registered with the Office of the Scottish Charity Regulator (OSCR).
- 1.3 The Scottish Funding Council (SFC) is the national strategic body which is responsible for funding teaching and learning provision, research and other activities in Scotland's colleges, universities and higher education institutions.
- 1.4 The Financial Memorandum between the SFC and the College sets out the terms and conditions ~~under~~ which grant funding is made available. The Board of Management is responsible for ensuring that SFC conditions of grant are met. As part of this process, the College must adhere to the SFC's [Regional](#) Outcome Agreement [\(ROA\)](#); the SFC Financial Memorandum (FM); the Scottish Government's Scottish Public Finance Manual (SPFM) (except where any special actions or derogations have been agreed with Scottish Ministers) and the SFC's Audit Code of Practice, which requires sound systems of financial and management control. The Financial Regulations of the College form part of this overall system of accountability and control and more information on wider regulatory documents is contained in Section 2.7.



## 2 Financial Regulations – Status and Context

- 2.1 To conduct business effectively, the College needs to ensure that it has sound financial management systems in place and that these systems are strictly adhered to. Part of this process is the establishment of Financial Regulations which set out the financial policies of the College.
- 2.2 The purpose of the Financial Regulations is to provide control over the totality of College resources and provide management with assurances that these are being properly applied in an accountable manner which:
- Maintains financial sustainability;
  - Achieves value for money;
  - Fulfils the responsibility for the provision of effective financial controls over the use of public funds;
  - Ensures compliance with all relevant legislation; and
  - Safeguards the assets of the College.
- 2.3 The Financial Regulations of the College form part of the overall organisational system of accountability and are subordinate to the College's instruments and articles of government and to any restrictions contained within the SFC FM. The SFC's interpretation of the FM will be final.
- 2.4 Compliance with College Financial Regulations is compulsory for all College staff, members of the Board of Management and members of Board of Management Committees. Any non-compliance with the Financial Regulations may be subject to disciplinary action. The Board of Management will be notified of such breaches as required through the Audit Committee.
- 2.5 The Finance and General Purposes Committee is responsible for reviewing the College Financial Regulations, through the ~~Director of Finance and~~ ~~Director of Finance-Estates~~, and for advising the Board of Management of any ~~additions or~~ changes necessary.

2.6 In exceptional circumstances the Finance and General Purposes Committee ~~Board of Management Committee~~ may authorise a departure from the detailed provisions herein. Such departure must be reported to the Board of Management at the earliest opportunity.

2.7 The Financial Regulations should be read in conjunction with relevant guidance on accountability and propriety issued by the following bodies:

- The SFC – Financial Memorandum; Regional Outcome Agreement and wider funding guidance
- Audit Scotland – Audit Code of Practice; Internal Audit Manual
- National Audit Office or the Scottish Parliament Public Audit and Post-legislative Scrutiny Committee
- The UK Government - Financial Reporting Manual
- SORP Board - Statement of Recommended Practice (SORP): Accounting for Further and Higher Educational Institutions
- Scottish Government – Scottish Public Finance Manual.

[Page 8 of this document provides links to the relevant guidance issued by these bodies.](#)

## **B CORPORATE GOVERNANCE**

### **3 The Board of Management**

3.1 The Board of Management will meet the principles of good governance set out in the Good Governance Code for [Scotland's Scottish](#) Colleges, and the wider principles identified within these Financial Regulations.

3.2 The Board of Management is responsible for the management and administration of the College to ensure the provision of education that meets the needs of students, communities and partners. College financial responsibilities are to ensure that:

- Public funds are used in accordance with relevant legislation, the requirements of the SFC Financial Memorandum and for the purpose(s) which they are intended. Strategic, capital and other grant funding should only be used for the purposes for which it is provided by SFC;
- Subject to any legal requirement to observe confidentiality, the College will be open and transparent with the SFC and other stakeholders, and will give, or be prepared to give, a public justification of its decisions in relation to the use of public funds.
- The College strives to achieve best value and is economical, efficient and effective in the use of public funding;
- There is effective planning and delivery of the institution's activities in accordance with its mission and its [Regional](#) Outcome Agreement agreed with SFC;
- The College plans and manages its activities to remain sustainable and financially viable. A College is being managed on a sustainable basis if, year on year, it generates enough income to cover its costs and allow for maintenance of and investment in its infrastructure (physical, human and intellectual) at a level which enables it to maintain adaptive capacity necessary to meet future demands.
- The College has a sound system of internal management and control, including an audit committee, an effective internal audit service, and adequate procedures to prevent fraud or bribery;
- The College has an effective policy of risk management and risk management arrangements;

- The College has regular, timely, accurate and adequate information to monitor performance and account for the use of public funds. Such information will be made available to SFC on request, as necessary, for the exercise of its functions and to gain assurance;
- The College is engaged actively in continuously enhancing the quality of its activities and involves students and other stakeholders in these processes.

### 3.3 The Board of Management's financial responsibilities are also to:

- approve the [College](#) strategic plan and SFC Regional Outcome Agreement;
- approve the annual audit report and financial statements;
- appoint, grade and determine the pay and conditions of service of the Principal;
- approve the appointment of the internal audit service;
- approve an annual budget, financial plans and regulations;
- approve the acquisition and disposal of property, subject the SFC approval; and
- determine tuition fees.

## 4 The Principal and Chief Executive

- 4.1 The Principal is accountable directly to the Board of Management for the proper conduct of the College's affairs. The Principal is also accountable directly to the SFC's Accountable Officer for the College's proper use of funds deriving from Scottish Ministers and compliance with the requirements of the SFC's Financial Memorandum. The Principal may be required to justify any of the College's financial matters to the Scottish Parliament Public Audit and Post-Legislative Scrutiny Committee. In particular, the College Articles of Governance charge the Principal with responsibility:
- for ensuring the proper and effective operation of financial, planning and management controls, and for giving effect to the Board's policies for securing the efficient, economical and effective management of all the College's income, assets and expenditure;
  - arranging for presentation to the Board for approval an Annual Budget of income and expenditure, and to give regular updates on income and expenditure account, balance sheet and cash flow statements; and
  - arranging for the preparation, audit and presentation to the Board the Accounts following the end of each financial year in compliance with the requirements of the Accounts Direction and encompassing Audit Scotland and the Scottish Funding Council direction.
- 4.2 The Principal shall demonstrate oversight of financial matters by signing the Statement of Corporate Governance, ~~and Balance Sheet within~~ the College Annual Report and Financial Statements, and the declaration pages of the Financial Forecast Return (FFR) and Financial Statement Return submitted to the SFC.
- 4.3 The Principal must inform the SFC's Accountable Officer without delay of any circumstance that is having, or is likely to have, a significant adverse effect on the ability of the College to deliver its education programmes, and other related activity, including delivery of the Regional Outcome Agreement with the SFC. The Principal must also notify SFC's Accountable Officer of any serious weakness, such as a significant and immediate threat to the institution's financial position, significant fraud or major accounting breakdown or any material non-compliance with any requirement of the SFC's Financial Memorandum.

## 5 Committee Structure

5.1 The Board of Management has ultimate responsibility for College financial matters but has delegated specific powers and processes to College Committees as detailed below. These Committees are accountable to the Board of Management and are as follows:

- Audit Committee
- Human Resources and Corporate Development Committee
- Asset and Infrastructure ~~Estates~~ Committee
- Finance and General Purposes Committee
- Learning, Teaching and Quality Committee
- ~~Organisational Development and Human Resource Committee~~
- Nominations Committee
- Remuneration Committee

5.2 The College Articles of Governance outline the purpose and scope of these Committees. A full listing of these Board Committees, their remits and respective delegated authority is available on the College intranet (<https://www.westcollegescotland.ac.uk/college/about-us/board-of-management/>) or from the Secretary to the Board who can be contacted at [Shirley.gordon@wcs.ac.uk](mailto:Shirley.gordon@wcs.ac.uk)

## 6 Financial Responsibility of Staff

### 6.1 Executive Team

The Executive Team of the College – which incorporates the Principal and Vice Principals - is responsible for the operational and financial management of the areas and activities they manage and control. They are advised by the ~~Director of Finance and~~ Director of Finance Estates on financial matters. The Executive Team is ultimately responsible for establishing and maintaining clear lines of responsibility within the areas they manage for all operational and financial matters including the delegation of day to day budget control to other budget managers and team leaders. The Executive Team shall provide the Director of Finance ~~and~~ Estates Planning with such information as may be required to enable:

- compilation of the College's financial statements;
- implementation of financial planning and budgeting; and
- implementation of audit and financial reviews, projects and value for money

### 6.2 Vice Principal Operations

The Vice Principal Operations is responsible for strategic financial management and direction and advice to the Board, Principal and the Senior Management Team.

### 6.3 ~~Director of Finance and~~ Director of Finance Estates

Day-to-day financial administration is managed and controlled by the ~~Director of Finance and~~ Director of Finance Estates, who is responsible to the Vice Principal Operations for:

- preparing annual revenue and capital budgets and financial plans;
- preparing monthly and/or quarterly accounts, management information, monitoring and control of expenditure against budgets and all financial operations;
- preparing the College's annual accounts and other financial statements which the College is required to submit to other authorities;
- ensuring that the College maintains satisfactory financial systems;
- providing professional advice on all matters relating to financial strategy and planning,
- providing cash and resource returns to the SFC; and
- liaising with the internal and external auditors to implement audit strategies.

The ~~Director of Finance and Director of Finance Estates~~ will be assisted in carrying out these duties by the Head of Finance and Student Funding.

#### 6.4 Assistant Principals and Directors

These budget holders are responsible to the Vice Principals or Principal (depending on the reporting structure of their roles) for the financial management of the areas and activities they manage and control. They are advised by the ~~Director of Finance and Director of Finance Estates~~ in executing their financial duties. The Director of ~~Finance and Estates~~Finance will also supervise and approve the financial systems operating within their departments, including the form in which accounts and financial records are kept. Assistant Principals and Directors are responsible for establishing and maintaining clear lines of responsibility within their departments for all financial matters. Where resources are devolved to other budget holders, they are accountable to their Director or Manager for their own budget.

#### 6.5 All members of staff

All members of staff should:

- be aware of and have a general responsibility for the security of College property, for avoiding loss and for due economy and best value in the use of resources.
- ensure they are aware of the College's delegated authority limits, the value of purchases for which quotations and tenders are required and the associated procurement procedures;
- make available any relevant records or information to the Director of ~~Finance and Estates~~Finance or their authorised representative in connection with the implementation of College financial policies, these Financial Regulations and the system of financial control;
- provide the Director of ~~Finance and Estates~~Finance and/or Vice Principal Operations with such financial and other information as they may deem necessary, from time to time, to carry out the requirements of the Board of Management; and
- immediately notify the Director of ~~Finance and Estates~~Finance whenever any matter arises which involves, or is thought to involve, irregularities concerning, *inter alia*, cash or property of the College. The Director of ~~Finance and Estates~~Finance shall take such steps as ~~they~~considered necessary by way of investigation and report.



## 7 Risk Management

- 7.1 The delivery of College objectives is surrounded by uncertainty which poses both threats to success and offers opportunity for improved outcomes. Risk is defined as uncertainty of outcome, whether positive opportunity or negative threat of actions and events.
- 7.2 In considering risk, the College must recognise the environment within which it operates as a non-departmental public body. This environment includes compliance with the Scottish Public Finance Manual which requires that it is *“...necessary to develop a framework for assessing risks that evaluates both the likelihood of the risk being realised, and of the impact if the risk is realised. Risk assessment should be recorded in a way that demonstrates clearly the key stages of the process.”*
- 7.3 The SFC Financial Memorandum requires that the Board of Management complies with the principles of good governance set out in the Code of Good Governance for Scotland’s Colleges. The SFC also requires the governing body to ensure that:
- The College has an effective policy of risk management and risk management arrangements;
  - Internal audit must provide the governing body and senior management of the College with an objective assessment of adequacy and effectiveness of risk management, internal control, governance and value-for- money; and
  - The College undertakes careful appraisal of ~~the~~ risks before accepting any contingent liability.
- 7.4 The College Risk Management Strategy therefore takes account of the requirements of the SFC Financial Memorandum and SPFM and is subject to independent review by auditors.
- 7.5 A detailed College risk register is maintained to record risks and how they may be mitigated. In line with the College Corporate Strategy, the Board of Management requires that the Risk Management Strategy and supporting documentation include:
- the adoption of common terminology in relation to the definition of risk and risk management;

- the establishment of College-wide criteria for the measurement of risk, linking the threats to their potential impact and the likelihood of their occurrence, together with a sensitivity analysis;
- a decision on the level of risk to be accepted (risk appetite), together with tolerance levels expressed in terms of measurable outcomes;
- a decision on the level of risk to be covered by insurance;
- regular review at Teaching and Support Department, level to identify significant risks associated with the achievement of key objectives and other relevant areas;
- development of risk management and mitigation plans for all significant risks, to include a designated 'risk owner' who will be responsible and accountable for managing the risk in question;
- regular reporting to the Board of Management of all identified risks; and
- an annual review of the implementation of risk management arrangements.

## 8 Whistleblowing

- 8.1 Whistleblowing in the context of the Public Interest Disclosure Act is the disclosure by an employee (or other party) about malpractice or potential instances of malpractice in the workplace. An individual can raise matters about a crime, civil offences (including negligence and breach of contract), miscarriage of justice, danger to health and safety or the environment, breach of the financial regulations and/or the cover-up of any of these matters. It does not matter whether the information is confidential, and the whistleblowing can extend to malpractice occurring in the United Kingdom and any other country or territory.
- 8.2 Normally, any concern about a workplace matter at the College should be raised by a member of staff with their line manager(s). However, the College recognises that the seriousness or sensitivity of some issues, together with the identity of the person the member of staff thinks may be involved, may make this difficult. If the member of staff does not wish to raise the matter in this way, it may be raised with a member of the SMT. If the concern relates to a member of the SMT the concern can be reported to the Principal. Any concerns that relate to the Principal can be raised with the Chair of the Board of Management via the Secretary to the Board [who can be contacted via email at shirley.gordon@wcs.ac.uk](mailto:shirley.gordon@wcs.ac.uk).
- 8.3 Detailed guidance on this is provided by the College Public Interest Disclosure (Whistleblowing) Policy and Procedure <https://www.westcollegescotland.ac.uk/media/151856/public-interest-disclosure-policy-and-procedure-approved-sept-2017.pdf>

## 9 Code of Conduct

The College is committed to the highest standards of openness, integrity and accountability. It seeks to conduct affairs in a responsible manner, having regard to the principles established by the Committee on Standards in Public Life adopted and advocated by the Scottish Government. All Governing Body members and members of staff are expected to observe these principles as set out at Appendix 1.

Board members are also charity trustees and as such are subject to obligations imposed by charity legislation and Office of Scottish Charity Regulator (OSCR).

Members of the Board of Management and all staff members are also required to disclose interests in the College Register of Interests maintained by the Secretary to the Board and the Director of ~~Finance and Estates~~Finance. It is the responsibility of individual Board of Management members and staff to ensure that entries in the register relating to them are kept up to date regularly and promptly as required.

No person shall participate in a College procurement or be a signatory to a College contract where they have an interest in the activities of the other party.

### 9.1 Receiving and Making of Gifts or Hospitality

A gift is something voluntarily given or donated without the expectation of receiving anything in return and generally without preconditions. In the context of this guidance gifts received can be defined as the donation of cash or other resources or invitations to events with a current market value.

It is an offence under the Prevention of Corruption Act 1906 and the Bribery Act 2010 for Board members, members of Board Committees and members of staff to accept any gift or consideration as an inducement or reward for doing, or refraining from doing, anything in an official capacity or showing favour or disfavour to any person in an official capacity.

The guiding principles to be followed by Board members, members of Board Committees and all members of staff are:

- the conduct of individuals should not create suspicion of any conflict between their official duty and their private interest; and

- the action of individuals acting in an official capacity should not give the impression to any member of the public, to any organisation with whom they deal or to their colleagues - that they have been, or may have been, influenced by a benefit to show favour or disfavour to any person or organisation.

Thus, Board of Management members, Board of Management Committee members and staff should not accept any gifts, rewards or hospitality - or have them given to members of their families - from any organisation or individual with whom they have contact in the course of their work that would cause them to reach a position whereby they might be, or might be deemed by others to have been, influenced in making a business decision as a consequence of accepting such gifts, rewards and/or hospitality. When it is not easy to decide between what is and what is not acceptable in terms of gifts or hospitality, the offer should be declined, or advice sought from the Director of ~~Finance and Estates~~Finance.

All Board of Management members, Board of Management Committee members and staff in receipt of gifts or hospitality are obliged to promptly notify, by email, the Director of ~~Finance and Estates~~Finance where the value of any gift or hospitality is in excess of £25.

Before any gifts with a value over £25 are made by the College or members of College staff, prior written approval requires to be obtained from the Principal or a Vice Principal.

## **C FINANCIAL MANAGEMENT AND CONTROL**

### **10 Financial Planning**

#### **10.1 Responsibility**

The Director of ~~Finance and Estates~~Finance is responsible for preparing annually a rolling ~~threefive year~~ medium term strategic financial forecast for approval by the Board of Management and for submitting a financial forecast return and cash forecast to the SFC. Financial plans should be consistent with the strategic plans approved by the Board of Management.

#### **10.2 Budget Objectives**

The Board of Management will from time to time, set budget objectives for the College. These will assist the Vice Principal Operations and the Director of ~~Finance and Estates~~Finance in preparing the financial plans for the College.

#### **10.3 Resource Allocation**

Resources are allocated annually by the Board of Management on the recommendation of the Finance and General Purposes Committee and based on the above objectives (10.2). The Senior Management Team is responsible for the economic, effective and efficient use of resources allocated to them.

#### **10.4 Budget Process**

The Director of ~~Finance and Estates~~Finance is responsible for preparing annually:

- a detailed budget for the forthcoming financial year, for approval by the Board of Management on the recommendation of the Finance and General Purposes Committee;
- a 12-month cash flow forecast, and balance sheet based on the annual SFC funding allocation and the 12-month budget;
- a list of major assumptions used in arriving at the budget and forecast;
- scenario plans to address potential material movements in the above assumptions and how the College would respond to these movements;
- a Financial Forecast Return (FFR) for submission to the SFC; and
- a medium term ~~threefive year~~ financial forecast.

Financial plans should be consistent with the SFC Regional Outcome Agreement, the

College Corporate Plan and any other relevant College strategy documents as approved by the Board of Management. Following approval by the Board of Management the budget will be communicated to budget holders as soon as possible.

### **10.5 Budget Review**

During the year the Director ~~Finance and Estates~~of Finance is responsible for submitting a revised Statement of Comprehensive Income and Expenditure Profit and Loss account forecast, cash flow forecast and projected year-end balance sheet to the Finance and General Purposes Committee for consideration before submission to the Board of Management for approval as required.

### **10.6 Capital Expenditure**

Capital expenditure includes all expenditure on land, buildings, equipment, furniture and associated costs, whether they are funded from capital grants or capitalised for inclusion in the College's financial statements.

Where the College receives capital grant funding from the SFC, the Director of Infrastructure in conjunction with the Director of Finance ~~Finance and Estates~~ will establish protocols with the College Executive for the inclusion of capital projects in a capital programme for approval by the Board of Management. These protocols will set out the information that is required for each proposed capital project as well as the financial criteria that they are required to meet.

The Director of Infrastructure ~~Finance and Estates~~ will also establish procedures for the approval of any variations arising in relation to capital projects, including the notification of variations to the Scottish Funding Council, as laid down in Scottish Funding Council guidelines. The Director of Infrastructure ~~Finance and Estates~~ is responsible for providing regular statements concerning all capital expenditure to the Board of Management for monitoring purposes.

Following completion of any major capital project with a value in excess of £500,000, a post-project evaluation requires to be submitted to the Board of Management including the actual expenditure against budget and reconciling funding arrangements where a variance has occurred as well as any other issues affecting completion of the project.

Where a project has a value in excess of £3m the SFC requires a formal post occupancy evaluation to be undertaken and submitted for review. Further guidance on the form and content of this type of review can be found at:

<http://www.sfc.ac.uk/web/FILES/Guidance/Post-Occupancy-Evaluation-Guidance.pdf>

#### **10.7 Estate Development Programme**

The estate development programme includes all expenditure on land, buildings, equipment, furniture and associated costs normally funded by SFC maintenance grants or from College funds. Expenditure of this type is approved by the Senior Management Team normally at the start of each year.

The Director of ~~Infrastructure Finance and Estates~~ will establish protocols with the College Executive for the creation of the estate development programme. These will set out the information that is required for each proposed project as well as the financial criteria that they are required to meet. The Director of ~~Infrastructure Finance and Estates~~ is responsible for providing regular statements concerning all estate development expenditure to the Senior Management Team, for monitoring purposes.

#### **10.8 Other Major Developments Including Overseas Activity**

Any new aspect of business, or proposed establishment of a company or joint venture, which will require an investment of more than £250,000 must be presented for approval to the Finance and General Purposes Committee. The College must have due regard to the relevant guidelines issued by the SFC.

The Director of ~~Finance and Estates~~Finance will establish protocols for any such major developments proposed, to enable them to be considered for approval. These will set out the information that is required for each proposed development including a business plan, using a risk-based approach which considers matters of ownership, accountability and governance, as well as the financial criteria that requires to be met.



## **11 Financial Control**

### **11.1 Budgetary control**

The control of income and expenditure within an agreed budget is the responsibility of the budget holder, who must ensure that monitoring is undertaken effectively. Budget holders are responsible to their Director/Assistant Principal for the income and expenditure appropriate to their budget. The Accountant allocated to the budget holder will ensure that they receive training in the use of the [College](#) finance system to allow them to actively monitor income and expenditure. Significant variances from agreed budgetary targets must be reported immediately to the Director of ~~Finance and Estates~~[Finance](#) by the budget holder concerned and, if necessary, corrective action taken.

A budget holder may delegate their overall budget or a proportion of it to delegated budget holders, subject to the approval of the Director of ~~Finance and Estates~~[Finance](#). In this situation the budget holder and the delegated budget holder are both responsible for ensuring they have awareness of the requirements of the Financial Regulations.

### **11.2 Financial information**

Budget holders are assisted in their duties by management information provided by the Finance Department. The Vice Principal Operations is responsible for supplying budgetary reports on all aspects of College finances to the Finance and General Purposes Committee. These reports are then presented to the Board of Management as required, which has overall responsibility for College finances.

### **11.3 Changes to the approved budget**

Changes proposed to the approved overall College budget surplus / (deficit) will be first considered by the Finance and General Purposes Committee, which will make proposals to the Board of Management as required.

