

NOTES OF THE MEETING OF THE BOARD OF MANAGEMENT HELD ON 7 DECEMBER 2022 AT 4.30pm.

The meeting was held at Langside Campus.

PRESENT:

David Newall	Chair
Atiqa Chaudhry	Board Member
Mary Docherty	Board Member
William French	Board Member
Fiona Godsmann	Board Member
Sandra Heidinger	Board Member
Gordon McGuinness	Board Member
Sunita McKenna	Board Member
Runa McNamara	Board Member
Alan O'Donnell	Board Member
Lindsey Paterson	Board Member
Michael Payne	Board Member
Margaret Swiderska	Board Member
Jon Vincent	Board Member
Clare Walker	Board Member
David Watt	Board Member

IN ATTENDANCE:

Tracy Elliott	Assistant Principal, Finance and Infrastructure
John Rafferty	Deputy Principal, Curriculum and Quality Enhancement
Janet Thomson	Vice Principal, Resources and College Development
Kirsty Mavor	Clerk to the Board (Minute Taker)

22.66 WELCOME AND APOLOGIES

The Chair welcomed everyone to the meeting. Apologies were noted from Maureen McKenna.

22.67 DECLARATIONS OF INTEREST

No declarations of interest were received.

22.68 DETERMINATION OF OTHER BUSINESS

There was no other business intimated.

22.69 MINUTES OF PREVIOUS MEETING: 12 OCTOBER 2022

The Minute was approved as an accurate record of the October meeting. The Board also approved the note of the group discussion.

22.70 MATTER ARISING: ACTION GRID

The Board noted that the actions were either on the Agenda or in progress. It was confirmed that a paper on the College's digital strategy will be provided for the March meeting.

ITEMS FOR DISCUSSION/APPROVAL

22.71 CREDITS PROJECTION 2022/23

J Rafferty spoke to this paper and advised that the current forecast is a best-case credit position of **-1.6%** and a worst-case position of **-1.9%**. It was noted that the College's worst-case projection has improved and falls within the 2% tolerance.

This projection assumes that January start programmes will recruit to target, or better, and that the retention on those programmes will remain within planned levels. 484 credits still remain at risk of being lost to student withdrawal, which is about 0.38% of the credit claim. This may lower the College's projection to -2.28% in a worst-case scenario.

J Rafferty advised that the following planned mitigations are in place to try and ensure the College remains within the 2% tolerance namely: -

- To meet or exceed our January start recruitment target by making offers more swiftly.
- To return the Highers programme to the credit portfolio (worth between 1-2000 credits).
- To action a new initiative to claim for any 'added value' units which some students undertake without being included in the credit claim (worth about 350 credits).

The Board noted that withdrawal levels have decreased but are not back to pre-pandemic levels. Steps are being taken to try and understand why students are withdrawing.

The Board thanked J Rafferty for the update.

22.72 FINANCIAL SUSTAINABILITY UPDATE

J Vincent introduced this paper which was requested at the September meeting. He confirmed that there are three aspects to the College's approach to improving its financial sustainability (i) reducing staff costs through not replacing posts and voluntary severance (ii) focusing on reducing non-staff related costs (iii) looking at improving the efficiency of the curriculum delivery model.

The Board split into smaller groups to discuss the paper and what the College's approach should be going forward. Group discussions resulted in similar themes emerging namely (i) a

more radical and long-term approach to what the College's staffing structure should be in the future (ii) strategic review of curriculum delivery focussing on efficiency (iii) increase utilisation of assets and exploring commercial development opportunities (iv) process improvements through increasing automisation.

It was agreed that the current proposals would not be adequate to meet the financial challenge facing the College and that it must be more ambitious in setting out an immediate plan to improve its financial sustainability. The SLT were asked to provide a more detailed paper via email to the Board by mid-January 2023. The Board was particularly interested in receiving detail of how staff costs could be further reduced, including how they would be impacted by alternative curriculum delivery models.

22.73 ANNUAL REPORT BY AUDIT COMMITTEE TO BOARD OF MANAGEMENT

D Watt took the Board through the Audit Committee's Annual Report. The Board noted that the Internal Auditors' opinion was that the College has adequate and effective arrangements for risk management, control and governance and that proper arrangements are in place to promote and secure value for money. The overall conclusion from the External Auditors was an unqualified opinion on the financial statements, on the regularity of transactions and other prescribed matters.

D Watt drew the Board's attention to the valuation for the College's share of the assets and liabilities in Strathclyde Pension Fund which had unusually moved to a net asset of £20.2Million from a net liability of £12.2million in the previous year. D Watt confirmed that, after discussion with the External Auditors and the Actuaries, the approach adopted was to recognise this asset.

The Board thanked D Watt and the Audit Committee for the Report which was noted. It was further noted that a copy of the Report will be sent to the Scottish Funding Council along with the final financial statements.