#### 11.4 Virement

The virement of budgets must not lead to any net change in the overall annual budget for the College. Virement between budgets is permitted as set out below:

Movement	Authority
Between staff and non-staff budgets	Director <del>Finance and Estates</del> <u>of Finance</u> and or Head of Finance and Student Funding.
Non-staff budgets under a budget holder	Accountant
Between non-staff budgets <£25,000	Principal Accountant
Between non-staff budgets >£25,000 to £100,000	Principal Accountant and Head of Finance and Student Funding
Between non-staff budgets >£100,001	Director of <del>Finance and Estates</del> <u>Finance</u> and Head of Finance and Student Funding

#### 11.5 Carry forward of budgets

The carry forward of balances of any budget from one year to another is not permitted.

## **12 Accounting Arrangements**

### **12.1 Financial Year**

The College financial year will run from 1 August until 31 July the following year. ~~Although there is also a requirement, under government accounting, to prepare notional accounts for the SFC covering the period 1 April until 31 March.~~

### **12.2 Basis of accounting**

The annual consolidated College financial statements are prepared on the historical cost basis of accounting modified by the revaluation of certain fixed assets, and in accordance with applicable accounting standards, the SFC Annual Accounts Directions and the Scottish Government SPFM.

The Accounts Direction issued by the Scottish Ministers via the SFC require that the annual accounts for a financial year shall:

- comply with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (FReM), as approved by the Financial Reporting Advisory Board, which is in force for the financial year for which the accounts are prepared; and
- give a true and fair view of the state of the affairs of the College as at the end of the financial year, and of the net resource outturn, resources applied to objectives, recognised gains and losses, and cash flow.

### **12.3 Format of the financial statements**

The financial statements are prepared in accordance with the current Statement of Recommended Practice (SORP): *Accounting for Further and Higher Education* and in accordance with applicable Accounting Standards, subject to any specific requirements of the SFC, and in accordance with the provisions of the Companies Act, as if that is appropriate.

## 12.4 Capitalisation and depreciation

Assets are recorded in the Balance Sheet at ~~D~~depreciated ~~r~~Replacement ~~c~~Cost for ~~l~~Land and ~~a~~nd ~~b~~Buildings and at ~~h~~Historic ~~c~~Cost less depreciation for ~~e~~Equipment in accordance with the Financial Reporting Manual. Buildings will be depreciated in equal instalments over their estimated remaining useful life, but subject to periodic revaluation. Land will not be depreciated.

Expenditure incurred on repair, refurbishment or extension of existing buildings will not be capitalised unless it can be demonstrated that the resultant value of the building, based on depreciated replacement value, is greater than the current book value.

Expenditure incurred on the acquisition of assets other than land and buildings will be recorded in the balance sheet where the acquisition cost including VAT per item is £5,000 or more. ~~G~~grouped items ~~-(for example e.g. a suite of computers -)~~ with a group value of £5,000 or more, will also be capitalised. Capitalised assets other than land and buildings will be depreciated in accordance with the College's ~~accounting financial~~ policy on capitalised assets and depreciation.

Certain tangible assets will be revalued normally land and buildings. Where such a policy is adopted it will be applied consistently to all tangible fixed assets of the same class, and the carrying amount should be the current asset value. A full valuation of land and buildings will take place at least every 5 years with an interim valuation in year 3.

Where an asset is found to have suffered impairment, the prospective impairment and background must be communicated to the SFC at the earliest opportunity. Valuation advice as to the amount of the prospective impairment must be obtained from a suitably qualified Valuer who has enough current local and national knowledge of the market and the skills and understanding to undertake the valuation competently. In all cases, the Valuer used must be a professional member of an appropriate body, such as the Royal Institution of Chartered Surveyors or the Institute of Revenues Rating and Valuation.

Depreciation periods will be set as follows:

Asset Class	Depreciation period
Land	Nil
Buildings	5 to 50 years
Leasehold property	Length of lease
Plant and equipment	3 to 10 years
Computers	3 years
Motor vehicles	3 years

### 12.5 Accounting Records

The Director of ~~Finance and Estates~~Finance is responsible for the retention of financial records. These should be kept in a form that is acceptable to the relevant authorities. Guidance on the retention of financial records which may be required in connection with the preparation and audit of accounts is set out in the SPFM.

The College is required by law to retain certain key documents for six years plus the current years. This list is not exhaustive but includes:

- official purchase orders
- paid invoices /cheques
- accounts raised
- bank statements
- copies of receipts
- payroll records

The Director of ~~Finance and Estates~~Finance will make appropriate arrangements for the retention of electronic financial records. Staff should ensure that retention arrangements comply with any specific requirements of external funding organisations. For auditing and other purposes, all financial documents should be retained for at least three years.

## 12.6 Public Access

Under the terms of the Freedom of Information (Scotland) Act 2002, the Board of Management is required to supply any person with a copy of the College's most recent financial statements within twenty working days of a request after such date as which the financial statements have been laid before and approved by the Scottish Parliament. The College will also make available the Annual Report and Financial Statements on the College's website. A printed copy will be available on request to the College. Previous annual financial statements are also available on the College website or by request to the Secretary to the Board who can be contacted via email at [Shirley.gordon@wcs.ac.uk](mailto:Shirley.gordon@wcs.ac.uk).

## 12.7 European Structural Funds Funded Projects

An important aspect of European Structural Funds is the retention of all project records, in order to demonstrate a clear and transparent audit and procurement trail. Documentation relating to ESF funded projects will be retained by the relevant College department for the prescribed period.

## 12.8 Taxation

The activities of government and public bodies can give rise to tax liabilities, either directly on their own account or through contracts with other bodies where the tax system influences the terms of contracts. In assessing cost effectiveness in activities where tax considerations might be important, it should be borne in mind that savings arising from tax mitigation may arise at the expense of other taxpayers, or other parts of the public sector.

All individuals who qualify as employees for tax purposes must be paid through the College payroll system with tax deducted at source. No payment arrangements should be put in place that could be perceived, reasonably, as seeking to minimise the tax liability of either the individual or the paying organisation concerned.

Proposals to put in place non-standard tax management arrangements must be approved in advance by the SFC. The Director of ~~Finance and Estates~~Finance is responsible for advising managers, in the light of guidance issued by the appropriate bodies and relevant legislation as it applies, on all taxation issues, to the College.

Therefore, the Director of ~~Finance and Estates~~Finance will issue guidance and

instructions to departments as required on compliance with statutory requirements, including those concerning VAT and other corporate taxes. The Director of Organisational Development and HR is responsible for guidance on PAYE and National Insurance.

The Director of ~~Finance and Estates~~Finance is responsible for maintaining College tax records, making all tax payments, receiving tax credits and submitting tax returns by their due date as appropriate.

## **13 Audit Requirements**

### **13.1 General**

External auditors and internal auditors have authority to:

- access College premises at reasonable times;
- access all assets, records, documents and correspondence relating to any financial and other transactions of the College;
- require and receive such explanations as are necessary concerning any matter under examination;
- require any employee of the College to account for cash, stores or any other College property under their ~~his or her~~ control; and
- access records belonging to third parties, such as contractors, when required.

The Director of ~~Finance and Estates~~Finance is responsible for drawing up a timetable for the audit of the financial accounts and will advise the staff and the external auditors accordingly. A joint meeting of the Audit and Finance and General Purposes Committees, chaired by the Chair of the Audit Committee, will review the annual College Financial Statements. On their recommendation, the annual College Financial Statements will be submitted to the Board of Management for approval.

### **13.2 SFC**

Where appropriate, the College must provide data returns requested by the SFC in accordance with the deadlines and standards specified.

### **13.3 External audit**

Under the terms of the Public Finance and Accountability (Scotland) Act 2000, the Auditor General for Scotland is responsible for the appointment of the external auditors for the College. The primary role of external audit is to report on the institution's financial statements and to carry out such examination of the statements and underlying records and control systems as are necessary to reach their opinion on the statements and to report on the appropriate use of funds.



The external auditor is entitled to receive all notices of and other communications relating to any meeting of the governing body which any member of the governing body is entitled to receive. They are also entitled to attend any such meeting and to be heard at any meeting which they attend, on any part of the business which concerns them as auditors.

The external auditor must also be entitled to attend the meeting of the governing body or other appropriate committee at which the College annual report and financial statements are presented. The College's appointed external auditor has the right of direct access to the Principal, /Chair of the Board of Management and the Audit Committee.


The external auditor is expected to attend, as a minimum, any meetings of the Audit Committee where relevant matters are being considered, such as planned audit coverage, the audit report on the financial statements and the audit management letter. It is the responsibility of the Secretary to the Board of Management to notify the external auditor of such meetings.

The external auditors, notwithstanding responsibilities to their clients, are expected to co-operate fully with any enquiries or routine monitoring that the SFC undertakes. The College must not in any way limit SFC's access to the College's external auditors.

#### **13.4 Internal audit**

The internal auditor is appointed by the Board of Management on the recommendation of the Audit Committee.

Internal audit provides an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. Internal audit provides an appraisal of the College's internal control system and takes the actions required to provide the Principal with a continuing assurance that College risk management, control and governance arrangements are adequate and effective. Internal audit assists the College accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. The operation and conduct of the internal auditors require to comply with Public Sector Internal Audit standards.

The Principal is responsible for ensuring that appropriate internal control systems exist within the College, and for deciding whether to accept and implement internal audit findings and recommendations. The Principal has overall responsibility for ensuring that prompt and effective action is taken on audit recommendations, and that the risks resulting from any inaction are recognised and accepted. The College's appointed internal auditor has the right of direct access to the Principal,  Chair of the Board of Management and the Audit Committee.

Internal audit evaluates compliance with the College's internal control system - including relevant regulations, guidance and procedures - as part of the review process. However, the primary responsibility for monitoring compliance rests with operational areas and their line management, up to and including the Principal.

Entities or individuals involved in the external audit of the College should undertake non-external audit related work for the College only in exceptional circumstances.

The College must have in place an effective internal audit service. The operation and conduct of the internal audit service must conform to the professional standards of the Chartered Institute of Internal Auditors. For incorporated colleges and Regional Boards, the operation and conduct of internal audit must comply with Public Sector Internal Audit Standards and, where relevant, the SPFM.

The College must inform the SFC when an internal auditor is appointed and must inform SFC immediately if the internal auditor is removed or departs before the end of their term of office.

The internal audit service must provide the governing body and senior management of the College with an objective assessment of adequacy and effectiveness of risk management, internal control, governance, and value-for- money.

The internal audit service must extend its review over all financial and other management control systems, identified by the audit needs assessment process. Internal audit must cover all activities in which the College has a financial interest, including those not funded by SFC. It must include review of controls that protect the College in dealings with organisations such as subsidiaries or associated companies, ~~a~~Arms-length ~~f~~Foundations, the Students Association, collaborative ventures and/or joint ventures with third parties.

The College appointed internal auditor will produce an annual report for the governing body on its' activities during the year. The report must include an opinion on the adequacy and effectiveness of the College's risk management, internal control, and governance. The report must be presented to the College's Audit Committee and subsequently to the Board of Management, and a copy sent to the SFC.

[The internal auditor is expected to attend, as a minimum, any meetings of the Audit Committee where relevant matters of internal reporting and control are being considered.](#)

### **13.5 Other audit services**

The College, subject to the prior approval of the Audit Committee, can procure other audit services as required to comply with external funding or other stakeholder audit requirements.

### **13.6 Fraud, Bribery and Corruption**

The College has made a clear commitment to ethical standards in public life through its ~~Anti-Bribery Fraud~~ and Corruption Policy. A copy of this policy can be found on the College intranet: [-https://intranet.westcollegescotland.ac.uk/reference/policiesprocedures/Anti-Bribery%20and%20Corruption%20Policy.pdf-](https://intranet.westcollegescotland.ac.uk/reference/policiesprocedures/Anti-Bribery%20and%20Corruption%20Policy.pdf)

Fraud can be perpetrated by persons outside as well as inside an organisation and by collusion. The term fraud is commonly used to describe a wide variety of dishonest behaviour such as deception, forgery, false representation, and concealment of material facts. It is usually used to describe the act of depriving a person of something by deceit, which may involve the misuse of funds or other resources, or the supply of false information.

Computer fraud covers the use of information technology equipment to manipulate programs or data dishonestly – for example by altering, substituting or destroying records, or creating spurious records - or where the use of an IT system was a material factor in the perpetration of a fraud. The fraudulent use of computer time and resources is included in this definition.

All staff have a responsibility in relation to the prevention and detection of fraud, but the prime responsibility for designing, operating and reviewing control systems rests with the managers involved. Managers should consult the College finance function and internal audit where new control procedures are being set up or significant changes to existing procedures are being proposed.

Procedures set up to prevent and detect fraud must be carefully followed and monitored. Many frauds are due to failure to comply with existing control systems.

It is the duty of the Board of Management, Senior Management and all members of staff to notify the Director of ~~Finance and Estates~~Finance immediately whenever any matter arises which involves, or is thought to involve, irregularity, including fraud, corruption or any other impropriety. Further details can be found in the Anti-Fraud and Corruption Policy and Procedure and the Public Interest Disclosure (Whistleblowing) Policy and Procedure.

The ~~Director of Finance~~Director of Finance shall immediately invoke the fraud response plan, which incorporates the following key elements:

- the Principal and the Audit Committee (through its Chair) will be notified of the suspected irregularity and shall take such steps as considered necessary by way of investigation and report;
- the Principal shall inform the police if a criminal offence is suspected of having been committed;
- any significant cases of fraud or irregularity shall be reported to the Scottish Funding Council in accordance with their requirements as set out in the audit code of practice;
- the Audit Committee shall commission any such investigation as may be necessary of

the suspected irregularity, by the College, internal audit service or others, as appropriate; and

- the internal audit service, or others commissioned to carry out an investigation, shall prepare a report for the Audit Committee on the suspected irregularity. Such report shall include advice on preventative measures.

If the suspected fraud is thought to involve the Principal, Vice Principal ~~and/or the~~ Director of ~~Finance and Estates~~ Finance ~~and/or the Principal~~, the member of staff shall notify the Chair of the Audit Committee directly of their concerns regarding irregularities.

Under the terms of the SFC FM, the College is required to submit ~~an annual~~ report to SFC of each incidence of fraud loss that exceeds £5,000. ~~The report should describe the number of instances and total cost.~~

### **13.7 Value for Money**

Value for Money provides a common framework for continuous improvement in public services in Scotland and is a key foundation of the Scottish Government's Public Service Reform agenda. The Principal has a specific responsibility to ensure that arrangements have been made to secure Value for Money. In addition, the Board of Management has a corporate responsibility for promoting the efficient and effective use of staff and other resources by the College in accordance with the principles of Value for Money. Under the terms of the Public Finance and Accountability (Scotland) Act 2000 the implementation of the Value for Money duty by relevant public service organisations is subject to scrutiny by the Auditor General for Scotland.

Guidance for Accountable Officers on Value for Money is available on the Scottish Government website. The guidance identifies the themes which an organisation needs to focus on in order to deliver the duty of Value for Money and provides detail on what organisations should be aiming for and points to related support and guidance material. Value for Money should be appropriate to, and proportionate to, an organisation's priorities, operating environments and scale ~~—/—~~ nature of business and should be implemented accordingly.

It is a requirement of the FM between the SFC and the College that the Board of Management is responsible for delivering value for money from public funds. [The Board of Management](#) should keep under review arrangements for managing all the resources under its control, considering guidance on good practice issued from time to time by the SFC or other relevant bodies. The College has a Value for Money Policy which sets out the arrangements in place.

The College, as part of its internal audit arrangements, must obtain a comprehensive appraisal of management arrangements for achieving value for money. This forms part of the Audit Committee annual report.

### **13.8 Other Auditors**

The College may, from time to time, be subject to audit or investigation by external bodies such as the SFC, Accounts Commission, European Court of Auditors, HM Revenue and Customs. They have the same rights of access as external and internal auditors.

## **14 Cash Management**

### **14.1 Cash Management Policy**

All bodies to which the SPFM is directly applicable are required to have their core bank accounts with the Government Banking Service (GBS).

The College should take appropriate steps to prevent bank account fraud. Banking operations should be annually reviewed.

Cash on site should be kept to minimum levels agreed by the Head of Finance and Student Support Funding. Cash reserves held during the year should be kept to the minimum level consistent with the efficient operation of the College and the level of funds required to meet any relevant liabilities at the year-end. Grant-in-aid shall not be paid into any restricted reserve held by the College. Transfers to arms-length-foundations are permitted and will require the agreement of the SFC.

### **14.2 Borrowing**

All borrowing will require the approval of the Scottish Ministers. Requests to borrow must be submitted to the SFC for consideration in the first instance.

### **14.3 Banking Arrangements**

The Director of ~~Finance and Estates~~Finance is responsible, on behalf of the Board of Management Finance and General Purposes Committee, for liaising with the College's bankers in relation to bank accounts and the issuing of cheques. All cheques shall be ordered on the authority of the Director of ~~Finance and Estates~~Finance, who shall make proper arrangements for their safe custody.

The following conditions will apply to the operation of the College banking arrangements:

- Only a combination of two from the Principal, Vice Principals and/or the Director of ~~Finance and Estates~~Finance may open or close a bank account for dealing with College funds. All bank accounts shall be in the name of the College.
- All automated transfers on behalf of the College, such as BACS or CHAPS, must be authorised by two persons drawn from the Principal, Vice Principals, the Director of ~~Finance and Estates~~Finance, Head of Finance and Student Funding, Finance Manager,

Principal Accountant and/or Accountant/System Accountant.

- All BACS payment reports must be approved for payment by either the Head of Finance and Student Funding, Finance Manager, Student Funding Manager and/or the Principal Accountant.
- All cheques drawn on behalf of the College must be signed by two authorised persons.
- Details of authorised persons and limits shall be provided for in the College's banking mandates, copies of which are available from the Finance Department and will be reported annually to the Finance and General Purposes Committee.

**14.4** The Head of Finance and Student Funding is responsible for ensuring that all bank accounts are subject to regular reconciliation and that large or unusual items are investigated as appropriate.

**14.5 Investments**

The College must not make any investments without the prior written approval of the SFC.



## **15 Income**

### **15.1 General**

The Director of ~~Finance and Estates~~Finance is responsible for ensuring that appropriate procedures are in operation to enable the College to receive all income to which it is entitled. All receipt forms, invoices, tickets or other official documents in use and electronic collection systems must have the prior approval of the Director of ~~Finance and Estates~~Finance.

The Director of ~~Finance and Estates~~Finance is responsible for:

- the prompt collection, security and banking of all income received;
- ensuring that all grants notified by funding bodies are received and appropriately recorded in the College accounts; and
- ensuring that all claims for funds are made by the due date.

### **15.2 Repayment of SFC Grant**

If the College fails to comply with the requirements of the SFC FM, ~~or~~and any other specific terms and conditions attached to the payment of grant from the SFC, it may be required to repay the SFC any sums received from it and to pay interest in respect of any period during which a sum due to the SFC remains unpaid. If, in the reasonable opinion of the SFC, any provision set out in the FM is not observed by the College, the SFC will be entitled to take the following action:

- In the case of funding by way of SFC grant: to require immediate repayment of any and all grants or any part or parts of any grants at any time after the SFC becomes aware of such failure to observe (without prejudice to further demands until the whole of all sums made available by way of grant shall have been paid in full); and
- In the case of funding by way of loan (notwithstanding the terms of any agreement attached to the same): to require immediate repayment of the whole or part of each such loan at any time after SFC becomes aware of such failure to observe (without prejudice to further demands until the whole of all sums made available by way of loan shall have been repaid in full).

### **15.3 Maximisation of Income**

It is the responsibility of all staff to ensure that revenue to the College is maximised by the efficient application of agreed procedures for the identification, collection and banking of income. This requires the prompt notification to the Finance Department of sums due so that collection can be initiated.

### **15.4 Tuition Fees**

Except for those which are set by SFC or Student Awards Agency for Scotland (SAAS) the College must charge student tuition fees at the levels prescribed within the Fee Policy document. A copy of the Fee Policy can be found on the College internet.

### **15.5 Receipt of Cash and Cheques**

All monies received within departments from whatever source must be recorded by the department daily together with the form in which they were received, for example cash, debit/credit cards, cheques, and other negotiable instruments.

All monies received must be paid to the Finance Department promptly, and in accordance with any timetable stipulated by the Finance Manager. The custody and transit of all monies received must comply with the requirements of College insurers.

All sums received must be paid in and accounted for in full and must not be used to meet miscellaneous departmental expenses or be paid into the departmental petty cash float. Personal or other cheques must not be cashed out of money received on behalf of the College.

### **15.6 Receipts by credit or debit card**

The College can receive payments by debit or credit card in person, over the telephone using merchant terminals or through a hosted payment facility. The terminals support primary account number (PAN) truncation where the card number is partially obscured on the customer receipt. A copy of the receipt should be retained to support evidence of payment.

In operating this facility, the College is bound by the Payment Card Industry Data Security Standard (PCI DSS), which is designed to ensure cardholder information is stored, processed

and transmitted securely.

The Director of ~~Finance and Estates~~Finance is responsible for ensuring the College maintains PCI DSS compliance, which is monitored by the merchant services unit.

### **15.7 Collection of Debts**

The Head of Finance and Student Funding should ensure that:

- debtor's invoices are raised promptly on official invoices, in respect of all income due to the College
- invoices are prepared with care, recorded in the ledger, show the correct amount due and are credited to the appropriate income account
- any credits granted are valid, properly authorised and completely recorded
- VAT is correctly charged where appropriate, and accounted for
- monies received are posted to the correct debtors account
- swift and effective action is taken in collecting overdue debts, in accordance with the protocols noted in the financial procedures
- outstanding debts are monitored, and reports prepared for management
- correction of an error using a credit note requires Finance Manager approval i.e. posting/text/coding/amount/VAT/withdrawal of student

The Director of ~~Finance and Estates~~Finance will implement procedures for the collection of debts including any instalment arrangements the periods in which different types of invoice must be paid.

A bad debt is a debt that is not collectable. A bad debt can also arise where the cost of pursuing the debtor is more than the amount that can be collected. Debt write off must be carried out in line with the authorisation levels stated below:

Value of Debt	Authorising Official
Up to £1,000	Finance Manager
£1,001 to £5,000	Head of Finance and Student Funding
£5,001 to £50,000	Director of <del>Finance and Estates</del> <u>Finance</u> or Vice Principal Operations
Over £50,000	Finance and General Purposes Committee

## 15.8 Student Fees

The Policy for collecting tuition fees must be approved annually by the Senior Management Team. The Director of ~~Finance and Estates~~Finance is delegated to ensure that all student fees due to the College are received.

Any student who has not paid an account for fees or any other item owing to the College may not receive the certificate for any degree, diploma or other qualification awarded by the College until all outstanding debts have been cleared. Such students may be prevented from re-enrolling at the College and from using any College facilities until appropriate arrangements have been made.

The College seeks to minimise ~~any possibility of the opportunities for~~ money laundering in accordance with the Money Laundering Regulations. For further advice and guidance see <https://www.gov.uk/topic/business-tax/money-laundering-regulations>. Where refunds are required, they should be made to the original payer and follow the method by which the money was received.

## **16 Other Income-Generating Activity**

### **16.1 Private Consultancies and Other Paid Work**

Unless otherwise stated in the contract of employment of a staff member:

- outside consultancies or other paid work may not be accepted without the consent of the Principal and Chief Executive.
- outside consultancies must not conflict with the work of the College.
- applications for permission to undertake work as a purely private activity must be submitted to the Principal, as appropriate, and include the following information:
  - the name of the member(s) of staff concerned;
  - the title of the project and a brief description of the work involved;
  - the proposed start date and duration of the work;
  - any remuneration received for the outside consultancy or paid work;
  - full details of any College resources required (for the calculation of the full economic cost); and
  - an undertaking that the work will not interfere with the teaching and normal College duties of the member(s) of staff concerned.
- any outside consultancy or other paid work may require to be listed in the College Register of Interest.

### **16.2 Off-Site Collaborative Provision**

If the off-site collaborative arrangement goes beyond the provision of premises, physical resources and administrative support a formal partnership and course delivery agreement may be required. This is especially relevant for any arrangement whereby the College provides education to students away from College premises with the assistance of persons other than the College's own staff or with independent contractors/partner organisations. The following procedure must be followed:

- There shall be a signed contract in place setting out the responsibilities of each party to the agreement before any educational provision is delivered.
- The impact of any collaborative contract shall be subject to scrutiny and considered by the appropriate College Committee. They shall consider the risk factors associated with the proposed partnership.

- Where the partnership would represent a significant departure from the College strategic plan, the Board of Management shall approve the departure and the Principal shall inform the SFC and seek their view.

### **16.3 European Union (EU) and other Matched Funding**

Any such project requires the approval of the appropriate Vice Principal or member of SMT prior to any commitment being entered. Such approval shall be dependent upon the relevant Manager being able to demonstrate that eligible matching funds are available and that the project is financially viable by the application of the College's costing and pricing policy.

Individual applications for funds in excess of £250,000 shall be the subject of a report to the [HR and](#) Corporate Development Committee which will set out the potential risks and opportunities generated by the project. If the College agrees such EU contacts for provision the relevant member of SMT shall ensure that:

- this is based on a written contract which allows for full audit access to detailed records;
- appropriate monitoring procedures are in place to ensure that the outputs are achieved, and the provision is of suitable quality; and
- payments are only made against detailed invoices.

The SPFM also provides guidance on funding from the European Union (EU) and related expenditure and the College requires to take cognisance of this.

### **16.4 Profitability and Recovery of Overheads**

All other income-generating activities must be self-financing or surplus-generating unless it is intended that a new course is to be launched as a loss leader. If that is the case, the reason for it must be specified and agreed by the relevant Assistant Principal / Director.

Other income-generating activities organised by members of staff must be costed and agreed with the relevant Assistant Principal / Director and the Director of ~~Finance and Estates~~[Finance](#) before any commitments are made. Provision must be made for charging both direct and indirect costs, for the recovery of overheads.

### **16.5 Donation of surplus funds to arms-length foundations**

The College may donate any surplus on its income and expenditure account as at 31 March each year to an arms-length foundation. The donation must take place in the ~~fiscal~~ ~~financial~~ year in which it arises and is subject to sufficient cash and resource cover being available. Authorisation for any donation to a Foundation requires the approval of the Board of Management and the SFC.

### **16.6 Deficits**

Any unplanned deficits incurred on other income-generating activities will be charged against the respective departmental budget.

### **16.7 Additional Payments to Staff**

Any proposal which involves additional College payments to members of staff should be supported by a schedule of names and values and must be approved by the appropriate Assistant Principal / Director [/Vice Principal and the Director of OD and HR](#). Any payment to a Vice Principal or the Principal must be approved by the Chair of the Board of Management. The tax treatment of such proposals must be confirmed with the Finance Department in advance of the agreement being signed off.

## **17 Expenditure**

### **17.1 General**

The Director of ~~Finance and Estates~~Finance is responsible for making payments to suppliers for goods and services supplied to the College. External business and Management Consultancies greater than £100,000 and operating leases (non-property) greater than £250,000 require SFC approval.

### **17.2 Scheme of Delegation/Financial Authorities**

Budget holders are responsible for purchases within their department. In exercising this delegated authority, budget holders are required to observe these Financial Regulations.

The Director of ~~Finance and Estates~~Finance shall maintain a register of authorised signatories. Under procedures agreed by the Director of ~~Finance and Estates~~Finance, central control shall be exercised over the creation of requisitioners and authorisers and their respective limits (for electronic systems). Any changes to the authorities to commit expenditure must be notified to the Head of Finance and Student Funding immediately.

The Head of Finance and Student Funding is authorised to approve payments, regardless of value, in respect of:

- payroll and VAT returns, this includes payments to HMRC, pension funds and other outside bodies in respect of deductions made from employees' pay;
- capital and interest repayments made to financial institutions in respect of loan agreements taken out by the College; and
- transfers between College bank accounts and investment accounts.

These payments will be validated and authorised by the Finance Manager or Principal Accountant before seeking the Head of Finance and Student Funding authorisation.

The SPFM requires the College to seek prior approval from the SFC for:

- Any new voluntary severance scheme;
- Any change to a previously approved voluntary severance scheme;
- Any payment, forming part of any scheme, considered to be sensitive or high profile;
- Any use of settlement agreements; and



- Any payment to an individual in excess of contractual entitlement out with an approved voluntary severance scheme.

Subject to the payments being made in relation to an approved voluntary severance scheme, the Director of Organisational Development and HR is authorised to approve severance payments made to employees, except for the Principal and Vice Principals. Any severance payment to the Principal or Vice Principals must be authorised by the Chair of the Board of Management and approved by the SFC. There is a delegated limit of up to £1,000 for special severance payments and any value above £1,000 requires prior SFC approval.

The Scottish Government have placed a £95,000 limit cap on termination payments of £95,000. This limit cap includes both contractual and non-contractual elements of any settlement agreed. Where the proposed payment exceeds £95,000, it must be capped at £95,000. Where this is not possible, a business case will require to be discussed with the SFC. The approval of the SFC must be obtained before any agreement in excess of £95,000 is finalised. The view of the Scottish Government must also be obtained as and when appropriate, including in relation to any potentially high profile/high value cases or where it is proposed that the £95,000 limit cap is not applied.

In addition to the above limit cap of £95,000 the Scottish Government have also stipulated that:

- where appropriate, it is expected that notice should be worked rather than a payment being made in lieu of notice;
- a maximum payback period of 24 months will apply in all cases (i.e. the time taken to recover the compensation costs against normal salary costs). This will be applied at an individual rather than scheme level; and
- an individual leaving as a result of a voluntary severance resignation secured by a financial consideration may not return to employment within the same employer for a period of at least 12 months, including as a temporary agency worker or via a procurement route.

### 17.3 Purchase Orders

College orders must be placed for the purchase of all goods or services. Only in exceptional circumstances should petty cash be used to purchase goods or services.

Purchase orders may not be split to lower the value per order with a view to reducing the authorisation level required.

Budget holders are not authorised to commit the College to expenditure without first reserving enough funds to meet the purchase cost.

Purchasing directly from online sites is not advised as the College has limited protection when purchasing from this source. Purchasing from eBay and Amazon is prohibited unless authorised in advance by either the Head of Finance and Student Funding or the Director of Finance.

The following purchase order approval limits for individual items of expenditure will be applied within the Finance System:

Expenditure	Authoriser
£0 to £250	Budget Holder/delegated budget holder
£251 to £10,000	Principal Accountant
£10,001 to £50,000	Director of <del>Finance and Estates</del> Finance/Head of Finance and Student Funding
£50,001 to £250,000	Vice Principal Operations / Principal
£250,001 to £500,000	Finance and General Purposes Committee
➤ £500,000	Board of Management

A request for a special payment is used to make payments to suppliers without the requirement to set up full supplier details on the finance system, and may only be used under the following conditions:

- ~~To make a foreign payment;~~
- For non-recurring purchases up to £1,000 (including VAT) where the supplier does not accept bank or credit card payments; or

- For ~~regular~~ payments to groups of individuals, who may only ever be paid once. This includes nursery or specific membership refunds.

It is the responsibility of the Director of ~~Finance and Estates~~Finance to ensure that all purchase orders refer to the College's conditions of contract.

The College will not utilise on-line payment transaction systems – such as PayPal - for payment of on-line goods and services as there is limited recourse against the provider of the goods/services.

#### **17.4 Credit Cards**

Where appropriate, the Principal and the Vice Principal Operations may approve the issuing of College credit cards to senior staff. The operation and control of the College's credit cards is the responsibility of the Director of ~~Finance and Estates~~Finance. There will be appropriate oversight of the distribution of such cards and the associated card limits provided by the Vice Principal Operations.

Holders of credit cards must use them only for the purposes for which they have been issued and within the authorised purchase limits. Such cards shall be used for the payment of valid business expenses only, and the misuse of such cards shall be grounds for disciplinary action. Cards must not be loaned to another person, nor should they be used for personal or private purchases.

Cardholders should obtain approval to purchase from the relevant budget holder and should ensure that there is ~~sufficient~~enough budget available to meet the costs. The Director of ~~Finance and Estates~~Finance shall determine what information is required on purchases made with cards from cardholders and deadlines for receipt in the ~~F~~Finance ~~D~~epartment to enable financial control to be maintained. There should be appropriate segregation of duties, with those reviewing and reconciling cards not holding and using those cards.

All items purchased on the College credit card must have an approved purchase order before the goods or services are procured. The Director of ~~Finance and Estates~~Finance/Head of Finance and Student Funding will approve and sign credit card

reconciliations at least quarterly.

## 17.5 Procurement

The College requires all budget holders, irrespective of the source of funds, to obtain supplies, equipment and services at the most economically advantageous cost (MEAT). This should be consistent with quality, delivery requirements, sustainability and equalities legislation and in accordance with the College's Procurement Strategy considering procurement framework agreements as appropriate. Budget holders should engage with the [College](#) procurement function at the earliest possible opportunity.

The Director of ~~Finance and Estates~~[Finance](#) is responsible for:

- ensuring that the College procurement procedures and requirements are known and observed by all involved in purchasing for the College;
- advising all stakeholders on matters of College procurement process and practice;
- advising and assisting departments on specific departmental purchases;
- developing appropriate standing supply arrangements on behalf of the College to assist budget holders in meeting their value for money obligations;
- the drafting and negotiation of all large-scale purchase contracts undertaken by the College, in collaboration with the responsible department; and
- ensuring that the College complies with all relevant public procurement policies.

Guidance on procurement matters is available on the procurement area of the College intranet:

<https://intranet.westcollegescotland.ac.uk/teams/procurement/SitePages/Home.aspx>.

College procurement processes reflect the relevant guidance issued by Advanced Procurement for Universities and Colleges (APUC); relevant policy and advice issued by the Scottish Procurement and Commercial Directorate; and European Union directives

Any proposal to award a contract without competition (non-competitive action) at a level above £25,000 must be approved in advance by SFC.

Goods and services should firstly be sourced through APUC and Government framework agreements, prior to any alternative procurement route being taken.

## Strategy Development and Authorisation

The Procurement Department will create a procurement strategy for all tendering activities above £25,000 total contract value in line with best practice. This procurement strategy will detail the methodologies applied when tendering a commodity or category including the suggested route to procurement and tendering approach.

Procurement strategies will be authorised by the following staff for estimated contract values of:

Estimated Contract Value	Authorised By
£25,000 to £50,000	Budget Holder and Head of Finance and Student Funding
£50,001 to £100,000	SMT Member and Director of <del>Finance and Estates</del> <u>Finance</u>
>£100,000	SMT Member and Vice Principal Operations

### 17.6 Scottish and EU Procurement Regulations

The Director of ~~Finance and Estates~~Finance is responsible for ensuring that the College complies with its legal obligations concerning Scottish and EU procurement legislation. Scottish and EU procurement regulations apply to written contracts for all forms of procurement, purchase or hire with a total value exceeding the EU threshold value.

The Director of ~~Finance and Estates~~Finance will advise Senior Management Team on the financial thresholds that are currently in operation. Any breach of these Scottish and EU regulations could be liable to action by a supplier or potential supplier.

It is the responsibility of Senior Management Team to ensure that their members of staff comply with the Scottish and EU procurement regulations by notifying the Director of ~~Finance and Estates~~Finance of any purchase that is likely to exceed the thresholds. This will need to be done well in advance where tenders are of a higher value in order to permit advertisements in journals such as the Official Journal of the European Union (OJEU) if this is required.

## 17.7 Quotations and Tenders

Delegated budget holders must comply with the College's Procurement Policy and the Scottish Government Procurement Journey. Tendering procedures as follows for the contract values of:

### Goods and Services

Total Contact Value	Action	Responsibility / Notes	Contract Authorisation
<£5,000	At least 2 written quotations where no current contract / framework is in place.	<u>Department</u> A balanced approach being undertaken based on the nature and level of the transaction involved. Value for money must always be achieved.	The Budget Holder
£5,001 to £25,000	Endeavour to obtain at a minimum 3 written quotations where no current contract / framework is in place.	<u>Department</u> The procurement must demonstrate best value, due diligence and transparency in the selection process in line with corporate and statutory regulations.	A member of SMT and Head of Finance and Student Funding
£25,001 to £50,000	At a minimum 3 quotes via PCS 'quick quote' require to be obtained where no current contract / framework is in place.	<u>Procurement</u> The procurement must demonstrate best value, due diligence and transparency in the selection process in line with corporate and statutory regulations.	A member of SMT and Director of <del>Finance and Estates</del> Finance and / or Head of Finance and Student Funding
£50,001 to £250,000	Open tender via PCS / PCS-T endeavouring to obtain at least 3 responses.	<u>Procurement</u> Where a suitable procurement framework exists, a mini competition or direct award may be carried out. If no suitable framework is available, it will be necessary to carry out an open tender exercise. The exercise should also be carried out in a manner that will allow any resulting contract to be formed on the Colleges' terms and conditions.	Director of <del>Finance and Estates</del> Finance and Vice Principal Operations / Principal
£250,001 to £500,000	Open tender via PCS-T	<u>Procurement</u> Where a suitable framework exists, a mini competition or direct award may be carried out. If no suitable	Finance and General Purposes Committee

Total Contact Value	Action	Responsibility / Notes	Contract Authorisation
		framework is available, it will be necessary to carry out an open tender exercise. Procurements falling into this category must be advertised as per the current relevant procurement regulations.	
>£500,000	Open tender via PCS-T	<u>Procurement</u> Where a suitable framework exists, a mini competition or direct award may be carried out. If no suitable framework is available, it will be necessary to carry out an open tender exercise. Procurements falling into this category must be advertised as per the current relevant procurement regulations.	Board of Management

The College is required to include a Community benefits clause where the contract value is in excess of £4m as per the current procurement regulations. For all contracts above the OJEU limit the College will seek to a community benefits clause where considered relevant and appropriate.

## For Works

Works are defined as under Schedule 2 of the Public Contracts (Scotland) Regulations 2015.

Total Contact Value	Action	Responsibility / Notes	Contract Authorisation
<£25,000	Endeavour to obtain at least 3 written quotations where no current contract / framework is in place.	<u>Department</u> A balanced approach being undertaken based on the nature and level of the transaction involved. Value for money must always be achieved.	The Head of Estates
£25,001 to £250,000	Written quotations require to be obtained via PCS / PCS-T where no current contract / framework is in place. Where an open tender is not conducted a minimum of 5 suppliers will be invited to respond and it is expected that a minimum of three bids will be assessed.	<u>Procurement</u> The procurement must demonstrate best value, due diligence and transparency in the selection process in line with corporate and statutory regulations.	<u>Director of Infrastructure,</u> Director of <del>Finance</del> <u>Finance</u> and <del>Estates</del> and / or Vice Principal Operations
£250,001 to £500,000	Open tender via PCS / PCS-T	<u>Procurement</u> If no suitable framework is available, it will be necessary to carry out a competitive exercise. The exercise should also be carried out in a manner that will allow any resulting contract to be formed on the Colleges' terms and conditions. Advertising for procurements falling into this category is compulsory except when using a framework.	Finance and General Purposes Committee



Total Contact Value	Action	Responsibility / Notes	Contract Authorisation
>£500,001	Open tender via PCS-T	<u>Procurement</u> An open tender exercise must be carried out if a framework is not available. Where a suitable framework does exist, a mini competition or direct award may be carried out in accordance with the framework rules. Advertising for procurements falling into this category is compulsory except when using a framework. Tenders for works above a total contract value of £4m must include provision for achieving Community Benefits as part of their outcomes.	Board of Management

The College is required to include a Community benefits clause where the contract value is in excess of £4m as per the current procurement regulations. For all contracts above the OJEU limit the College will look to include a community benefits clause where considered relevant and appropriate.

### 17.8 Building Contracts

Building contracts in excess of £250,000 are the [approval](#) responsibility of the Finance and General Purposes Committee, [with contracts above £500,000 requiring](#) ~~and the~~ Board of Management [approval](#), with advice provided by the Vice Principal Operations, ~~and~~ Director of [Infrastructure and Director of Finance and Estates](#) ~~Finance~~ and where necessary external professional advisors.

Proposals will be initiated as a result of required and planned capital developments.

Managing consultants may be appointed if the project is of a scale or specialism that requires this. All such appointments shall be subject to tendering and other procurement procedures as appropriate.

Proposals for building contracts that require Board of Management approval shall be presented in the form of an options appraisal including relevant costings as appropriate, prepared by the Vice Principal Operations and Director of ~~Infrastructure Finance and Estates~~. Option appraisals should comply with Scottish Funding Council guidance.

Following consideration, and approval by the Board of Management, option appraisals should be forwarded to the Scottish Funding Council where appropriate. If the required agreement is secured from the Scottish Funding Council, the relevant procedural rules should be followed. Scottish Funding Council guidance on best practice should be followed even when Scottish Funding Council approval is not required.

The achievement of value for money will be an objective in the awarding of all contracts.

#### **17.9 Receipt of Goods and Services**

~~All goods shall be received at designated receipt and distribution points.~~ All goods received shall be checked for quantity and/or weight and inspected for quality and specification. A delivery note shall be obtained from the supplier at the time of delivery and signed by the person receiving the goods. All persons receiving goods on behalf of the College must be independent of those who negotiated prices, its terms and placed the official order.

All goods and services received shall be entered onto the finance system as soon as practicable after receipt or delivery. If goods are deemed to be unsatisfactory, the record shall be marked accordingly, and the supplier immediately notified so that they can be collected for return as soon as possible. Where goods are short on delivery, the record should be marked accordingly, and the supplier immediately notified.

#### **17.10 Payment of invoices**

The procedures for making all payments shall be in a form specified by the Director of ~~Finance and Estates~~ Finance.

Payments to UK suppliers will normally be made by BACS transfer and will only be varied after consulting with the Head of Finance and Student Funding.

Budget Holders are responsible for ensuring that expenditure within their departments does not exceed funds available.

Suppliers should be instructed by the budget holder to submit invoices for goods or services directly to the Finance Department by electronic means where possible.

Care must be taken by the budget holder to ensure that discounts receivable are obtained.

Payments will only be made by the Finance Manager against invoices that have been certified for payment by the appropriate budget holder and that can be matched to a receipted order. Certification ~~can either be paper based or should be~~ done electronically through the finance system.

Certification of an invoice or receipting of an electronic order will ensure that:

- the goods have been received, examined and approved for quality and quantity, or those services rendered, or work done is satisfactory;
- where appropriate, it is matched to the order;
- invoice details (quantity, price discount) are correct;
- the invoice is arithmetically correct;
- the invoice has not previously been passed for payment;
- where appropriate, an entry has been made on a stores record or departmental inventory; and
- an appropriate cost centre is quoted; this must be one of the cost centre codes included in the budget holder's area(s) of responsibility and must correspond with the types of goods or service described on the invoice.

### **17.11 Staff Reimbursement**

The College's purchasing and payments procedures are in place to enable most non-pay supplies to be procured through the purchase ledger system without staff having to incur any personal expense. However, on occasion, staff may incur expenses, most often in relation to travel, and are entitled to reimbursement. Where such purchases by staff are planned, Senior Management Team members may approve advances to staff that are going to incur expenditure on the College's behalf. Advances by bank transfer may be requested from the Finance Team.

Upon completion of the travel or project to which the advance relates, a staff expenses claim must be prepared to demonstrate how the advance was disbursed and any unspent balance repaid and returned to the Finance team. Under no circumstances will a second advance be approved when the final accounting for an earlier advance to an individual is still outstanding.

For all other expense reimbursement, the College Travel and Subsistence Procedure applies, and this document is available on the College staff intranet page -

<https://intranet.westcollegescotland.ac.uk/reference/policiesprocedures/Travel%20and%20Subsistence%20Procedure.pdf>

### 17.12 Late Payment Rules

The Late Payment of Commercial Debts (Interest) Act 1998 ~~as amended by the and~~ Late Payment of Commercial Debts Regulations 2002 gives businesses the statutory right to claim interest on late payments from large organisations and public authorities, including the College. Key points in relation to this are:

- small businesses can charge interest on overdue invoices
- ~~interest is chargeable on sales made after 1 November 1998~~
- the rate of interest is currently 8% per annum above the official daily rate of the Bank of England
- late payment compensation of £40 per invoice
- ~~the Act also applies to overseas organisations~~
- ~~the College can be sued for non-payment~~

In view of the penalties in this Act, the Board of Management requires that invoices must be passed for payment when received, and payment made in accordance with the Prompt Payment Code (<http://www.promptpaymentcode.org.uk/>).

### 17.13 Losses and Special Payments

In principle, the College will always attempt to pursue the recovery of overpayments, irrespective of how they came to be made. In practice, however, there will be both practical and legal limits to how cases should be handled. Each case will therefore be dealt with on its individual merits.

The College will only take a decision not to seek recovery of an overpayment based on a cost benefit analysis of the options. A decision not to pursue recovery will be exceptional and will only be taken after a careful appraisal of the relevant facts. A Vice Principal or the Director of ~~Finance and Estates~~Finance must authorise the non-pursuance of an overpayment. The decision not to pursue an overpayment must consider the guidance in the section of the SPFM on Losses and Special Payments. Any decision not to pursue recovery, or not to pursue recovery in full, should be defensible in the public interest.