22.74 ANNUAL REPORT AND FINANCIAL STATEMENT FOR Y/E 31 JULY 2022

T Elliott spoke to the Report which submitted the College's Annual Report and Financial Statements for the twelve-month period ending 31 July 2022. Overall, the College is reporting a deficit of £3,873k. Actuarial gains on Defined Benefit Pension Plans for the period were £35,647k and there was an unrealised surplus of £2,685k on Revaluation of Land and

Buildings. Therefore, the Total Comprehensive Income for the period is reported as £34,459k (2020/21: £9,220k).

After adjusting for non-cash items that are outwith the control of the College, such as pensions and net depreciation, the adjusted operating position for 2021/22 is a surplus of £786k, the equivalent of 1.5% of total income.

J Vincent then provided an overview of the Performance Report contained within the Annual Report. It had been a challenging year for the College with factors such as local Covid restrictions and the impact of COP26 slowing down the return to campus. J Vincent went through the key performance indicators which showed that successful outcome levels have dropped but overall the level of student satisfaction remained very high. J Vincent thanked GCCSA for the level of support provided to students during a challenging period and recognised the continuing efforts through the current cost of living crisis.

The Board sought assurance that all College staff will be advised of the financial challenges facing the College in the New Year.

Subject to some minor adjustments, the Board approved the Annual Report and Financial Statements 2021/22.

22.75 2021-22 ANNUAL AUDIT REPORT FROM THE EXTERNAL AUDITOR AND LETTER OF REPRESENTATION

The Chair spoke to the Report which provided an unqualified audit opinion on the 2021/22 financial statements, an unqualified opinion on regularity and an unqualified opinion on other prescribed matters. The Board noted that an amber rating had been provided in relation to the financial sustainability of the College.

The Board agreed that the Chair should sign the letter of representation on its behalf and noted that the Annual Audit Report is submitted to the Auditor General for Scotland for publication.

Standing Items

22.76 STUDENT PRESIDENT'S REPORT

S McKenna provided an update on GCCSA activities since the last meeting. Class representative feedback sessions have taken place and positive comments have been received about the breakfast club. Other areas of feedback will be passed on to the relevant departments. The Board noted the continuing

steps being taken by GCCSA to support students during the Cost of Living Crisis.

S McKenna also thanked Board members for attending the Graduation ceremony and also for the generous donations to the support hubs.

22.77 PRINCIPAL'S REPORT

J Vincent presented his report setting out developments since the September meeting and highlighting the following areas: -

- The College success at both the CDN awards and the British Floristry Association Industry awards.
- Details of the Memorandum of Understanding which had been reached with SRUC.
- Confirming the annual engagement visit by Education Scotland had taken place with positive informal feedback. The full report will be available for the March meeting.
- The latest position in relation to national bargaining and the job evaluation process.
- A report on GCRB was expected by Christmas.

The Board thanked the Principal for his comprehensive update and was pleased to note the understanding reached with SRUC and the positive informal feedback from Education Scotland.

22.78 CHAIR'S REPORT

The Chair thanked Board members for attending the recent Graduation ceremony. Details were provided on the 'Think the Unthinkable' discussions that had taken place. The Board was also provided with the background to the consultation on Trade Union Nominees on the Board and a copy of the College's response will be shared with the Board before it is submitted.

Committee Meetings

22.79 NOMINATIONS COMMITTEE – 9 NOVEMBER 2022

The Board noted the draft minute and the Chair advised that recruitment will be commencing in early 2023. The Board was asked to share details of vacancies with their own contacts.

22.80 LEARNING AND TEACHING COMMITTEE – 16 NOVEMBER 2022

The Board noted the draft minute.

22.81 AUDIT COMMITTEE – 23 NOVEMBER 2022

The Board noted the draft minute, parts of which had helped inform discussions earlier in the meeting.

22.82 FINANCE AND RESOURCES COMMITTEE – 30 NOVEMBER 2022

The Board noted the draft minute and the progress against the ambitious Commercial Development target of £3M.

22.83 REMUNERATION COMMITTEE – ANNUAL REPORT

S Heidinger advised the Board that this was the first formal annual report from the Remuneration Committee which will improve the transparency of the Committee's decision making. The Board found the report to be informative and noted it will be published.

ITEMS FOR NOTING/FORMAL APPROVAL

22.84 2022/23 FINANCIAL POSITION – FINANCIAL REPORT TO OCTOBER AND FORECAST OUTTURN

The Board noted the financial report to October and that the 2022/23 forecast outturn position has improved against the budgeted position.

22.85 MODERN SLAVERY STATEMENT

The Board noted the statement which had been approved by the Chair on behalf of the Board.

22.86 ESTATES, CAPITAL EXPENDITURE AND MASTERPLAN UPDATE

The Board noted the increased estimated budget costs following review of scope and design of two projects and approved the updated capital masterplan.

22.87 STRATEGIC REGISTER

The Board noted the update.

22.88 GLASGOW CLYDE EDUCATION FOUNDATION UPDATE

The Board noted the update.

22.89 GOVERNANCE UPDATE

The Board noted the update and approved the updated remit for the Audit Committee and Nominations Committee. The Board also noted the updated GCCSA Constitution and Schedules.

22.90 ANY OTHER BUSINESS

There was no other business.

DATE OF NEXT MEETING

22 March 2023, 'The Space' at Langside Campus