Losses should only be written off after careful appraisal of the facts. All reasonable action must have been taken to affect the recovery of losses. Where there is a request to write off a loss or make a special payment exceeding £250,000 this will require to be authorised by the SFC prior to instigating the write off or making the payment.

Losses and special payments have been grouped into several different categories and include the following:

- Cash and bookkeeping losses
- Losses of assets, stores and equipment
- Extra-contractual payments.

These are payments which, although not legally due under the original contract or subsequent amendments, appear to place an obligation on a public sector organisation which the courts might uphold. Such obligations will usually arise from administrative action or inaction in relation to the contract. A payment is regarded as extra-contractual even where there is doubt whether the organisation is liable to make it, for example, where the contract provided for arbitration, but a settlement is reached without recourse to arbitration. A payment made as a result of an arbitration award is contractual. Compensation payments are ones made in respect of unfair dismissal or in respect of personal injuries, traffic accidents, and damage to property suffered by staff. Ex gratia payments are payments made where there is no legal obligation to pay.

There must always be good public policy grounds for making such payments. Within this category may fall out of court settlements, such as cases where the pursuer has no legal case, but the College wishes to stop the litigation because it may be costly in time and resources. Other examples of ex gratia payments would be payments as compensation for distress or loss arising from a perceived failure of the College but where there was no legal obligation to pay, or awarding a dismissed office holder a gratuity, that goes beyond any legal entitlement by virtue of his/her employment.

Losses incurred by the College in excess of £3,000 each year should be reported annually to the SFC. The report should detail the number of such losses and the total cost.

#### **17.14 Bankruptcy / Liquidation / Receivership**

When the College learns of a bankruptcy / liquidation or receivership, it will stop all payments pending confirmation of the individual / organisation status. Once the bankruptcy / liquidation or receivership has been confirmed it is essential for the College to ensure that any payment due by them is made only to the proper person, and that any claim by them is properly lodged. The College should also consider, in consultation with legal advisers as required, whether any contract should be terminated. Any amounts to be written off as a result of bankruptcies will be subject to the SPFM guidance on Losses and Special Payments.

## **18 Petty Cash, Floats and Project Advances**

### **18.1 Cash Requests**

Where a single item is for less than £25 and is not an existing supplier it should be paid from petty cash if possible. The reimbursement must be supported by receipts or vouchers.

~~A College petty cash claim form is available on the College intranet - <http://intranet.westcollegescotland.ac.uk/request/finance/SitePages/Home.aspx> sheets are supplied by the Finance Department and available on the intranet~~ and must be used for recording all petty cash transactions. The Director of ~~Finance and Estates~~Finance shall make available to departments float imprests as considered necessary for the disbursements of incidental expenses. However, it is important for security purposes that imprest floats are kept to a minimum. All expenses must be supported by receipts and vouchers.

Requisitions for reimbursements must be sent to the Finance Department, together with appropriate receipts or vouchers, before the total amount held has been expended, in order to retain a working balance pending receipt of the amount claimed.

### **18.2 Floats**

The member of staff granted a float is personally responsible for its' safe keeping. The petty cash box must be kept locked in a secure place in compliance with the requirements of College insurers when not in use and will be subject to periodic checks by the Finance Manager or another person nominated.

College float reconciliation sheets are supplied by the Finance Department and must be used for recording all imprest accounts.

Interim annual audits will be undertaken by the Finance Department of floats and certificate of the balances held should be completed by the member of staff responsible for the float and counter-signed by the budget holder. At the end of the financial year all floats must be returned to Finance and requested again at the start of the new financial year.

## **18.2 Project Advances**

The Head of Finance and Student Funding and the relevant budget holder may jointly approve project cash advances where projects are carried out away from the College. These specifically relate to situations where cash expenditure may be unavoidable, especially in relation to student day trips.

Other forms of payment will be expected to be used wherever possible, such as an official purchase order and subsequent payment or a College credit card. College purchasing and payments procedures are in place to enable most non-pay supplies to be procured through the finance system without staff having to incur any personal expense.

Advances will not be issued to cover normal staff expenditure incurred in relation to travel and subsistence. Reimbursement for this will be sought in accordance with the College Travel and Subsistence Procedure with reimbursement through payroll.

Receipts or paid invoices will be retained for all sums expended in this way. Upon completion of the project to which the advance relates, within one month a final account must be prepared to demonstrate how the advance was disbursed and any unspent balance repaid. Under no circumstances will a second advance be approved when the final accounting for an earlier advance to a project or individual is outstanding.

Where cash advances in excess of £250 are requested, then these require to be further approved by a member of SMT. If a member of SMT is making the request the approval should be sought from their line manager.



## **19 Checking Financial Transactions**

The responsibility for the propriety, regularity and accuracy of financial transactions cannot be avoided by relying on the work of internal or external auditors. The College will carry out appropriate reviews at operational area level as/if required. This includes checking the arithmetical accuracy of invoices raised / received; claims or other vouchers; fulfilment of the terms of a contract; professional verification for validity; physical checking of goods invoiced; checking of invoices against orders; and application of VAT. Any reviews will be undertaken by finance staff who will have no direct involvement in entering into commitments for related goods and services.

In order to ensure that the review/checking procedures are both effective and economical they must be monitored. At operational area level records should be analysed regularly in order to identify the underlying reasons for any errors - such as the need for improvements in form design or training - and to take remedial action as necessary. In addition, internal audit should report on cases of excessive or ineffective financial checking and where appropriate checking procedures should be adjusted considering any findings. Reviews will consider the extent of and the need for checks carried out in operational areas. Analysis of the results may suggest underlying inadequacies in the procedures or supporting systems which need to be addressed separately.

## **20 Pay Expenditure**

### **20.1 Remuneration Policy**

All College staff will be appointed to College salary scales in accordance with appropriate conditions of service. All letters of appointment must be issued by the Organisational Development and HR Department.

The salary and other benefits for the Principal and Vice Principals will be determined by the Remuneration Committee set up by the Board of Management but will have due regard to Public Sector Pay Policy. The salary and other benefits for Assistant Principals, Directors and Heads will be determined by the Principal but will have due regard to Public Sector Pay Policy.

### **20.2 Appointment of Staff**

All contracts of service shall be concluded in accordance with College approved HR practices and procedures. All offers of employment with the College shall be made in writing by the Director of Organisational Development and HR. Budget holders shall ensure that the Director of ~~Finance and Estates~~Finance and the Head of Organisational Development and Human Resources are provided promptly with all information they may require in connection with the appointment, resignation or dismissal of employees.

All permanent posts/contracts require to be authorised by a Vice Principal and then by the Director of Organisational Development and HR prior to the position being advertised.

### **20.3 Salaries and Wages**

The College must have regard to Public Sector Pay Policy set by the Scottish Ministers. The Director of Organisational Development and HR is responsible for all payments of salaries and wages to all staff including payments for overtime or services rendered. All timesheets and other pay documents, including those relating to fees payable to external examiners and visiting lecturers, will be in a form prescribed or approved by the Head of Organisational Development and HR.

The Director of Organisational Development and HR will also be responsible for keeping the Director of ~~Finance and Estates~~[Finance](#) informed of all matters relating to personnel for budgeting and forecasting purposes. These include:

- appointments, resignations, dismissals, supervisions, secondments and transfers;
- absences from duty for sickness or other reason, apart from approved leave;
- changes in remuneration other than normal increments and pay awards; and
- information necessary to maintain records of service for superannuation, income tax and national insurance.

The ~~Director of Organisational Development and HR~~ ~~Director of Finance and Estates~~ is responsible for the monthly BAC's payments to employees and non-employees (pay over of payroll deductions). The Director of Organisational Development and HR is responsible for informing the appropriate authorities of such payments.

All employees will be included on the [College](#) payroll.

The Director of Organisational Development and HR shall be responsible for keeping all records relating to payroll including those of a statutory nature. All payments must be made in accordance with the College's detailed payroll financial procedures and comply with HMRC regulations.

## **20.4 Pension Schemes**

The Board of Management is responsible for undertaking the role of employer in relation to appropriate pension arrangements for employees. The College provides access to two defined benefit pension schemes. Support staff are eligible to join the Local Government Pension Scheme administered by the Strathclyde Pension Fund. Teaching staff are eligible to join the Scottish Teachers Superannuation Scheme administered by the Scottish Public Pensions Agency.

The Director of Organisational Development and HR is responsible for day-to-day superannuation matters, including:

- paying contributions to various authorised superannuation schemes;

- preparing the annual return to various superannuation schemes; and
- administering the College's pension fund.

The Director of Organisational Development and HR is responsible for administering eligibility to pension arrangements and for deciding when deductions should begin or cease for staff.

## 20.5 Travel, subsistence and Other Allowances

All claims for payment of subsistence allowances, traveling and incidental expenses shall be completed and submitted electronically ~~/or~~ in exceptional circumstances – for example e.g. a failure of the IT system – on ~~paper on~~ the forms available on the HR system. These claims must be made in accordance with the requirements of the College Travel and Subsistence Procedure at:

<http://intranet.westcollegescotland.ac.uk/reference/SitePages/Policies%20and%20Procedures.aspx>

~~Claims by members of staff must be authorised by their line manager or Director (or Principal in the case of Vice Principals) through the HR system. The certification by the line manager shall be taken to mean that:~~

- ~~• the journeys were authorised;~~
- ~~• the expenses were properly and necessarily incurred;~~
- ~~• the allowances are properly payable by the College; and~~
- ~~• consideration has been given to best value in choosing the mode of transport.~~

## 20.6 Non-salary Rewards

The College may make non-salary rewards.

When making such awards care will be taken to avoid any criticism of unfair preference being given. The recipient of the reward will be given some choice or third-party suppliers will be used where, for example, voucher schemes are introduced.

In making the award the College will actively consider whether the non-salary reward

schemes represent an appropriate use of public funds.

The College will be open and transparent in the way it deals with non-salary rewards. Should the College introduce such awards, a clear policy on disclosure of information about the awards which have been made and the procedures adopted for making those awards will be approved and widely disseminated.

#### **20.7 Overseas Travel**

All arrangements for overseas travel must be approved by a Vice Principal in advance of committing the College to those arrangements or confirmation of any travel bookings. Arrangements for overseas travel by Vice Principals will require to be approved by the Principal. Arrangements for overseas travel by the Principal or members of the Board of Management shall be approved by the Chair of the Board of Management. Arrangements for travel by the Chair of the Board of Management shall be approved by the Finance and General Purposes Committee.

Where spouses, partners or other persons unconnected with the College intend to participate in a trip, this must be clearly identified in the approval request. The College must receive reimbursement for the expected costs it may be asked to cover for those persons in advance of confirming travel bookings.

#### **20.8 Travel and Expenses for Members of the Board of Management**

Claims for members of the Board of Management will be authorised by the Secretary to the Board. Claims for the Chairperson will be authorised by the Chair of the Remuneration Committee. Only reasonable expenses can be reimbursed for attending meetings.

#### **20.9 Severance and Other Non-Recurring Payments**

In considering terms for severance, early retirement or redundancy packages - whether compulsory or voluntary - public bodies to which the SPFM is directly applicable – including the College - should ensure that issues of legal and regulatory compliance, propriety and value for money are fully considered, alongside employee relations issues. Specifically:

- public funds must not be used wastefully or to underwrite inequitable or over- generous

conditions of service, including severance;

- notice of termination of appointments should not be delayed in order to generate compensation payments in lieu of notice;
- where appropriate, ex-gratia severance or redundancy packages should be based on the arrangements set out within relevant extant terms and conditions of employment. Prior consideration should be given to the availability of pension and compensation benefits within these conditions;
- [any](#) special payments should be transparent and negotiated in such a way as to avoid conflicts of interest;
- offers of subsequent employment or consultancy work should be exceptional and only made where they represent value for money; and
- any undertakings about confidentiality should leave transactions open to proper public scrutiny.

In line with the requirements of the SPFM, the College's severance scheme must be approved by SFC. The SFC issued 'Guidance on seeking approval for severance schemes and settlement agreements' (SFC/GD/01/2016) which incorporates the SPFM requirements. Provided a severance payment is within the parameters of a scheme, which has been approved by the SFC, there will be no need for the College to seek approval to the individual payment from SFC. Approval lasts for the duration of the scheme.

The College must follow the requirements of the SPFM and the SFC in determining settlement agreements, severance, early retirement and redundancy arrangements and payments. ~~In addition, the College must have regard to the principles of good practice in managing early departures of staff contained in Audit Scotland's May 2013 report: *Managing early departures from the Scottish public sector*.~~

Special severance payments in excess of £1,000 must be approved by SFC, except where provision for such payments has been included in a severance scheme approved by SFC.

Under the terms of the FM, the College is required to submit an annual report to SFC of any compensation payments that exceed £5,000 or ex- gratia payments that exceed £1,000. The report should describe the number of instances and total cost.

## 21 Assets

### 21.1 Overall Responsibility

The Board of Management has a duty to ensure that the assets for which they are responsible such as land, buildings or other property - including stores and equipment - are properly and well managed. Robust systems should be put in place to ensure that the accuracy and integrity of information held on registers, databases and inventories is safeguarded and readily available for inspection.

### 21.2 Land, buildings, fixed plant and machinery

The purchase, ~~lease or rent~~ of land, buildings or fixed plant can only be undertaken with authority from the Board of Management and with reference to SFC requirements where exchequer-funded assets or exchequer funds are involved. Lease or rental agreements with a total agreement value of £250,000 or more must be approved by the Asset and Infrastructure Committee and the Finance and General Purposes Committee. Lease or rental agreements with a total agreement value of £500,000 or more will require the approval of the Board of Management.

Expenditure should be incurred in a way which represents value for money, considering potential risks to regularity and propriety. Effective control over payments must be maintained at all stages. Expenditure should be authorised in the operational area which entered into the commitment, with due consideration to separation of duties.

### 21.3 Fixed Asset Register

The Director of ~~Finance and Estates~~Finance is responsible for maintaining the College register of land, buildings, fixed plant and machinery. Managers will provide the Director of ~~Finance and Estates~~Finance with any information required to maintain the register.

Under resource accounting and budgeting, asset registers are a key part of financial management systems and must be capable of delivering the accounting requirements of the Government Financial Reporting Manual. The registers should

contain details of all assets (both current and non-current) owned, whose value or original purchase price is in excess of the College's capitalisation threshold. The College Asset registers ~~is are~~ computerised ~~and the widespread use of commercial asset management software packages means that the structure and the minimum detail held will be dictated by the software but, as a minimum, information held should cover~~ is:

- purchase price and date;
- asset accounting code;
- asset identification number;
- a physical description of the asset (where appropriate) together with details of serial or registration number;
- locations;
- ~~regular~~ evidence of physical verification of the asset's existence; and
- a depreciation profiles.

#### 21.4 Inventories

Managers are responsible for maintaining inventories, in a form prescribed by the Director of ~~Finance and Estates~~Finance, for all plant, equipment, furniture and stores in their departments. The inventory must include items donated or held on trust and must be checked at least annually.

The ICT department must maintain an inventory register of all ICT equipment.

When transferring equipment and plant, etc. between departments, a transfer record must be kept, and the inventories amended accordingly.

#### 21.5 Stocks and Stores

Managers are responsible for establishing adequate arrangements for the custody and control of stocks within their departments. The systems used for stock accounting in departments must have the approval of the Director of ~~Finance and Estates~~Finance.

Managers are responsible for ensuring that regular inspections and stock checks are



carried out. Stocks and stores of a hazardous nature should be subject to appropriate security checks.

Those Managers whose stocks require valuation in the balance sheet must ensure that the stock-taking procedures in place have the approval of the Director of ~~Finance and Estates~~Finance and those instructions to appropriate staff within their departments are issued in accordance with advice contained in the College's detailed financial procedures.

#### **21.6 Safeguarding Assets**

Managers are responsible for the care, custody and security of the buildings, stock, stores, furniture, ~~and cash, etc.~~ under their control. They will consult the Director of ~~Finance and Estates~~Finance in any case where security is thought to be defective or where it is considered that special security arrangements may be needed.

High value assets owned by the College shall, so far as is practical, be effectively marked to identify them as College property.

#### **21.7 Personal Use**

Assets owned or leased by the College shall not be subject to personal use without proper authorisation.

#### **21.8 Asset Disposal**

Holdings of property, plant and equipment should be kept under constant review with a view to disposing of surplus assets as quickly as possible.

Disposal of equipment and furniture must be in accordance with procedures agreed by the Director of ~~Finance and Estates~~Finance. In disposing of plant and equipment assets which is surplus to requirements due consideration should be given to value for money. Payment should normally be required to be made before goods are released for collection or delivery. The law implies that any goods sold are of merchantable quality and fit for the purpose for which they are sold. If there is any reason to believe that goods are faulty or sub-standard, it should be made clear that they are sold as seen and without any implied

warranties as to quality or fitness.

Disposal of land and buildings must only take place with the authorisation of the Board of Management. SFC consent may also be required if exchequer funds were involved in the acquisition of the asset. Holdings of land and buildings should be limited to the minimum needed to meet present and planned future requirements.

Land and buildings identified for disposal should be valued professionally. The District Valuer or suitably qualified private sector valuers - and in some exceptional cases in-house valuers - may be used. Advice should also be sought on development potential where required.

In disposing of exchequer funded assets, the College must follow the guidance contained within the SPFM and the relevant procedure notes issued by the SFC website.

#### **21.9 Impairments, Provisions and Write-Offs**

Assets must be recorded in the Balance Sheet at Depreciated Replacement Cost for Land and Buildings and at Historic Cost less depreciation for Equipment in accordance with the Financial Reporting Manual (FRM). Where an asset, including investments, suffers impairment, it is important that the prospective impairment and background is communicated to the SFC at the earliest possible point in the financial year to determine the budget implications. Any significant movement in existing provisions or the creation of new provisions must be discussed with the SFC.

#### **21.10 All Other Assets**

Managers are responsible for establishing adequate arrangements for the custody and control of all other assets owned by the College, whether tangible, such as stock, or intangible, such as intellectual property, including electronic data.

## **22 Funds Held on Trust**

### **22.1 Gifts, Benefactions and Donations**

The Director of ~~Finance and Estates~~Finance is responsible for maintaining financial records in respect of gifts, benefactions and donations made to the College and initiating claims for recovery of tax where appropriate.

### **22.2 Student Support Funds**

The Director of ~~Finance and Estates~~Finance will prescribe the format for recording the use of student support funds. Records of support funds will be maintained according to funding body requirements. The College must follow SFC's Student Support Guidance.

## 23 Other

### 23.1 Maladministration

The College has a set of clear standards and an accessible complaints procedure which can be found at <https://www.westcollegescotland.ac.uk/college/about-us/complaints/>. If

College services have been found to be deficient the College has a clearly defined procedure in place to ensure that, so far as reasonably practicable, the identified deficiencies are addressed to prevent recurrence.

Any payments of financial redress qualify as ex gratia payments and are therefore subject to the guidance on Losses and Special Payments. Any such payment will require to be authorised in advance by either the Principal or a Vice Principal. Payment on grounds other than actual financial loss or costs should only arise in exceptional circumstances.

### 23.2 Insurance

Insurance arrangements of all bodies to which the SPFM is applicable should be reviewed from time to time in the context of Risk Management. However, under the Scottish Ministerial policy of self-insurance constituent parts of the Scottish Administration and self-insuring SG sponsored bodies would be justified in taking out commercial insurance only in specified circumstances or if the cost of claims, including in-house and contracted-out administration costs, was calculated as likely to exceed the cost of insurance premiums. All the expected costs and benefits should be ~~taken into account~~considered in establishing a value for money case for commercial insurance. Detailed guidance on conducting a cost-benefit analysis is provided in the Green Book. In order to show that commercial insurance provides value for money the cost-benefit analysis must show a positive net benefit. Commercial insurance must be taken out by SG sponsored bodies where there is a legal requirement to do so. The Scottish Ministers have agreed a derogation whereby Colleges can extend their current commercial insurance arrangements for three years to 31 July 2021.

The Director of ~~Finance and Estates~~Finance is responsible for College insurance arrangements, including the provision of advice on the types of cover available. As part of the overall risk management strategy, all risks will have been considered and those most effectively dealt with by insurance cover will have been identified. This is likely to include

important potential liabilities and provide enough cover to meet any potential risk to all assets.

The Director of ~~Finance and Estates~~Finance is responsible for effecting insurance cover as determined by the Finance and General Purposes Committee. He or she is therefore responsible for obtaining quotes, negotiating claims and maintaining the necessary records. The Director of ~~Finance and Estates~~Finance will keep a register of all insurances effected by the College and the property and risks covered and will also liaise with College insurers and advisers about specific insurance matters.

Managers must ensure that any agreements negotiated within their departments with external bodies cover any legal liabilities to which the College may be exposed. The Director of ~~Finance and Estates~~Finance advice should be sought to ensure that this is the case. Directors and Managers must give prompt notification to the Director of ~~Finance and Estates~~Finance of any potential new risks and additional property and equipment that may require insurance and of any alterations affecting existing risks. Managers must advise the Director of ~~Finance and Estates~~Finance immediately of any event that may give rise to an insurance claim. The Director of ~~Finance and Estates~~Finance will notify the College's insurers and, if appropriate, prepare a claim in conjunction with the head of department for transmission to the insurers.

The Director of Finance and Estates~~Planning~~ is responsible for keeping suitable records of plant which is subject to inspection by an insurance company and for ensuring that inspection is carried out in the periods prescribed.

All staff using their own vehicles on behalf of the College shall maintain appropriate insurance in accordance with the requirements of the College Travel and Subsistence Procedure.

### **23.3 Companies and Joint Ventures**

In certain circumstances it may be advantageous to the College to establish a company or a joint venture to undertake services on behalf of the College. Any member of staff considering the use of a company or a joint venture should first seek the approval of the

Director of ~~Finance and Estates~~Finance who will consult and seek approval from the Board of Management. Approval from the SFC will also be required.

It is the responsibility of the Board of Management to establish the shareholding arrangements and appoint directors of companies wholly or partly owned by the College. These and other arrangements will be set out in a memorandum of understanding. The directors of companies where the College is ~~a the majority~~ shareholder must submit, via the Finance and General Purposes Committee, an annual report to the Board of Management. They will also submit business plans or budgets as requested to enable the Committee to assess the risk to the College.

Where the College is the majority shareholder in a company, the SFC requires that the company's financial year must be consistent with that of the College.

#### **23.4 Security**

Keys to safes or other similar containers are ~~to be retained securely~~always to be carried on the person of those responsible. The loss of such keys must be reported to the Director of ~~Finance and Estates~~Finance immediately.

The Director of Infrastructure shall be responsible for maintaining proper security and privacy of information held on the College's computer network. Appropriate levels of security will be provided, such as passwords for networked personal computers together with restricted physical access for network servers. Information relating to individuals held on computer will be subject to the provisions of the relevant data protection legislation. A College Data Protection Officer shall be nominated to ensure compliance with relevant ~~legislation and~~legislation and the safety of documents.

The Principal's Office is responsible for the safekeeping of official and legal documents relating to the College. The Principal's Office will make the necessary arrangements to ensure the safe keeping of such documents as copies of deeds, leases, agreements and contracts. All such official and legal documents shall be held in an appropriately secure location.

### **23.5 Contingent Commitments**

The College must seek SFC's prior written consent if it intends to lend or give a guarantee, indemnity or letter of comfort. The value of the guarantee should be equal to the total contingent liability over the term of the guarantee. In all cases, the College must take steps to restrict the contingent liability to a minimum and should undertake a careful appraisal of the risks before accepting any contingent liability.

The College should also provide assurance that, in the event of the contingent liability arising, it can be met from College resources, or that appropriate insurance cover has been arranged.

SFC written consent is not required for such arrangements if the indemnity is of a standard type contained in contracts and agreements for day-to-day procurement of goods and services in the normal course of business.

### **23.6 Students' Association**

The Students' Association is a separate legal entity from the College and is recognised as fulfilling a valuable role in supporting and representing the student community. Subject to any constraints imposed by the SFC, the Board of Management shall determine the level of grant to be paid annually to the Students' Association.

The Board of Management requires the Students' Association to provide for information including details of its' proposed budget to assist in determining the appropriate level of grant in accordance with an agreement between the College and the Students' Association. The College's internal / external -auditor shall have access to records, assets and personnel within the Students' Association in the same way as other areas of the College. At the year end the Students' Association financial statements will be independently examined by an appropriately qualified member of staff or firm of auditors and will be presented to the Board of Management for information.

The College will assist the Students' Association by maintaining its financial records and

assisting in preparing its annual financial report to the Board of Management.

### **23.7 Provision of Indemnities**

Any member of staff asked to give an indemnity, for whatever purpose, should consult the Director of ~~Finance and Estates~~Finance before any such indemnity is given.



## 24 Intellectual Property Rights and Patents

### 24.1 General

Certain activities undertaken including research and consultancy may give rise to ideas, designs and inventions which may be patentable. These are collectively known as intellectual property.

### 24.2 Patents

The Board of Management is responsible for establishing procedures to deal with any patents accruing from inventions and discoveries made by staff ~~in the course of~~during their research. ~~Initial guidance should be sought from the SFC should this situation arise.~~

### 24.3 Intellectual Property Rights

Intellectual Property is the product of thought, creativity, and intellectual effort. ~~In the course of~~During their studies at the College, students may generate Intellectual Property which is of some commercial value. A variety of legal rights protect applications of ideas and information that may be of commercial value. Those most relevant to the College's activities include patents, registered designs, copyright and 'know how'. The law is clear that intellectual property created by staff 'in the course of their employment' belongs to the College. Students are not normally employees of the College. Any assignment of student Intellectual Property must be done by a specific contract. Colleges must seek to strike a balance between a duty of care to the student and a duty not to exploit (e.g. sell, transfer, assign or license) Intellectual Property for the College's good, this balance being best achieved by selective assignment arising out of a specific contract in cases where the College's input in the creation of the Intellectual Property is very clear.

In the event of the College deciding to become involved in the commercial exploitation of inventions and research, guidance should be sought from the College legal advisors. The Director of ~~Finance and Estates~~Finance requires to authorise any agreement between the College and the students concerned.

#### **24.4 Intellectual Property Rights by Students**

Where a student generates Intellectual Property, the student has a duty to promptly inform the College of the Intellectual Property. The College will explain to the Student the matter of ownership in respect of all types of Intellectual Property through the development of appropriate documentation. When considering any Intellectual Property generated by one of its students, the College will seek to strike a balance between fulfilling its duty of care to the student and exploiting intellectual property for the good of the College. In each case the College will be mindful of protecting any third-party rights that may be relevant in the generation of the Intellectual Property.

## **Appendix 1: The Seven Principles of Public Life**

### **Selflessness**

Holders of public office should take decisions solely in terms of public interest. They should not do so in order to gain financial or other material benefits for themselves, their family, or their friends.

### **Integrity**

Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.

### **Objectivity**

In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

### **Accountability**

Holder of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

### **Openness**

Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

### **Honesty**

Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

### **Leadership**

Holders of public office should promote and support these principles by leadership and example.

## **Appendix 2: Summary of Protocols for Proposed Projects**

The proposal should be supported by a plan for a period relevant to the size of the project which sets out:

- a demonstration of the proposal's consistency with the strategic plans approved by the Board of Management and with the College's powers under current legislation
- details of the market need and the assumptions (based on reference data) of the level of business available
- details of the business and what product or service will be delivered
- an outline plan for promoting the business to the identified market and achieving planned levels of business
- details of the staff required to deliver, promote and manage the business, together with any re-skilling or recruitment issues
- details of any premises and other resources required
- a financial evaluation of the proposal together with its impact on revenue and surplus, plus advice on the impact of possible alternative plans and sensitivity analyses in respect of key assumptions
- contingency plans for managing adverse sensitivities
- consideration of taxation and other legislative or regulatory issues
- a financial forecast for the proposal including a monthly cash flow forecast and details of the impact on the College cash flow forecast for the financial years in question.

**Name of policy/procedure/decision:**

Financial Regulations

**Provide a brief summary of the aims of the policy/procedure/decision and main activities:**

The overall aim of this Policy is to ensure that West College Scotland has sound financial management systems in place and that these systems are strictly adhered to. This should lead to effective control over the totality of the College's resources and provide management with assurances that the resources are being properly applied for the achievement of the College's strategic plan and business objectives, namely:

- financial viability
- achieving value for money
- fulfilling its responsibility for the provision of effective financial controls over the use of public funds
- ensuring that the College complies with all relevant legislation
- safeguarding the assets of the College.

**Assessed By:**

Clare Fraser

**Date:** 13 September 2018

**This stage establishes whether a policy, procedure or decision will have a differential impact from an equality perspective on people who share protected characteristics or whether it is "equality neutral" (i.e. have no effect either positive or negative).**

**The protected characteristics are: age, disability, gender reassignment, pregnancy or maternity, race, religion or belief, sex and sexual orientation.**

**1. Who will benefit from this (students/staff/stakeholders)? Is there likely to be a positive impact on people who share protected characteristics, and if so, how? Or is it clear at this stage that it will be equality “neutral”? i.e. will not have a differential impact on any equality group/s?**

Ultimately all stakeholders – students, staff, partners and the general public will benefit from these Regulations given that they provide for good financial management and proper use of public funds. It is not anticipated that there will be any differential positive impact, that is, each group should benefit equally.

**2. Is there likely to be an adverse impact on people who share protected characteristics? If so, who may be affected and why? Or is it clear at this stage that it will be equality “neutral”? There is little likelihood that this Policy will have an adverse impact on people who share protected characteristics. In fact, the policy itself could advance equality and prevent discrimination due to the fact that it focuses on robust and transparent systems and processes. Such transparency and openness could reduce the risk of unfairness.**

It is also noted that the policy refers to ethical standards which are synonymous with good practice in equality, diversity and inclusion. Additionally, given that the nine Principles of Public Life include specific reference to integrity, objectivity, openness, and respect, and the fact that equal opportunity arrangements are a characteristic of Best Value, there is evidence that this Policy mainstreams good practice in equality.

Finally, this Policy sets out responsibility for ensuring that the College complies with legislation, which includes the Equality Act 2015 and the Specific Equality Duties. This should also reduce the risk of unfairness or discrimination taking place.

**3. What action will you take to ensure that you are monitoring the impact of this policy?**

Any complaints about the implementation of this Policy will be monitored, and we will also review monitoring information relevant to each of the separate activities/areas referred to within this Policy.



**TITLE: AUDIT COMMITTEE**

**Draft Minutes of the meeting held on Thursday 3 September 2020**

**Action:** The draft Audit Committee minutes from the meeting held on Thursday 3 September 2020 are attached for information. These will be formally approved at the next Audit Committee meeting scheduled for 3 December 2020.

The Committee Chair, John McMillan will lead the Board through key matters discussed at the meeting and the Board is asked to note:

- ❖ AM517 - Noted that further information in relation to the 2020-21 ROA process and refocused sector commitments and activity was required to be provided by the SFC, and that further updates on this matter would be provided to the Committee and Board of Management on these matters. Should the further information to follow from the SFC regarding the 2020-21 ROA process require a revision of processes, then this would be able to be considered by the Committee at a future meeting.
- ❖ AM518 - Approved the content of the draft Annual Report from the Audit Committee to the Board of Management.
- ❖ AM524 - Reviewed and considered the Draft Accountability Report - Corporate Governance in advance of the final annual report and accounts being presented to the Joint Audit and Finance & General Purposes Committee in November 2020.

**Lead:** John McMillan, Chair, Audit Committee

**Status:** Open



## **AUDIT COMMITTEE**

**MINUTES:** Thursday 3 September 2020.

**PRESENT:** John McMillan (in the Chair), Wai Wong, Andrew Hetherington, Graeme Bold.

**ATTENDING:** Liz Connolly (Principal), David Alexander (Vice Principal Operations), Alan Ritchie (Director of Finance), Shirley Gordon (Secretary to the Committee), Martin Joyce (Director of Infrastructure).

**ATTENDING BY** Suzie Graham (Mazars), Joanne Buchanan (Mazars)  
Stephen Pringle (Wylie & Bisset)

**INVITATION:**

**APOLOGIES:** None received.

### **AM511 WELCOME AND APOLOGIES**

The Chair welcomed everyone to the meeting and introduced Martin Joyce the newly appointed Director of Infrastructure who was in attendance as an observer as part of his induction.

No apologies were intimated.

### **AM512 DECLARATIONS OF INTERESTS**

- John McMillan and Liz Connolly - Trustees of West College Scotland Foundation.
- David Alexander - Board member of the Scottish Funding Council and Chair of the Scottish Funding Council Audit and Compliance Committee.

### **AM513 MINUTES**

The minutes of the meeting held on Thursday 21 May 2020 **were approved.**

### **AM514 ACTIONS FROM THE MINUTES**

The Committee **noted** the actions taken and outstanding since the last meeting.

### **AM515 MATTERS ARISING FROM THE MINUTES (AND NOT OTHERWISE ON THE AGENDA)**

The following matters arising were raised:

- Audit and Assurance Update – Mr Ritchie reported that the internal auditors were currently conducting a review of assurance mapping and this would be reported in further detail at the November meeting. So far, good progress had been made with the new format of the assurance map being simplified and linked with the College corporate plan and risk strategy to provide a rounded approach.
- Value for Money Report – Mr Ritchie reported that this would be presented to the Committee at its November meeting for review prior to being considered by the Board in December.

**The Committee noted the matters arising.**

**AM516 COMMITTEE MEMBERSHIP, REMIT AND MEETING DATES**

The Secretary asked the Committee to consider and approve the Audit Committee remit, current membership and 2020/21 meeting dates.

**The Committee approved its remit, membership and 2020/21 meeting dates.**

**AM517 MONITORING OF REGIONAL OUTCOME AGREEMENT**

The Vice Principal Operations explained that the Board of Management had agreed that each Committee should monitor progress on areas of the Regional Outcome Agreement (ROA) for which it had responsibility and provide a report to the Board of Management at the end of the academic year.

The Vice Principal Operations reported that the College ROA (to cover the period 2020-21) was finalised following the SFC 2020-21 final funding announcement on 9 June 2020. The annual process that had operated, in prior years to date, would then have seen formal agreement of the ROA reached with the SFC by 31 July 2020. The College received correspondence, however, from the SFC on 29 May 2020 and Mr Alexander summarised the detail and implications of that which ultimately concluded that the SFC would not ask governing bodies (College Boards and University Courts) to sign off the AY2020-21 Outcome Agreements in the usual way, would not publish the AY2020-21 Outcome Agreements on its website and would attach the allocation of core funding in AY2020-21 to refocused sector commitments and activity which would provide them with reassurance on use of designated funding.

Given this, Mr Alexander explained that the College awaited SFC confirmation of the refocused sector commitments and activity. For now, the College was, therefore, proceeding on the basis that the key outcomes previously detailed within the final draft 2020-21 would remain and required to be delivered. It was not expected that any changes in funding would arise as a result of the SFC correspondence of 29 May 2020 and further updates would be provided to the Committee and Board at future meetings.

Mr Alexander offered assurance that engagement with all College partners had continued throughout all stages of the pandemic. In terms of ensuring outcomes were achieved, he explained that, although the delivery format of some College courses may change going forward, the College process for the measurement of outcomes would remain consistent to that in previous years.

In relation to the Programme for Government announced by the First Minister on 1 September 2020 for the coming parliamentary year, the Principal alluded to the commitments / investment for the sector and confirmed that work continued with the SFC and SDS to explore opportunities for economic recovery which may help inform how any funding was allocated.

**The Audit Committee:**

- **Noted the background information provided in relation to the ROA process.**
- **Noted the key objectives of the West College Scotland Regional Outcome Agreement; which covered the period to 31 July 2021.**
- **Noted that further information in relation to the 2020-21 ROA process and refocused sector commitments and activity required to be provided by the SFC, and that further updates on this matter would be provided to the Committee and Board of Management on these matters.**
- **Considered and agreed that the required processes were in place to enable Audit Committee monitoring of required 2020-21 ROA outcomes and to**

**support provision of the required report to the Board of Management. In agreeing that it was also noted that, should the further information to follow from the SFC regarding the 2020-21 ROA process require a revision of these processes, then this would be able to be considered by the Committee at a future meeting.**

**AM518 DRAFT 2019-20 ANNUAL REPORT FROM THE COMMITTEE TO THE BOARD**

The Chair of the Audit Committee detailed the work carried out by the Audit Committee during the period 1 August 2019 to 31 July 2020 and explained that the Annual Report was a requirement of both the Scottish Funding Council (SFC) Financial Memorandum and the Scottish Public Finance Manual and the report complied with the requirements of these documents.

The Chair led the Committee through the report and noted that, despite the governance and operational challenges faced by the College, the 2019-20 schedule of Committee business was completed within the year.

**The Audit Committee approved the content of the draft Annual Report from the Audit Committee to the Board of Management.**

**AM519 FRAUD UPDATE REPORT (RESTRICTED)**

[REDACTED]

[REDACTED]

[REDACTED]

**AM520 INTERNAL AUDIT ANNUAL PLAN 2020-21 UPDATE**

Stephen Pringle, Senior Manager, Wylie & Bisset, provided an update on 2020-21 planned internal audit activity for the year based on the areas of review agreed by the Audit Committee in May 2020, including:

- Agreed timings of the approved internal audit assignments;
- Dates that the Committee can expect to receive the internal audit reports; and
- Agreed timings for other year end audit work to be undertaken.

Mr Pringle explained that a detailed assignment plan would be prepared for each audit undertaken, setting out the scope and objectives of the work, allocating resources and establishing target dates for the completion of the work. Each assignment plan would be agreed and signed off by an appropriate sponsor from the College.

**The Audit Committee noted the contents of this report.**

**AM521 ROLLING AUDIT ACTION PLAN**

The Director of Finance explained that the purpose of the Rolling Audit Action Plan (RAAP) was to update the Audit Committee on the status of the recommendations made by both the internal and external auditors arising from:

- a) Internal audit reports received and approved by the Committee.
- b) External auditor management letter recommendations received as part of the year end reports made to the Joint Audit / Finance and General Purposes Committee.

The Director of Finance led the Committee through the report, summarising the movement in relation to audit recommendations made since the last meeting and confirmed that the RAAP was reviewed by relevant staff on a continual basis. The College considered good progress was being made addressing the recommendations made by both internal and external auditors.

In recognising the progress made, the Committee extended its thanks to Mr Ritchie and his team for their endeavours under difficult and unprecedented circumstances.

**The Audit Committee approved:**

- a) An extension of time for 1 recommendation.**
- b) The removal of 2 completed recommendations.**
- c) The Rolling Audit Action Plan.**

**AM522 EXTERNAL AUDIT PROGRESS UPDATE**

Joanne Buchanan, Audit Senior Manager, Mazars, provided a report on the progress made by Mazars in delivering their responsibilities as the College's external auditors. She also highlighted key emerging national issues and developments of interest to members of the Committee.

Ms Buchanan reported that the pandemic had resulted in significant disruption for public bodies (and their capacity for financial reporting) and to auditors of the public sector. Due to this, the Auditor General for Scotland and the Accounts Commission for Scotland intended to extend the current audit appointments by one year in the first instance. This was in line with provisions in the current contracts that allowed for extensions of up to two years. These appointments were for the audit of public bodies for the financial years of 2016/17 to 2020/21 inclusive. The intended extension would be through to the audit of the 2021/22 year. The Auditor General would confirm both the extension and the time period in Autumn 2020.

Ms Buchanan summarised key audit stages adding that overall, work was on track and there were no significant issues arising. She remained cognisant of the potential impact of the pandemic and would flex the timetable with the College, as appropriate, if required.

She outlined audit progress since the issue of the Audit Strategy Memorandum in May 2020 explaining that the final audit fieldwork was due to begin on 14 September 2020. She would work in line with Government guidelines in force at the time of the audit fieldwork, and this may mean that onsite working was limited. Where fieldwork was primarily undertaken remotely, she would facilitate this by setting up secure online portals for sharing information. This ensured easier tracking of information provided and was accessible to all members of the audit and finance team.

Detailed arrangements would be discussed and made with the finance team in the coming weeks to ensure the audit was as efficient as possible. Ms Buchanan would report to the Joint Audit and Finance & General Purposes Committee on 24 November 2020 with the Annual Audit Report and draft opinion on the financial statements. The accounts were due to be approved by the West College Scotland Board on 14 December 2020.

The Committee welcomed the update on national publications and, in particular, the key points from the SFC briefing note exploring the impact of Covid-19 on the further and higher education sector and outlining what was being done to help.

**The Committee noted the content of the report.**

**AM523 2019-20 ACCOUNTS DIRECTION FOR SCOTLAND'S COLLEGES**

The Director of Finance reported that the SFC issued mandatory guidance for the preparation of the annual report and accounts each year. He provided the Committee with an overview of the detailed requirements for the 2019-20 financial year.

The Director of Finance set out the requirements for the preparation of the annual report and accounts the deadline of which was 31 December 2020. Two copies of the College annual report and accounts also required to be sent to the Auditor General for Scotland by 31 December 2020. The College was complying with the requirement for the reporting year to 31 July 2020 and Mr Ritchie highlighted key points arising from the 2019-20 SFC Accounts Direction and Guidance notes.

**The Audit Committee noted the content of the report.**

**AM524 DRAFT ACCOUNTABILITY REPORT - CORPORATE GOVERNANCE**

The Director of Finance presented the draft Accountability Report section for review by the Audit Committee in advance of the finalisation of the annual report and accounts. The format of the report was based upon Accounts Direction issued by the Scottish Funding Council (SFC) which was discussed earlier.

The Director of Finance led the Committee through the detail of both sections of the report:

- Corporate Governance - which explained the composition and organisation of the College's governance structures and how they supported the achievement of College objectives.
- Remuneration and Staff - required to include within the annual report and accounts in accordance with the FReM. The College had followed the example remuneration report as per the SFC Accounts Directions.

The Committee recalled that the responsibility for providing advice to the Board on the College's accounting policies now lay with the Finance and General Purposes Committee and that its remit had been adjusted to reflect that. It was agreed that this amendment be noted on Page 30 of the report which summarised the role of the Finance and General Purposes Committee. **{ACTION - AR}**

Mr Ritchie confirmed that the Board had a reasonable expectation that the College had adequate resources to continue in operational existence for the foreseeable future. For that reason, it continued to adopt the going concern basis in preparing the Financial Statements. Mr Ritchie agreed to add further detail to the "going concern" section of the Report following further advice issued by Colleges

Scotland. Similarly, he would update the text relating to financial covenants prior to the report being finalised by the Committee at its November meeting.

**{ACTION – AR}**

**The Audit Committee reviewed and considered the draft report in advance of the final annual report and accounts being presented to the Joint Audit and Finance & General Purposes Committee in November 2020.**

**AM525 RISK MANAGEMENT STRATEGY AND STRATEGIC RISK REGISTER**

The Director of Finance reported that, in accordance with the Corporate Governance Code, the College Board of Management was tasked with ensuring a framework of risk management and control was in place. He provided:

- An update on the actions taken by the College to develop the College Risk Management Strategy;
- The next steps in the development of the College Risk Management Strategy.
- The current College Strategic Risk Register for the consideration of the Audit Committee.

The Director of Finance explained that the Board of Management approved the current version of the risk register at its meeting in June 2020. Since that meeting, the Senior Management Team (SMT) had continued to carry out a review of the College Strategic Risk Register. The mitigating controls had been updated to take account of items such as the ongoing interactions with the SFC, the outcomes of internal / external audit reports and any Scottish Government / Scottish Funding Council (SFC) announcements.

Mr Richie led the Committee through the current version of the College Strategic Risk Register explaining that it was proposed to amend the format of the current Register so that a revised layout captured and presented the content in a user-friendly way. He provided an exemplar of the proposed revised format and summarised the primary changes. The Committee agreed that the revised format was a significant improvement in terms of structure, layout and overall accessibility.

Mr Richie agreed to reflect the Committee's suggested inclusions in the next iteration of the Register with the addition of proximity added to the risks (immediate, medium / long term etc), risk trends (preferably quarterly to provide some visibility around any movements) and some textual detail / commentary around work that had been undertaken locally by the College as well as sector / UK-wide to address the ramifications of Covid-19.

**{ACTION – AR}**

The Committee agreed that the Strategy and Register provided reassurance that good robust plans / controls / mitigations were in place especially in such exceptional circumstances when the College's ability to influence some of these areas was limited.

**The Audit Committee:**

- **Noted the update on the actions taken to embed risk across the College;**
- **Considered and approved a revised format for the Risk Register report;**
- **Approved the next steps in the development of the College Risk Management Strategy; and**
- **Reviewed and approved the current Strategic Risk Register and in doing so considered:**
  - o **The risks included in the register;**
  - o **The revised risk rating both pre and post mitigation;**

- o Whether any other risks should be considered for removal; and
- o Whether any new risks should be considered for inclusion.

**AM526 ANNUAL REPORT ON PUBLIC INTEREST DISCLOSURE FREEDOM OF INFORMATION AND DATA PROTECTION ACT REQUESTS; REGISTER OF INTERESTS; AND HOSPITALITY/GIFTS REGISTER**

The Director of Finance reported that the remit of the Committee required it to receive an annual report on:

- a) Public Interest Disclosure;
- b) Freedom of Information and Data Protection Acts requests;
- c) Register of Interests; and
- d) Gifts and Hospitality registers

Mr Ritchie detailed an update regarding each of the above areas.

**The Audit Committee noted the 2019-20 report.**

**AM527 SCHEDULE OF BUSINESS 2020-21**

The Director of Finance outlined the remit of the Audit Committee and how the schedule of business assisted in fulfilling this. The schedule of business was also used to inform the Annual Report of the Chair of the Audit Committee to the Board of Management.

**The Committee noted the 2020-21 Schedule of Business.**

**AM528 ANY OTHER BUSINESS**

- Date of Next meeting - Thursday 3 December 2020.
- The Principal provided an update on the College handling of the pandemic including moving to remote working, working in lockdown, mobilisation for Academic Year 2020-21, Curriculum Planning and student recruitment and supporting College communities. The College newsletter 'Homeworking Times' had been an excellent communication tool for staff and the Principal agreed to circulate recent editions to Co-opted members for their information.

**{ACTION – SECRETARY}**

**TITLE: HRCD COMMITTEE**

**Draft Minutes of the meeting held on Tuesday 15 September 2020**

**Action:** The draft HRCD Committee minutes from the meeting held on Tuesday 15 September 2020 are attached for information. These will be formally approved at the next Committee meeting scheduled for Wednesday 4 November 2020.

The Committee Chair, Mark Newlands will lead the Board through key matters discussed at the meetings and the Board is asked to note:

- ❖ CDM257 – Alternative Income Report - The Chair thanked the Assistant Principal: Enterprise and Skills for the insightful and detailed update. The Committee welcomed the efforts of the College to best place itself to help support partner organisations, stakeholders and local communities now and in the future whilst operating within its own challenging position. The Committee noted the report and approved the income target subject to the College FWDF award being known.
- ❖ CDM259 – Internal Audit Report – CPD - The Committee noted the Audit Report and recommendations on areas for improvement.
- ❖ CDM260 – Update on Mobilisation Group - The Chair commended the extensive work of the Group recognising the balance with members continuing their “day jobs”. The Principal confirmed that all measures for reopening were compliant with Scottish Government Guidance and messaging to staff and students was issued on a daily basis to reinforce adherence. She also alluded to the ongoing provision of mental health support services to staff and students that would continue to be made available.
- ❖ CDM261 – Multi-Generation Workforce Strategy - The Committee agreed that the Multi-Generational Workforce Strategy be considered in greater detail at a future meeting.
- ❖ CDM262 – Risk Strategy and Register - The Committee noted the report and agreed that no amendments were required at this time in relation to the activities within its remit.
- ❖ CDM256 - General review of the Committee since the merger of the CDC and ODHRC – The Committee discussed its operation since the merger of the Corporate Development Committee and Organisational Development and HR Committee in January 2020. It was agreed that, although the new Committee had 2 distinct areas of responsibility (HR



and corporate development) it was working well as members' knowledge and understanding of key issues grew. The Chair agreed that it was crucial to champion both areas at Board meetings to ensure a well-rounded understanding of corporate endeavours and exposure of the dual developments and activities and suggested HR expertise being considered in future Board member recruitment.

**Lead:** Mark Newlands, Chair, HRCD Committee

**Status:** Open

## **HR and CORPORATE DEVELOPMENT COMMITTEE**

**MINUTES:** TUESDAY 15 SEPTEMBER 2020 at 4.00 p.m. via Teams

**MEMBERS:** Mark Newlands (in the Chair), Jim Hannigan, Linda Johnston, Liz Connolly, Sabira Akram.

**IN ATTENDANCE:** Stephanie Graham (Vice Principal Educational Leadership), Sara Rae (Assistant Principal, Enterprise and Skills), David Gunn (Director Organisational Development and HR), Waiyin Hatton (Chair of the Board), Shirley Gordon (Secretary to the Committee), Fiona McLaren (Marketing and PR Executive), Martin Joyce (Director of Infrastructure).

**APOLOGIES:** David Mark (co-opted member)

### **CDM254 DECLARATIONS OF INTERESTS**

The following declarations of interest were recorded and noted:

- Liz Connolly: Trustees of the West College Scotland Foundation.
- Jim Hannigan: Skills Development Scotland.
- Sabira Akram: Scottish Qualifications Authority.
- Waiyin Hatton: Wai Beyond, People and organisational development consultancy; Harvey McMillan, People and organisational development consultancy; Action Against Stalking; Ayrshire Sportsability; Scottish Chamber of Commerce.

### **CDM255 MINUTES**

The Chair welcomed everyone to the meeting being held via Teams and introduced Martin Joyce the newly appointed Director of Infrastructure who was in attendance as an observer as part of his induction and Fiona McLaren in attendance to present an update on the College social media activity.

The minutes of the meeting held on Tuesday 5 May 2020 **were approved.**

The actions from the minutes **were noted.**

### **CDM256 MATTERS ARISING FROM THE MINUTES (NOT OTHERWISE ON THE AGENDA)**

There were no other matters arising from the minutes not otherwise on the agenda to be considered.

### **CDM257 ALTERNATIVE INCOME REPORT**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

## **CDM258 SOCIAL MEDIA ACTIVITY**

The Chair, on behalf of the Committee, extended his condolences on the passing of Diarmid O'Hara, Director of Communications and Policy. Diarmid would be missed hugely by the College community.

The Marketing and PR Executive described how the Directorate managed the College's social media platforms which included Facebook, Twitter, Instagram and LinkedIn. Ms McLaren led the Committee through a summary of efforts that had been made over the last 12 months to adapt content / language in relation to each platform making it more conversational, reducing text and introducing more video content to increase awareness reach.

Facebook, Instagram and Twitter were used for paid advertising promotions and the College had a healthy following on each channel with the Executives endeavouring to build a social dialogue on a wider level with partners and College stakeholders. In January 2020, an amendment was made to the Social Media Policy which aimed to provide managers and individual employees with information concerning the use of, or the development of, any social media application, and to help them get the best out of the tools available whilst maintaining a safe professional environment and protecting themselves, as well as the College.

The Committee welcomed the approach being taken by the team in ensuring content was engaging and relatable in recognition of the huge influence social media had on students and commercial customers. The Principal acknowledged that, from October 2019 to March 2020, the team had a Creative Industries: Foundation Apprentice placement who assisted with social media video footage and that had been a great resource. Options for similar support, be it via an apprenticeship or a student intern would be explored going forward.

**The Committee noted the report.**

#### **CDM259 INTERNAL AUDIT REPORT – CPD - (AT THE REQUEST OF THE AUDIT COMMITTEE)**

The Director Organisational Development and HR explained that, in accordance with the 2019/20 Internal Audit Plan, Scott Moncrieff had conducted a review of the processes in place for staff continuing professional development, including annual objective setting and assessment, development planning and reporting of CPD implementation.

Mr Gunn led the Committee through the report which concluded that *“West College Scotland has continuing professional development (CPD) and staff induction processes in place that comply with national guidance, reflect best practice in many areas and are recognised by the General Teaching Council for Scotland”*.

Mr Gunn summarised several areas of good practice identified as well as areas for improvement. The College had accepted the recommendations and initiated the management actions noted in the report to address the issues identified. The recommendations had been added to the Rolling Audit Action Plan for monitoring purposes and Mr Gunn led the Committee through a summary of actions taken to date to address the recommendations within the four control objectives highlighting the required timescales.

**The Committee noted the Audit Report and recommendations on areas for improvement.**

#### **CDM260 UPDATE ON MOBILISATION GROUP**

The Director Organisational Development and HR explained that like all colleges and universities, the College closed its campuses in March in response to the unfolding Coronavirus pandemic. Since then, staff and students had been undertaking work and learning remotely. The College established a Mobilisation Group chaired by him which met remotely on a weekly basis to prepare for the phased return of staff and students in the new academic year and he provided an update on this important work.

Mr Gunn highlighted that reopening campuses to both students and staff in the safest way possible and delivering first-class education and training was of paramount importance to the College. The work of the Mobilisation Group was underpinned by three clearly defined aims, which were to ensure that the College had: the fewest possible people on campus at any one time; the safest possible environment for those on campuses; and the best possible learning and working experience for staff and students in the new academic year.

The Principal summarised the membership of the Mobilisation Group and the significant input from a range of staff, trade union representatives and the President of the Student Association.

The Board Chair commended the extensive work of the Group recognising the balance with members continuing their “day jobs”. In response to her question, the Principal confirmed that all measures for reopening were compliant with Scottish Government Guidance and messaging to staff and students was issued on a daily basis to reinforce adherence. She also alluded to the ongoing provision of mental health support services to staff and students that would continue to be made available.

Mr Gunn outlined data that was being captured regarding any positive Covid-19 test results amongst either staff or students and explained this was presented to the Senior Management Team. He agreed to bring a summary of that to the November meeting of the Committee. **{ACTION – DG}**

**The Committee noted the report.**

#### **CDM261 MULTI-GENERATIONAL WORKFORCE STRATEGY**

The Director Organisational Development and HR explained the Committee was of the view, at the previous meeting, that the draft Strategy read as if two strategies had been “bolted on” and would benefit from a more holistic approach describing what it hoped to achieve and by when.

With this in mind, Mr Gunn had added some contextual detail to the draft but had not had an opportunity to prepare an action plan because of his involvement in Chairing the Mobilisation Group meetings on a weekly basis since June 2020. His recommendation was that the draft Strategy be held in abeyance and taken back to the Committee with an updated People Strategy and Workforce Plan to reflect the impact of Covid-19.

The Committee noted that this represented work-in-progress and would be added to the Action List to return at a future date. **{ACTION – DG}**

**The Committee agreed that the Multi-Generational Workforce Strategy be considered in greater detail at a future meeting.**

#### **CDM262 RISK STRATEGY AND REGISTER**

The Chair reported that the Committee considered risk in relation to the activities within its remit. Risk was considered by the Board and all the Board Committees at each of the meetings. This meant that emerging risks were quickly identified, and mitigating actions agreed. In relation to the risks pertinent to its remit, the Committee must be confident that these have been identified and mitigating actions agreed.

Mr Newlands presented the College Strategic Risk Register for consideration and provided an update on the actions taken by the College to embed risk management across the organisation. The latest update of the Strategic Risk

Register was considered by the Audit Committee at its meeting held on Thursday 3 September 2020 and a copy of that was noted.

The current version of the College Strategic Risk Register was provided for consideration and it was proposed to amend the format of the current College Strategic Risk Register report so that a revised layout captured and presented the content in a user-friendly way. The Principal led the Committee through the proposed revised format of the Risk Register report describing the primary changes and the Committee agreed that the revised format was a significant improvement in terms of structure, layout and overall accessibility.

**The Committee noted the report and agreed that no amendments were required at this time in relation to the activities within its remit.**

#### **CDM263 REPORTS FROM SUB COMMITTEES**

Minutes from the meetings of the Sub-Committees were attached for the Committee's consideration including:

**LJCNC Lecturing:** 22 January 2020, 5 March 2020, 6 May 2020.

**LJCNC Support:** 22 January 2020, 5 March 2020, 6 May 2020.

**EDI:** 14 May 2020.

**Health & Safety:** 20 May 2020.

**The Committee noted the 8 sets of minutes.**

#### **CDM264 COMMITTEE REMIT, MEMBERSHIP AND DATES OF MEETINGS**

The Committee was asked to note and approve its remit, current membership list and 2020/21 proposed meeting dates.

**The Committee approved its remit, membership and 2020/21 meeting dates.**

#### **CDM265 ANY OTHER BUSINESS**

- General review of the Committee since the merger of the CDC and ODHRC – the Director Organisational Development and HR explained that, due to his pending retirement on 30 November 2020, and with the agreement of the Chair, he was providing his own professional views on the remit of the Committee which was seen as temporary pending a future review.

The Committee discussed its operation since the merger of the Corporate Development Committee and Organisational Development and HR Committee in January 2020. It was agreed that, although the new Committee had 2 distinct areas of responsibility (HR and corporate development) it was working well as members' knowledge and understanding of key issues grew. The Chair agreed that it was crucial to champion both areas at Board meetings to ensure a well-rounded understanding of corporate endeavours and exposure of the dual developments and activities and suggested HR expertise being considered in future Board member recruitment.

- Date of next meeting: Wednesday 4 November 2020 – 4 till 6pm – Location tbc.



**TITLE: NOMINATIONS COMMITTEE**

**Draft Minutes of the meeting held on Tuesday 23 June 2020**

**Action:** The draft Nominations Committee minutes from the meeting held on Tuesday 23 June 2020 are attached for information. These will be formally approved at the next Committee meeting.

The Committee Chair, Waiyin Hatton will lead the Board through key matters discussed at the meeting and the Board is asked to note:

- ❖ NM110 - The Committee agreed to allow the Chair to have discussions with Linda Johnston and John Leburn regarding their periods of membership being extended for a further 4 years, i.e. from 1 January 2021 to 31 December 2024 if they so wished. The Chair has duly done this **and recommends to the Board that both re-appointments are approved allowing her to now write to Scottish Ministers to seek approval.**
- ❖ NM110 - The Committee agreed to **recommend to the Board for approval the approach and membership of a Selection Panel as follows to appoint 2 new Board members (to replace Andrew Hetherington and John McMillan):**
  - Waiyin Hatton, Chair of the Board and Chair of the Selection Panel.
  - Jacqueline Henry, Vice Chair of the Board.
  - Shirley Gordon, Secretary to the Board.
  - John McMillan, Senior Independent Member of the Board.
  - Willie MacKie, Chair of Ayrshire College - as the independent person – required in accordance with Paragraph 3.25 of the College Sector Board Appointments: 2014 Ministerial Guidance.
- ❖ NM111 – The Committee considered extending the period of appointment of Mark Hamilton, co-opted member of LTQ Committee, for 1 further year to 31 October 2021 and agreed that this be **recommended to the Board for approval.**
- ❖ NM114 - The Committee reviewed the current strategic risk register **and agreed to raise the following points at the next Board meeting:**
  - The risk register made mention of risks associated with staff and students throughout. Should consideration be given to adding Board / Board member / Committee / governance associated risks? This was especially relevant to business continuity.
  - Contingency plans for the Board Secretary role.

**Lead:** Waiyin Hatton, Chair, Nominations Committee  
**Status:** Open

## **WEST COLLEGE SCOTLAND NOMINATIONS COMMITTEE**

**MINUTE:** Tuesday 23 June 2020 via Skype

**Present:** Waiyin Hatton (in the Chair)  
Jim Hannigan, Steven Cairney, John McMillan, Mark Newlands, Vanessa Thompson.

**Attending:** Shirley Gordon, Secretary to the Committee.

**Apologies:** Jacqueline Henry, Nick Allan.

### **NM105 DECLARATION OF INTERESTS**

The following declarations of interest were recorded and **noted**:

- Waiyin Hatton: Wai Beyond, People and organisational development consultancy; Harvey McMillan, People and organisational development consultancy; Action Against Stalking; Ayrshire Sportsability; Scottish Chamber of Commerce.
- John McMillan: Trustee of the West College Scotland Foundation.
- Jim Hannigan: NMIS Project Manager, Skills Development Scotland.

### **NM106 MINUTES**

The minutes of the meeting held on 21 May 2019 were approved.

### **NM107 ACTIONS FROM THE MINUTES**

The Committee **noted** the actions taken since the last meeting.

### **NM108 MATTERS ARISING FROM THE MINUTES (AND NOT OTHERWISE ON THE AGENDA)**

There were no matters arising not already included in the agenda.

### **NM109 NOMINATIONS COMMITTEE - REMIT AND MEMBERSHIP**

The Committee **noted** its remit and membership and in particular that:

- David Watson's term on the Nominations Committee (1.04.18 – 31.03.20) had concluded and the staff member category would be represented by Steven Cairney for the period 1.04.20 – 31.03.22. The Chair welcomed Steven to his first meeting.
- Vanessa Thompson had been re-elected as the Students Association President so she would continue her membership for the period 1.08.20 – 31.07.21.

### **NM110 BOARD - MEMBERSHIP AND SUCCESSION PLANNING**

The Committee noted the current Board membership along with information on the period of appointment of each of the Board members.

Members discussed the Board membership and the upcoming vacancies. In looking to appoint two new Board members to those vacancies later in the year, the Committee was mindful of the importance of having due regard to diversity and equality and ensuring it had the required skills and expertise that it needed both now and in the future. The Chair echoed this view and assured members of that approach to the recruitment / appointment selection process.

**The Committee:**

- **Agreed to allow the Chair to have discussions with Linda Johnston and John Leburn as outlined. This would then allow the Chair to recommend to the Board, at its meeting scheduled for Monday 5 October 2020, that both Linda and John's period of membership may be extended for a further 4 years, i.e. from 1 January 2021 to 31 December 2024 if they so wished.** {ACTION – WH}
- **Agreed to recommend to the Board, at its next meeting scheduled for Monday 5 October 2020, the approach and membership for a Selection Panel as follows to appoint 2 new Board members (to replace Andrew Hetherington and John McMillan):**
  - ❖ Waiyin Hatton, Chair of the Board and Chair of the Selection Panel.
  - ❖ Jacqueline Henry, Vice Chair of the Board.
  - ❖ Shirley Gordon, Secretary to the Board.
  - ❖ John McMillan, Senior Independent Member of the Board.
  - ❖ An independent person – required in accordance of Paragraph 3.25 of the College Sector Board Appointments: 2014 Ministerial Guidance. The Chair would consider this further and discuss within her college networks.{ACTION – WH}
- **Noted the continued Board membership of Vanessa Thompson until 31 July 2021 and Stefana Margarint as a new Students Association representative Board member until 31 July 2021.**
- **Noted that the Nominations Committee would require to make a recommendation to the Board on a new Senior Independent Member after 31 January 2021 when John McMillan left.**

**NM111 COMMITTEES - MEMBERSHIP AND SUCCESSION PLANNING**

The Committee noted the current membership and quorum requirements of the seven Board Committees along with information on the period of appointment of each of their members including the co-opted members.

Members discussed the need to ensure each Committee was populated with Board members (new and existing) who had the required skillset to drive forward the remit(s) as well as an area of interest in that field. It was particularly important to allow any new Board member time to settle into their Board and Committee membership role with induction to the wider college sector as well as WCS. That was especially the case, at the moment, when formal meetings were being held virtually.

With that in mind, the Committee recognised the membership gaps especially in the Audit and Estates Committees when two Board members demitted office on 31 January 2021. The Committee discussed the key role of both Committees and the potential advantage in having membership from an audit / financial / planning / risk background.

The Chair welcomed views from members on the filling of these upcoming Committee vacancies and confirmed that it was her intention to discuss this in greater detail with each Board member as well as each existing Committee Chair. That would assist in identifying any lateral moves that may be made to enhance the input and experience of Board members and their current Committee(s) portfolio and balance that with the needs of the Committees themselves.

**{ACTION – WH}**

The Chair added that new members / Chairs to Committees may also want an opportunity to attend meetings / shadow existing members / Chairs so that could be arranged beforehand to facilitate some hand-over. That approach was welcomed.

**The Committee:**

- **Noted the current membership of the 7 Committees, including that of the co-opted members;**
- **Considered extending the period of appointment of Mark Hamilton, co-opted member of LTQ Committee, for 1 further year to 31 October 2021 and agreed that this be recommended to the Board for approval at its meeting scheduled for Monday 5 October 2020.**
- **Noted that some changes would take place for the Board and its Committees at the end of January 2021. This, in particular, would impact the:**
  - ❖ **Audit Committee – A new Audit Committee Chair would require to be appointed as well as a new member(s).**
  - ❖ **Estates Committee – A new Estates Committee Vice Chair would require to be appointed as well as a new member.**
  - ❖ **Remuneration Committee – The new Audit Committee Chair would, become a member of the Remuneration Committee.**
  - ❖ **Nominations Committee - The new Audit Committee Chair would, become a member of the Nominations Committee.**

**NM112 ATTENDANCE AT BOARD AND COMMITTEE MEETINGS 2019/20**

The Committee **noted** the attendance data for the Board and Committee members in 2019/20.

**NM113 BOARD DEVELOPMENT ACTIVITIES REPORT 2019/20**

The Committee **noted** the report on the various development and training activities that Board members had attended during session 2019/20. In looking ahead to the next session, members agreed it would be useful to revisit the Board Development Action Plan 2019 to identify any outstanding actions for Board members / Committees to progress. The Chair reported that it was her intention to

hold a Board development session to regroup as a Board and discuss the new college landscape since the Covid 19 pandemic. **{ACTION – WH}**

#### **NM114 STRATEGIC RISK REGISTER**

The Committee considered risk in relation to the activities within its remit. It was acknowledged that risk was considered by the Board and the Board Committees at each of the meetings. That meant emerging risks were quickly identified and mitigating actions agreed. In relation to the risks that were pertinent to its remit, the Committee agreed to raise the following points at the next Board meeting scheduled for October 2020 to be confident that these had been considered and mitigating actions agreed:

- The risk register made mention of risks associated with staff and students throughout. Should consideration be given to adding Board / Board member / Committee / governance associated risks? This was especially relevant to business continuity.
- Contingency plans for the Board Secretary role.

**The Committee reviewed the current strategic risk register and agreed to raise the above points at the next Board meeting scheduled for October 2020.** **{ACTION - WH}**

#### **NM115 ANY OTHER BUSINESS**

- No other business items were raised.
- Date of next meeting:
  - ❖ Board Development session to be arranged as referenced at NM113 above.
  - ❖ Nominations Committee meeting to be arranged.

**TITLE:** BOARD MEMBERSHIP, PROPOSED SCHEDULE OF BUSINESS  
2020/21 AND DATES OF MEETINGS IN 2020/21

**Background:** The Board is asked to note:

1. **Current Board membership** – see Annex 1.
2. **Proposed Schedule of Business for 2020/21** – see Annex 2. This will be subject to review and adjustment in light of business coming forward but has been drafted based on the 2019/20 business cycle to give a guide.
3. **Dates of meetings in 2020/21** – see Annex 3. The dates of meetings of the Board and Committees is attached.

**Action:** The Board is asked to note the information.

**Lead:** Shirley Gordon, Secretary to the Board

**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**

Dr Waiyin Hatton

**Vice Chair**

Jacqueline Henry

**Principal**

Elizabeth Connolly (*ex officio*)

**Teaching staff – 1 elected**

David Watson

**Non-Teaching staff – 1 elected**

Steven Cairney

**Students Association (2)**

Vanessa Thompson

Stefana Margarint

**Non-Executive Members**

Nick Allan

Jim Hannigan

Andrew Hetherington

Jenifer Johnston

Linda Johnston

John Leburn

John McMillan

Mark Newlands

Angela Wilson

Sabira Akram

Fiona McKerrell

**In Attendance**

Stephanie Graham, Vice-Principal Educational Leadership

David Alexander, Vice-Principal Operations

Shirley Gordon, Secretary to the Board

**BOARD OF MANAGEMENT****PERIOD OF APPOINTMENT AND MEMBERSHIP OF COMMITTEES 2020/21**

<b>Name</b>	<b>Status</b>	<b>Period of appointment</b>	<b>Committee</b>
Dr Waiyin Hatton	Chair	3.03.2020 – 02.03.24	Chair of Board and Nominations. Member of Remuneration. <i>Ex officio</i> – A&IC, Finance & GP, LTQ HRCDC
Elizabeth Connolly	Principal	<i>Ex officio</i> 1.09.18	Board A&IC Finance & GP LTQ HR&CD
Nick Allan	Non-Executive	4 + 4 years 1.02.15 – 31.01.19 1.02.19 – 31.01.23	Board A&IC (Chair) Nominations Remuneration
Jim Hannigan	Non-Executive	3 + 4 years 1.02.15 – 31.01.18 1.02.18 – 31.01.22	Board Finance & GP (Chair) HR&CD (Vice-Chair) Nominations Remuneration
Jacqueline Henry	Non-Executive	3 + 4 years 1.02.15 – 31.01.18 1.02.18 – 31.01.22	Board Vice Chair from 1.1.17 LTQ (Chair) Nominations Remuneration
Andrew Hetherington	Non-Executive	2 + 4 years 1.02.15 – 31.01.17 1.02.17 – 31.01.21	Board Audit A&IC (Vice Chair)
Jenifer Johnston	Non-Executive	4 + 4 years 1.02.15 – 31.01.19 1.02.19 – 31.01.23	Board A&IC
Linda Johnston	Non-Executive	4 years 1.01.17 – 31.12.20	Board HR&CD
John Leburn	Non-Executive	4 years 1.01.17 – 31.12.20	Board Finance & GP
Fiona McKerrell	Non-Executive	4 years 1.12.19 – 30.11.23	Board LTQ
Sabira Akram	Non-Executive	4 years 1.12.19 – 30.11.23	Board HRCDC
John McMillan	Non-Executive	2 + 4 years 1.02.15 – 31.01.17	Board Audit (Chair)



		1.02.17 – 31.01.21	A&IC Nominations Remuneration
Mark Newlands	Non-Executive	4 +4 years 1.02.15 – 31.01.19 1.02.19 – 31.01.23	Board HR&CD (Chair) Remuneration (Chair) Nominations
Angela Wilson	Non-Executive	4 years 1.09.17 – 31.08.21	Board Finance & GP
David Watson	Teaching Staff	4 years 13.09.17 – 12.09.21	Board LTQ Nominations (1.04.18 – 31.03.20)
Steven Cairney	Support Staff	4 year 18.09.19 – 17.09.23	Board LTQ Nominations (1.04.20 – 31.03.22)
Vanessa Thompson	Student President	1 year 1.08.19 – 31.07.20 Re-elected - 1.08.20 – 31.07.21	Board LTQ Nominations
Stefana Margarint	Student rep	1 year 1.08.20 – 31.07.21	Board LTQ Nominations

**CO-OPTED MEMBERS PERIOD OF APPOINTMENT AND MEMBERSHIP OF COMMITTEES 2020/21**

Name	Status	Period of appointment	Committee
Ruth Binks	Co-opted	1 year 1.03.19 – 29.02.20 1.03.20 – 29.02.21	LTQ
Mark Hamilton	Co-opted	1 year 1.11.19 – 31.10.20	LTQ
Graeme Bold	Co-opted	1 year 1.07.17 – 30.06.19 1.07.19 – 30.06.20 1.07.20 – 30.06.21	Audit
Wai Wong	Co-opted	1 year 1.03.19 – 29.02.20 1.03.20 – 29.02.21	Audit
David Mark	Co-opted	1 year 1.03.19 – 29.02.20 1.03.20 – 29.02.21	HR&CD

## PROPOSED SCHEDULE OF BUSINESS 2020/21 - BOARD OF MANAGEMENT

This will be subject to review and adjusted in light of business coming forward but has been drafted based on previous business cycles to give a guide.

Date of meeting	Agenda items	Papers will be circulated
Monday 5 October 2020 Via Teams	<p><b>Standing Items of Business</b></p> <ul style="list-style-type: none"> <li>• Chair's Report.</li> <li>• Chief Executive's Report.</li> <li>• Students Association Report.</li> <li>• Strategic Risk Register.</li> <li>• Board of Management: <ul style="list-style-type: none"> <li>❖ Membership;</li> <li>❖ Dates of Meetings;</li> <li>❖ Proposed Schedule of Business 2020/21;</li> <li>❖ Any appointment matters to consider;</li> <li>❖ October Board agendas annually need to include the Articles, Scheme of Delegation and SOs to approve.</li> </ul> </li> <li>• Report on Delegated Action Taken since last meeting.</li> </ul> <p><b>Main Items of Business</b></p> <ul style="list-style-type: none"> <li>• Budget 2020/21 and 5-Year Financial Forecast <i>(was signed off at the July Board meeting and there is no specific paper required – assuming any points arising at the FGP meeting would be picked up through the update from the FGP meeting when the Chair presents the FGP minutes).</i></li> <li>• External Board Effectiveness Review – (carried out every 3 years – last done and submitted to February 2020 Board meeting. Next review due to be carried out by February 2023).</li> <li>• Staff Survey Outcomes – <i>removed – for Dec Board agenda instead.</i></li> </ul> <p><b>Committee Reports</b></p> <ul style="list-style-type: none"> <li>• Audit (September minute and any approval of policies).</li> <li>• Asset and Infrastructure (September minute).</li> <li>• Finance &amp; General Purposes (September minute and any contract approvals).</li> </ul>	Monday 28 September 2020

	<ul style="list-style-type: none"> <li>• HR &amp; Corporate Development (September minute).</li> </ul>	
<b>Monday 14 December 2020</b> <b>?? Campus</b>	<p><b>Standing Items of Business</b></p> <ul style="list-style-type: none"> <li>• Chair's Report.</li> <li>• Chief Executive's Report.</li> <li>• Students Association Report.</li> <li>• Strategic Risk Register.</li> <li>• Board of Management: <ul style="list-style-type: none"> <li>❖ Membership;</li> <li>❖ Dates of Meetings;</li> <li>❖ Proposed Schedule of Business 2020/21;</li> <li>❖ Any appointment matters to consider.</li> </ul> </li> <li>• Report on Delegated Action Taken since last meeting.</li> </ul> <p><b>Main Items of Business</b></p> <ul style="list-style-type: none"> <li>• Regional Outcome Agreement Review Report 2020/21?</li> <li>• Financial Statements for the year ending 31 July 2020.</li> <li>• Report from External Auditor.</li> <li>• Annual Report from Audit Committee.</li> <li>• Annual Report from Internal Auditor.</li> <li>• Staff Survey Outcomes – <i>delayed from Oct agenda.</i></li> </ul> <p><b>Committee Reports</b></p> <ul style="list-style-type: none"> <li>• Finance &amp; General Purposes (November minute and any contract approvals): <ul style="list-style-type: none"> <li>❖ Management Accounts to 31 October 2020;</li> <li>❖ Financial Regulations Annual Review.</li> </ul> </li> <li>• Joint Audit &amp; Finance and General Purposes Committee (November minute)</li> <li>• HR &amp; Corporate Development (November minute): <ul style="list-style-type: none"> <li>❖ Staff Survey Results.</li> </ul> </li> <li>• LTQC (November minute): <ul style="list-style-type: none"> <li>❖ Regional Outcome Agreement Update.</li> </ul> </li> <li>• Audit (December minute and any approval of policies).</li> <li>• Asset and Infrastructure (December minute).</li> <li>• Remuneration (October minute). – <i>meeting cancelled</i></li> </ul>	<b>Monday 7 December 2020</b>
<b>Monday 1 February 2021</b> <b>?? Campus</b>	<p><b>Standing Items of Business</b></p> <ul style="list-style-type: none"> <li>• Chair's Report.</li> <li>• Chief Executive's Report.</li> </ul>	<b>Monday 25 January 2021</b>

	<ul style="list-style-type: none"> <li>• Students Association Report.</li> <li>• Strategic Risk Register.</li> <li>• Board of Management: <ul style="list-style-type: none"> <li>❖ Membership;</li> <li>❖ Dates of Meetings;</li> <li>❖ Proposed Schedule of Business 2020/21;</li> <li>❖ Any appointment matters to consider.</li> </ul> </li> <li>• Report on Delegated Action Taken since last meeting.</li> </ul> <p><b>Main Items of Business</b></p> <ul style="list-style-type: none"> <li>• Board Development Action Plan Update?</li> <li>• Draft Regional Outcome Agreement 2020-?</li> <li>• Review of Modern Slavery Statement?</li> </ul> <p><b>Committee Reports</b></p> <ul style="list-style-type: none"> <li>• HR &amp; Corporate Development (February minute and any update on the Employee Health and Wellbeing Strategy).</li> </ul>	
<p><b>Monday 22 March 2021</b>  <b>?? Campus</b></p>	<p><b>Standing Items of Business</b></p> <ul style="list-style-type: none"> <li>• Chair's Report.</li> <li>• Chief Executive's Report.</li> <li>• Students Association Report.</li> <li>• Strategic Risk Register.</li> <li>• Board of Management: <ul style="list-style-type: none"> <li>❖ Membership;</li> <li>❖ Dates of Meetings;</li> <li>❖ Proposed Schedule of Business 2020/21;</li> <li>❖ Any appointment matters to consider.</li> </ul> </li> <li>• Report on Delegated Action Taken since last meeting</li> </ul> <p><b>Main Items of Business</b></p> <ul style="list-style-type: none"> <li>• Final Regional Outcome Agreement 2020 - ?</li> <li>• HR Annual Report 2020.</li> <li>• Key Performance Indicators update?</li> <li>• Proposed dates of Board meetings 2021/22.</li> <li>• Board Internal Effectiveness Review (outlining what will happen and when).</li> </ul> <p><b>Committee Reports</b></p> <ul style="list-style-type: none"> <li>• Audit (March minute and any approval of policies).</li> </ul>	<p><b>Monday 15 March 2021</b></p>

	<ul style="list-style-type: none"> <li>• Asset and Infrastructure (March minute).</li> <li>• Finance &amp; General Purposes (March minute and any contract approvals).</li> <li>• Learning, Teaching &amp; Quality (February minute).</li> <li>• Remuneration (February minute).</li> </ul>	
<b>Monday 14 June 2021</b> <b>?? Campus</b>	<p><b>Standing Items of Business</b></p> <ul style="list-style-type: none"> <li>• Chair's Report.</li> <li>• Chief Executive's Report.</li> <li>• Students Association Report.</li> <li>• Strategic Risk Register.</li> <li>• Board of Management: <ul style="list-style-type: none"> <li>❖ Membership;</li> <li>❖ Dates of Meetings proposed for 2021/22;</li> <li>❖ Proposed Schedule of Business 2021/22;</li> <li>❖ Any appointment matters to consider.</li> </ul> </li> <li>• Report on Delegated Action Taken since last meeting.</li> </ul> <p><b>Main Items of Business</b></p> <ul style="list-style-type: none"> <li>• Management Accounts.</li> <li>• Budget 2021/22 and Financial Strategy (including budget for Students Association).</li> <li>• Review of Board Development Action Plan?</li> <li>• Outcomes from Board Internal Effectiveness Review.</li> <li>• Committee Reports on Progress against Regional Outcome Agreement?</li> </ul> <p><b>Committee Reports</b></p> <ul style="list-style-type: none"> <li>• Audit (May minute and any approval of policies).</li> <li>• Asset and Infrastructure (May minute).</li> <li>• Finance &amp; General Purposes (June minute and any contract approvals).</li> <li>• Learning, Teaching &amp; Quality (May minute).</li> <li>• HR &amp; Corporate Development (May minute and HR Annual Report?).</li> <li>• Nominations (May minute).</li> </ul>	<b>Monday 7 June 2021</b>

## Dates of Meetings in 2020-21

Committee	September 2020	October 2020	November 2020	December 2020	January 2021	February 2021	March 2021	April 2021	May 2021	June 2021
<b>BOARD</b> (at least 4) Mondays at 4.00 p.m.		5		14		1	22			14
<b>Audit</b> (at least 4) Thursdays at 4.00 p.m.	3			3			11		20	
<b>Joint Audit &amp; Finance</b>			24							
<b>Finance and GP</b> (Normally will meet 4 times per year, but at least 3 times per year) Tuesdays at 4.00 p.m.	8		24				2			1
<b>HR &amp; CD</b> (will meet four times) Wednesdays at 4.00 p.m.	Tues 15		4			10			12	
<b>LTD</b> (at least 3 times) Wednesdays at 4.00 p.m.			11			24			19	
<b>Estates</b> (at least 3 times) Tuesdays at 4.00 p.m.	Wed 16			8			9		11	
<b>Remuneration</b> (twice per year) Note (2)		5				1				
<b>Nominations</b> (at least annually)										

### NOTES

- 1) The venue for the Board and some Committee meetings will alternate between different Campuses as indicated above.  
C = Clydebank; G = Greenock; P = Paisley
- 2) To be held before the Board of Management meeting.
- 3) No formal business meetings are held in July or August.

**TITLE: BOARD ARTICLES OF GOVERNANCE, STANDING ORDERS AND SCHEME OF DELEGATION**

**Background:**

At its meeting held on 5 February 2018, the Board last reviewed and approved its Articles of Governance, Standing Orders and Scheme of Delegation. Section 1 of the Standing Orders, states that "The Standing Orders will be periodically reviewed by the Board and at least every 3 years". Given this requirement, it is a good opportunity for the Board to also review its Articles of Governance and Scheme of Delegation.

**Articles of Governance (Appendix 1)** - the Articles of Governance provide information on how the various members of the Board are appointed as well as how the Board Secretary is appointed and how the Committees are established. **There are no proposed changes.**

**Standing Orders (Appendix 2)** - the Good Governance Steering Group, established by Colleges Scotland, issued a template for Standing Orders that colleges were encouraged to adopt. Colleges were free to adapt these to suit their own local circumstances, but it was expected that colleges would retain the main guidance contained in the template. The College complies with the guidance issued in the template. **There are no proposed changes.**

**Scheme of Delegation (Appendix 3)** - the Good Governance Steering Group, established by Colleges Scotland, issued a template for a Scheme of Delegation that colleges were encouraged to adopt. Colleges were free to adapt these to suit their own local circumstances, but it was expected that colleges would retain the main guidance contained in the template. The College complies with the guidance issued in the template. The Scheme of Delegation confirms the powers reserved to the Board and those that can be delegated to certain individuals, namely the Chair, the Principal, the Board Secretary and the Committees.

**Section 4.3(c) requires to be amended following an email from the CDN on 31 August 2020 advising that the original 2018 model Scheme contained an error. This is shown as a track change at Section 4.3(c) and requires the two NOTs to be deleted.**

**Section 6 requires to be updated to reflect a change in the committee structure.**

**Action:**

The Board is invited to consider the Articles of Governance, Standing Orders and Scheme of Delegation and discuss if any further amendments are necessary. If the Board is satisfied, then it is asked to approve these documents.

**Lead:**

Shirley Gordon, Secretary to the Board

**Status:**

Open





## **WEST COLLEGE SCOTLAND**

## **ARTICLES OF GOVERNANCE**

### **Version Control**

- Revised November 2017
- Approved by the Board of Management – 5 February 2018
- Next Review Date: February 2021

# **ARTICLES OF GOVERNANCE**

## **Contents**

- 1 Introduction**
- 2 Appointment of Board Members**
  - 2.1 Composition of Board**
  - 2.2 Appointment of Chair**
  - 2.3 Appointment of Vice Chair**
  - 2.4 Appointment of Senior Independent Person**
  - 2.5 Codes of Conduct and of Good Governance**
  - 2.6 Appointment of Teaching and Non-Teaching (Support) Staff Members**
  - 2.7 Appointment of Student Members**
  - 2.8 Appointment of Non-Executive Board Members**
  - 2.9 Board Secretary**
- 3. Committees**

## **ARTICLES OF GOVERNANCE**

### **1 Introduction**

These Articles of Governance are consistent with the legislation, i.e. the Further and Higher Education (Scotland) Act 1992 (the 1992 Act), as amended by the Further and Higher Education (Scotland) Act 2005 (the 2005 Act) and the Post-16 Education (Scotland) Act 2013 (the 2013 Act), and any such legislation as may replace or supplement such provisions and be adopted from time to time.

These Articles of Governance must be approved by the Board of Management before they come into force, and any changes or amendments to them must be approved by the Board before they become effective. Once approved by the Board they replace all other Articles of Governance previously adopted by the Board.

### **2 Appointment of Board Members**

#### **2.1 Composition of Board**

Under the terms of the legislation the composition of the Board of Management is as follows:

- (a) A person appointed by the Scottish Ministers to chair meetings of the Board
- (b) The Principal of the College
- (c) 2 members of staff: 1 elected by the teaching staff from among their own number; and 1 elected by the support staff from among their own number
- (d) 2 students nominated by the Students Association
- (e) Up to 12 non-executive members.

#### **2.2 Appointment of the Chair**

The Chair is appointed by the Scottish Ministers for a period of up to 4 years, and may be re-appointed for a further period of up to 4 years.

#### **2.3 Appointment of Vice Chair**

##### **2.3.1 The Board may appoint any of its members who is not:**

- (a) a student of the College,
- (b) an employee of the College,
- (c) the Principal,

to act as Vice Chair and who may substitute for the Chair in the conduct of Board meetings but who may not discharge any other duty delegated to the Chair.

##### **2.3.2 The Board shall determine the period of appointment of the Vice Chair (if one has been appointed) and may remove the Vice Chair from office.**

#### **2.4 Appointment of Senior Independent Member**

##### **2.4.1 The Board will appoint any of its members who is not:**

- (a) a student of the College,
- (b) an employee of the College,
- (c) the Principal,

to act as the Senior Independent Member (as defined in A14 of the Code of Good Governance for Scotland's Colleges). This person may be the Vice Chair or may be another member of the Board as defined above.

- 2.4.2 The Board shall determine the period of appointment of the Senior Independent Member (if one has been appointed) and may remove him/her from office.

## **2.5 Codes of Conduct and Good Governance**

- 2.5.1 It is a condition of appointment of each Board member that he or she accepts to be bound by the provisions of The Ethical Standards in Public Life etc (Scotland) Act 2000 and any such legislation and codes of conduct as may replace and supplement such provisions and be adopted from time to time, including the Code of Conduct adopted by the Board.

- 2.5.2 Each member of the Board undertakes to maintain his or her entry in the register of interests as provided in the Code of Conduct adopted by the Board.

- 2.5.3 It is also a condition of appointment that each Board member agrees to abide by the Code of Good Governance for Scotland's Colleges.

## **2.6 Appointment of Teaching and Non-Teaching (Support) Staff Members**

- 2.6.1 Appointments of the Teaching staff member shall proceed as follows:

- (a) One member may be appointed by the Teaching staff from among their own number. The appointment is made by election administered by the Returning Officer (the Returning Officer is normally the Secretary to the Board unless the Board appoints another person – see 2.9.4);
- (b) The Returning Officer shall send a notice to each member of the Teaching staff of the College requesting nominations for membership of the Board;
- (c) Such nominations must be received by the Returning Officer by the date specified in the notice, being not less than seven days from the date of the notice.
- (d) Each nomination must be signed by the nominee, the proposer and one other person all being members of the Teaching staff.
- (e) If more than one nomination is received the Returning Officer shall thereafter arrange for an election to be conducted normally using an appropriate electronic system and shall notify each member of the Teaching staff of the College of the names of the nominees and the process to be followed.

- (f) The election shall be completed by the date and time specified in the notice issued by the Returning Officer being not less than seven days from the date of issue of the notice of the election.

2.6.2 Appointment of the Non-Teaching (Support) staff member shall proceed as follows:

- (a) One member may be appointed by the Non-Teaching (Support) staff from among their own number. The appointment is made by election administered by the Returning Officer (the Returning Officer is normally the Secretary to the Board unless the Board appoints another person – see 2.9.4);
- (b) The Returning Officer shall send a notice to each member of the Non-Teaching (Support) staff of the College requesting nominations for membership of the Board;
- (c) Such nominations must be received by the Returning Officer by the date specified in the notice, being not less than seven days from the date of the notice.
- (d) Each nomination must be signed by the nominee, the proposer and one other person all being members of the Non-Teaching (Support) staff.
- (e) If more than one nomination is received the Returning Officer shall thereafter arrange for an election to be conducted normally using an appropriate electronic system and shall notify each member of the Non-Teaching (Support) staff of the College of the names of the nominees and the process to be followed.
- (f) The election shall be completed by the date and time specified in the notice issued by the Returning Officer being not less than seven days from the date of issue of the notice of the election.

2.6.3 The following rules will be followed as regards counting votes:

- (a) The Returning Officer shall offer each nominee the opportunity to be present or represented at the counting of votes.
- (b) The counting of votes shall normally take place within 24 hours of the time set for the close of the election and shall be done by the Returning Officer in the presence of such nominees or their representatives as have chosen to attend.
- (c) The nominee receiving the most votes shall be declared elected.
- (d) In the event of a tie the election shall be decided by lot among the nominees with the most numbers of votes.
- (e) In the event of elections for Teaching staff and Non-Teaching (Support) staff members being held concurrently, the counting of votes shall be done as a separate and consecutive process for each election.
- (f) The Returning Officer may use such staff of the College as may be necessary to assist in the election process.

- (g) The names of the persons elected shall be reported to the next meeting of the Board after the election.

2.6.4 The following rules will apply in the event of a vacancy arising in respect of the appointment for a staff member:

- (a) In the event of an election requiring to be held because of the expiry of the periods of office of the respective members of the Board the procedures set out in paragraphs 2.6.1 and 2.6.2 as the case may be and paragraph 2.6.3 shall be completed normally not later than one month prior to the date of expiry.
- (b) In the event of a casual vacancy arising at any time more than six months prior to the expiry of the member's period of office, the procedures set out in paragraph 2.6.1 or 2.6.2 as the case may be and paragraph 2.6.3 shall be completed as soon as may be but normally not more than six weeks after the vacancy occurs.

## **2.7 Appointment of Student Members**

The nomination and appointment to the Board of two persons from among the students of the College will proceed as follows:

- (a) The Secretary shall, prior to 31 July, invite from the Students' Association of the College nominations for appointment to the Board from among the students of the College. The Secretary shall report such nominations to the Board.
- (b) In the event of a casual vacancy arising in the office(s) of such person(s) then the Secretary shall, within 3 weeks of the vacancy occurring, seek from the Students' Association of the College a nomination of such a person(s) as member of the Board unless a nomination of such a person(s) to fill the casual vacancy has already been made by the Students' Association.

## **2.8 Appointment of Non-Executive Board Members**

- 2.8.1 Under the terms of the legislation the Board must have regard to any guidance issued by the Scottish Ministers in relation to the making of such appointments.
- 2.8.2 The Scottish Ministers have issued guidance under Section 6 of the 2013 Act, which amends the provisions of the 1992 Act, and which sets out the process to be followed when appointing Non-Executive Board members. This is set out in the 'College Sector Board Appointments: 2014 Ministerial Guidance'. The Board will follow this Guidance, and any subsequent revisions or updates that are made to it, when making such appointments.
- 2.8.3 The Board shall appoint a relevant committee to nominate Board member appointments and extensions of appointments to the Board of Management.

- 2.8.4 The Board shall determine the length (of up to 4 years) of a Board appointment or extension based on the needs of the Board, having regard to the desirability of avoiding a substantial number of Board appointments potentially ending around the same time.
- 2.8.5 Before the Board may appoint a non-executive Board member or extend a non-executive Board member's period of appointment, the Board must obtain the approval of both its Chair and the Scottish Ministers.

## **2.9 Board Secretary**

- 2.9.1 The Board will appoint a person of appropriate experience and standing to discharge the functions of Board Secretary (as referred to in the 1992 Act). The Board Secretary shall have oversight of all Board and Committee meetings in order to ensure meetings are conducted in accordance with legislation, terms and conditions of grant (including in relation to its Financial Memorandum, the Scottish Public Finance Manual, the Code of Good Governance for Scotland's Colleges), the Board's Scheme of Delegation and Standing Orders, and in order to ensure a record is kept of proceedings. The appointment and removal of the Board Secretary is a decision of the Board.
- 2.9.2 The Board Secretary should be independent and report directly to the Chair of the Board
- 2.9.3 The Board shall ensure that the Secretary obtains suitable training as and when necessary to allow him or her to perform his or her functions effectively.
- 2.9.4 In the absence of the Board Secretary, the Board shall agree temporary arrangements that can be put in place by making such other arrangements as may be required.

## **3. Committees**

- 3.1 In accordance with the legislation the Board may establish Committees for any purpose. Each Committee shall have a clearly defined remit which sets out the duties and responsibilities. The Board must approve the remit of each Committee and any subsequent change or amendment to the remit.
- 3.2 The Board reserves the right to review the Committees required and the authority delegated to them as and when it is deemed appropriate to do so.
- 3.3 The minutes of each Committee meeting will be submitted to the Board for information at the next appropriate meeting.
- 3.4 The Board may appoint persons who are not members of the Board to be members of committees established by it.

Approved by Board of Management – 5 February 2018



## **WEST COLLEGE SCOTLAND**

### **STANDING ORDERS**

#### **Version Control**

- Revised November 2017
- Approved by the Board of Management - 5 February 2018 (The Standing Orders were approved by the Board at its meeting on 5 February 2018 and replace all other Standing Orders previously adopted by the Board. The Standing Orders will be periodically reviewed by the Board and at least every 3 years).
- Next Review Date: February 2021



## **CONTENTS**

- 1. Application**
- 2. Authority of Chair**
- 3. Conduct**
- 4. Schedule of Meetings**
- 5. Quorum**
- 6. Adjournment of Meetings**
- 7. Business of Meetings**
- 8. Approval of Minutes**
- 9. Voting at Meetings**
- 10. Attendance of Officers**
- 11. Conflict of Interests**
- 12. Confidentiality of Information**
- 13. Meetings of Committees and Sub-Committees of the Board**
- 14. Suspension of Standing Orders**

# **Standing Orders for Regulating the Meetings and Proceedings of West College Scotland's Board of Management and its Committees**

## **1. Application**

Paragraph 11 of Schedule 2 to the Further and Higher Education (Scotland) Act 1992 states that a Board may regulate its own proceedings and those of any Committees established by it. The purpose of these Standing Orders is to ensure the orderly and effective conduct of the meetings of the Board of Management ("the Board") and its Committees. These Standing Orders apply to all meetings of the Board of Management and its Committees. The Terms of Reference of Standing Committees and any *ad hoc* Committees that may be established from time to time shall determine the specific remits and quorum of these bodies.

The Standing Orders were approved by the Board at its meeting on 5 February 2018 and replace all other Standing Orders previously adopted by the Board. The Standing Orders will be periodically reviewed by the Board and at least every 3 years.

## **2. Authority of Chair**

2.1 The Chair will be responsible for leading the meeting and for the general conduct of the meetings and will

- preserve order and ensure that the members obtain a fair hearing;
- decide on all matters of order, competency or relevance;
- determine all questions of procedure.

The ruling of the Chair on all matters within his or her jurisdiction as Chair is final.

2.2 At the meetings of the Board of Management the Chair, or in his/her absence the Vice Chair, will take the Chair. In the absence of the Chair and the Vice Chair, the Chair will nominate another Board member to Chair the meeting or, failing such action, the members present will appoint one of their number to be Chair for the meeting. This will normally be a non-executive member of the Board.

2.3 Members shall address the Chair and the Chair will be heard without interruption.

2.4 The Board will normally make decisions on the basis of agreement by consensus. However, in certain circumstances a vote may be conducted – see Section 9.

## **3 Conduct**

3.1 All meetings will be conducted in accordance with legislation, terms and conditions of grant, the Board's Scheme of Delegation and these Standing Orders. All Board and Committee members are bound by the College's Code of Conduct.

3.2 If any member disregards the authority of the Chair, or is guilty of obstructive or offensive conduct, a motion may be moved and seconded to suspend the member for the remainder of the meeting, and the member will then immediately leave the meeting.

## **4 Schedule of Meetings**

- 4.1 Ordinary meetings of the Board shall be held at least four times per calendar year, according to a schedule which the Board shall determine.
- 4.2 All meetings shall be called by a notice to attend the meeting specifying the business to be transacted thereat which shall be issued by the Secretary at least five working days before the meeting of the Board.
- 4.3 Extraordinary meetings of the Board may be called on the instructions of the Chair, or by agreement by a majority of the members entitled to vote at such a meeting. The meeting shall be held as soon as practicable.

## **5 Quorum**

- 5.1 The quorum of members of the Board shall generally be not less than one third of the whole number of members, i.e. 6 members.
- 5.2 If, fifteen minutes after the time appointed for a meeting of the Board, a quorum of members is not then present the meeting shall stand adjourned and the Chair shall close the meeting.
- 5.3 Notwithstanding 5.2 above, where there is not a quorum present at a meeting of the Board or a Board Committee the members present may determine that the scheduled business be considered informally and recommendations noted. Such recommendations would not be effective until ratified or amended at a subsequent meeting of the Board or Committee.
- 5.4 In exceptional circumstances, such as for matters requiring urgent attention, and when the approval of the Board or Committee is required, decisions can be taken, with the prior agreement of the Chair, by written procedure. That is, decisions can be taken without calling a physical meeting of the Board or Committee. In such circumstances:
  - the Board Secretary shall email all Board or Committee members outlining the decision required, together with relevant briefing information;
  - a quorum, as defined in 5.1, must have replied to the email;
  - the Board Secretary shall ensure that the deadline for response is clearly specified and Board, or Committee, members shall endeavour to respond within that timeframe;
  - any decisions taken in this way shall be homologated at the next quorate meeting of the Board or Committee.
- 5.5 A quorate meeting shall be adjourned if, by virtue of members absenting themselves during proceedings, the number falls below the previously stipulated quorum. In such event unfinished business shall be placed on the agenda for the next scheduled meeting of the Board or Committee; or the remaining members present may determine that scheduled business is dealt with in accordance with 5.3 or 5.4 above.

## **6 Adjournment of Meeting**

- 6.1 The Board of Management may adjourn any meeting to such a time as the Chair may then, or afterwards decide.

- 6.2 When an adjourned meeting is resumed, proceedings will commence at the point which they concluded at adjournment.

## **7 Business of Meetings**

- 7.1 At a meeting of the Board no business other than that specified in the notice shall normally be considered. An item of business not appearing on the agenda for the meeting may be considered as “any other competent business” at the discretion of the Chair.
- 7.2 The order of business will be determined at the start of the meeting, but generally will follow the format contained in the agenda issued with the papers.
- 7.3 The Chair, by agreement with the Board, may at any meeting vary the order of business so as to give precedence to business of special urgency.

## **8 Approval of Minutes**

- 8.1 The Board of Management and each of its Committees will ensure that proper minutes of its proceedings are kept; the minutes will contain all resolutions and proceedings and will be conclusive evidence of the matters to be decided.
- 8.2 At each Board and Committee meeting the minutes of the previous meeting will be submitted for approval as a correct record of the meeting to which they relate.
- 8.3 Copies of the approved minutes and any supporting reports or other statements considered will be available on the College website as appropriate.

## **9 Voting at Meetings**

- 9.1 Subject to any provision of the legislation or the Articles of Governance or Scheme of Delegation, a motion passed by the majority shall be declared to be the decision of the meeting and shall bind the Board.
- 9.2 At the discretion of the Chair, a vote may be taken by a show of hands. In the event of a tie the Chair shall have both a deliberative and a casting vote.
- 9.3 A member may have his/her dissent from a decision recorded in the minutes at the meeting.

## **10 Attendance of Officers**

The Chair, in consultation with the Principal and Chief Executive or Vice Principal as appropriate, may invite members of the Senior Management Team or other individuals to the meeting of the Board, or any of its Committees, to provide specialist or other information to assist the deliberations of the members.

## **11 Conflict of Interest**

- 11.1 The principles set out in Section 5 of the College's Code of Conduct shall apply in relation to conflicts of interest. Where, whether before or during any meeting of the Board or any Board Committee, any member of the Board or any Committee becomes aware that he or she or any person connected with him or her has an interest in or relating to any matter to be or being considered by the Board or a Committee he or she shall declare such interest and, unless the Chair of the Board or the Committee declares otherwise, withdraw from the meeting during such consideration and shall not vote on any question relating to the matter.
- 11.2 Board and Committee members are themselves responsible for declaring that they have an interest in any matter under consideration whether or not such interest has been declared in the register of interests maintained by the Secretary.

## **12. Confidentiality of Information**

Any information obtained by any person as a member of the Board or a member of a Board Committee, other than information which the Board or the Committee has agreed should be made public, shall be treated as confidential to the Board or Committee. This provision also applies to any other person, including College staff, attending Board or Committee meetings or dealing with matters delegated to them by the Board or Committee.

## **13 Meetings of Committees and Sub-Committees of the Board**

- 13.1 A Committee or Sub-Committee shall hold such meetings as the Board may from time to time prescribe but the Secretary shall call additional meetings of a Committee or Sub-Committee at any time on being required to do so either by
- i. the Committee or Sub-Committee concerned,
  - ii. the Chair of the Committee or Sub-Committee concerned,
  - ii. or on receiving a requisition in writing for that purpose specifying the business proposed to be transacted at the meeting and signed by a majority of members entitled to vote at the Committee or Sub-Committee concerned.
- 13.2 The Board shall determine the quorum for each of its Committees and the Committees shall determine the quorum for each of its Sub-Committees.
- 13.3 All meetings of a Committee or Sub-Committee shall be called by an invitation to attend the meeting specifying the business to be transacted thereat, which shall normally be issued by the Secretary at least five working days before the meeting to which it relates.

## **14 Suspension of Standing Orders**

Standing Orders may be suspended when the Chair and two-thirds of the members present entitled to vote agree to such a motion.



## **WEST COLLEGE SCOTLAND**

### **SCHEME OF DELEGATION**

#### **Version Control**

- **Revised November 2017**
- **Approved by the Board of Management – 5 February 2018**
- **Next Review Date: November 2020**

## **SCHEME OF DELEGATION**

- 1 Introduction**
- 2 Authority Reserved to the Board**
- 3 Delegations to the Chair of the Board**
- 4 Delegations to the Principal**
- 5 Delegations to the Board Secretary**
- 6. Delegations to Committees**

## **SCHEME OF DELEGATION**

### **1 Introduction**

1.1 In accordance with paragraph 12(4) of the Further and Higher Education (Scotland) Act 1992 the Board may delegate the performance of any of its functions to:

- (a) the Chair; or
- (b) any committee appointed by them; or
- (c) any member of the College staff (which may include the Principal);
- (d) or a combination thereof as the Board shall determine.

In accordance with paragraph C.8 of the Code of Good Governance for Scotland's Colleges delegation of responsibilities from, and matters reserved to, the Board and its Committees must be clarified through a Scheme of Delegation, including the functions delegated by the Board to the Chair, Committees, the Principal and the Board Secretary.

1.2 Only a committee or the persons or the holders of posts specifically named in this scheme may exercise the function delegated to them.

1.3 This Scheme of Delegation must be approved by the Board before it comes into effect, and any subsequent amendments must also be approved by the Board. Once approved this Scheme replaces all other Schemes of Delegation adopted by the Board.

### **2 Authority Reserved to the Board**

The following matters are reserved to the Board and therefore excluded from any delegation:-

- (a) the determination of the objectives of the Board;
- (b) Final approval of the College's Strategic Plan and Regional Outcome Agreement;
- (c) the determination of the risk appetite of the Board and approval and monitoring of the Strategic Risk Register;
- (d) the approval of the year-end Annual Report and Accounts, the Annual Budget, College financial plans, forecasts, delegations and regulations;
- (e) Final consideration of the Annual Audit Report;
- (f) Acquisition and disposal of heritable property, subject to the approval of the Scottish Funding Council;
- (g) the appointment, extension of appointment, and removal of Board members subject to approval by the Chair of the Board and the Scottish Ministers;
- (h) monitoring the conduct of Board members and, where necessary taking such action as deemed appropriate;
- (i) the appointment and removal of the Principal, as well as the instigation of disciplinary action against the Principal;
- (j) The appointment and removal of the Board Secretary;
- (k) Approval of the Students' Association Constitution and Annual Budget for the Students' Association;



- (l) delegation of functions of the Board, including remits of the Committees;
- (m) the making, amendment and revocation of the Articles of Governance, this Scheme of Delegation, and the Standing Orders of the Board;
- (n) the acceptance of endowments, gifts of money, land or other property and determining their application to any of the activities which the Board has the power to carry on.

### **3. Delegations to the Chair of the Board**

3.1 In exercising any delegated function the Chair will take into account:-

- (a) the legislation and any further provisions set out in the Articles of Governance or Scheme of Delegation of the Board;
- (b) guidance issued by the Scottish Ministers and/ or the SFC, including the Scottish Public Finance Manual and the Financial Memorandum with SFC;
- (c) any potential conflict of interest as explained in the Code of Conduct;
- (d) the provisions of The Ethical Standards in Public Life etc (Scotland) Act 2000 and the Code of Conduct adopted by the College.

3.2 Functions delegated to the Chair shall not be exercised by any other person acting in place of the Chair.

3.3 The Chair of the Board is authorised –

- (a) to take such measures as may be required in emergencies, subject to reporting to the relevant Committee or to the Board as soon as possible thereafter on any items for which approval of that Committee or the Board would normally be necessary;
- (b) to deal with urgent items of business after consultation with the Chair to the relevant Committee and with the Principal;
- (c) following Board approval to sign and date the Annual Report and Accounts (in terms of the accounts direction given by SFC under paragraph 18 of Schedule 2 to the 1992 Act), and other documents as may be required;
- (d) to represent the Board within the College and externally;
- (e) in the event of the Principal not being available, to act in the Principal's stead in fulfilling as required any function that may not be delegated to any other member of staff, with due regard to any relevant provisions in the Financial Memorandum;
- (f) to ensure that each Board member participates in an annual development meeting, facilitated by either the Chair or the Vice Chair;
- (g) to monitor, review and record the Principal's performance at least annually against the performance measures agreed by the Board;
- (h) to monitor, review and record the Board Secretary's performance at least annually against performance measures agreed by the Board;
- (i) to initiate action further to a decision of the Board to take disciplinary action against, or suspend, the Principal or Board Secretary;
- (j) to initiate action further to a decision of the Board to appoint a new Principal or Board Secretary.

## **4 Delegation to the Principal**

4.1 The Principal, as Chief Executive of the College, is responsible for the management of the College subject to strategic and policy direction by the Board and the terms of any specific authority reserved to the Board.

4.2 In exercising any delegated function the Principal will take into account:-

- (a) the legislation and any further provisions set out in the Articles of Governance and this Scheme of Delegation of the Board from time-to-time in force;
- (b) guidance issued by the Scottish Ministers and/or the SFC, including the Scottish Public Finance Manual and the Financial Memorandum with SFC;
- (c) any potential conflict of interest as explained in the Code of Conduct;
- (d) the provisions of The Ethical Standards in Public Life etc (Scotland) Act 2000, the Code of Good Governance for Scotland's Colleges, and codes of conduct as may exist and be adopted from time to time.

## **4.3 General Management**

- (a) to take such measures as may be required in emergencies subject to advising the Chair where possible and reporting to the appropriate Committee or to the Board as soon as possible thereafter on any items for which approval of the Committee or the Board would normally be necessary;
- (b) to delegate responsibilities to other members of staff as appropriate for the exercise of particular functions, while retaining overall responsibility to the Board for reporting on, and for performance against, the College's strategic objectives;
- (c) to engage the services of outside persons, firms or organisations and to enter into contracts and to sign all deeds and other documents binding the Board for all purposes except those where the power to engage such services is delegated to a Committee or is reserved to the Board;
- (d) to ensure the provision of courses as required by outside agencies and to negotiate appropriate charges thereof.

## **4.4 Staff Management**

- (a) to determine an appropriate staff structure for the College and, where appropriate, consultation with representatives of recognised trade unions;
- (b) to consult and negotiate with representatives of recognised trade unions on behalf of the Board;
- (c) to represent the Board in negotiating and implementing conditions of service in relation to relevant College staff, including participation in National Bargaining;
- (d) to ensure appropriate procedures are in place for the human resources and organisational development of the College;
- (e) to establish any other procedures required for the orderly management of employees of the College.

## **4.5 Student Management**

- (a) to arrange for the provision of appropriate curriculum and support services for students and clients;

- (b) to administer in accordance with any policy of the Board the provision to students of the College of financial or other assistance;
- (c) to set and amend as necessary the level of tuition fees, examination expenses, maintenance and contribution scales for all courses offered by the College and to waive or grant remission of such fees or expenses in accordance with guidelines set by the Board;
- (d) to authorise students, and to make grants to students, to enable them to attend courses and conferences and to undertake educational visits and excursions at home or abroad within the approved estimates and policies of the Board;
- (e) to take appropriate disciplinary action including expulsion against students in accordance with any policies of the Board;
- (f) to provide financial and other assistance to the Students' Association of the College within the terms of any scheme of establishment or policy of the Board.

#### **4.6 Property Management**

- (a) to allocate accommodation within the College in order to meet student and staff needs and to arrange for any necessary alterations or adaptations to College property;
- (b) to grant the use of College accommodation to outside bodies or persons for the purpose of holding meetings and functions on such terms and conditions as are reasonable in the circumstances and in accordance with any policies of the Board;
- (c) to apply to the appropriate authority for any necessary statutory consents.

#### **4.7 Financial Management**

- (a) to take personal responsibility for ensuring the proper and effective operation of financial, planning and management controls, and for giving effect to the Board's policies for securing the efficient, economical and effective management of all the College's income, assets and expenditure;
- (b) to act at all times in compliance with the Financial Memorandum with the SFC and the Scottish Public Finance Manual, and to follow the College's Financial Regulations taking particular account of the Delegated Financial limits;
- (c) enter into and negotiate contracts and other binding arrangements for the supply of goods and services (whether bought, leased, hired or otherwise acquired) to the College or to authorise another to enter into such contracts up to a value of the relevant EU Procurement threshold or Board approved budgetary limits and all in accordance with the College's financial regulations;
- (d) terminate contracts, when it is in the best interests of the College to do so;
- (e) to dispose of assets as set out in the Financial Regulations and in line with the requirements of the Scottish Public Finance Manual;
- (f) to take out any necessary insurances to protect the interests of the Board;
- (g) to spend public funds only for the purposes for which they were given and in accordance with any terms and conditions attached to them;
- (h) to arrange for presentation to the Board for approval an Annual Budget of income and expenditure, and to give regular updates on income and expenditure account, balance sheet and cash flow statements;
- (i) to arrange for the preparation, audit and presentation to the Board the Accounts following the end of each financial year in compliance with the requirements of

the Accounts Direction and encompassing Audit Scotland and the Scottish Funding Council direction;

- (j) to report to the SFC should the Board adopt a policy or commission an action which is incompatible with the terms of the Financial Memorandum or the Scottish Public Finance Manual, or which would infringe the requirements of propriety or regularity, and to report to the Board in writing on such matters being considered, and advise the Board that, should it choose to continue with the policy or action, then as accounting officer he or she must report the Board's intentions to SFC in writing.

#### **4.8 Absence of the Principal**

In the absence of the Principal, the Executive Team shall ensure that the essential functions and delegated authorities of the Principal are carried out with due regard to any relevant provisions of the Financial Memorandum or the Scottish Public Finance Manual.

After a period of four weeks unplanned continuous absence of the Principal, the Board shall designate a Vice Principal as the accountable officer for the duration of the Principal's absence, ensuring that the Scottish Funding Council is advised of such arrangements at the earliest opportunity.

### **5 Delegation to the Board Secretary**

5.1 The Board Secretary has delegated authority to:

- (a) administer, circulate, retain and publish as appropriate the records of all Board and Committee business;
- (b) undertake appropriate actions to ensure that the Board is sufficiently informed of its obligations as defined in legislation, the terms and conditions of grant, the Scottish Public Finance Manual, the Code of Good Governance and the Standing Orders;
- (c) administer staff elections to the Board and act as Returning Officer;
- (d) act as Standards Officer in accordance with Advice on the Role of a Standards Officer (issued by the Standards Commission for Scotland);
- (e) maintain a register of interests as provided by the Code of Conduct so adopted by the Board;
- (f) maintain a register of members' attendance at Board and Committee meetings;
- (g) in accordance with the Code of Good Governance, report any unresolved concerns about the governance of the College to the Scottish Funding Council.

### **6. Delegation to Committees**

The Board currently has seven committees, these being:

- (a) Audit,
- (b) HR & Corporate Development,
- (c) , Asset and Infrastructure;
- (d) Finance and General Purposes,
- (e) Learning, Teaching and Quality,

- (f) Nominations, and
- (g) Remuneration.

The Board approves the detailed remit and membership of each of these Committees.  
This information is available on the College website or from the Secretary.

Approved by Board of Management – 5 February 2018