

NOTES OF MEETING OF THE BOARD OF MANAGEMENT HELD ON 22 JUNE 2016, THE BOARDROOM, LANGSIDE CAMPUS

PRESENT:

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|-------------------------|-----------------------|
| Mr A Linkston, CBE | Chair |
| Sandra Heidinger (SH) | Board Member |
| David Newall (DN) | Board Member |
| Clare Walker (CW) | Support Staff Member |
| Alex Muirhead (AM) | Board Member |
| Gill Troup (GT) | Board Member |
| Gordon McGuinness (GM) | Board Member |
| Susan H Walsh, OBE (SW) | Principal |
| Stephen Henson (SHen) | Teaching Staff Member |

IN ATTENDANCE:

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|----------------|-----------------------------------|
| Eleanor Harris | Depute Principal |
| B Hughes | VP Strategy and Performance |
| Janet Thomson | VP Resources |
| Gillian Murray | Clerk to the Board (Minute Taker) |

16.42 WELCOME AND APOLOGIES

The Chair welcomed everyone to the meeting. Apologies were noted from M Yuille and A Fortuny. The Chair advised that D Newall would be joining the meeting a bit later.

16.43 DECLARATIONS OF INTEREST

The Senior Managers noted an interest in the Management Restructure and advised that they would leave the meeting for that item. No other declarations of interest were received.

16.44 DETERMINATION OF OTHER BUSINESS

The Chair noted two items of other business – an update and vote to be taken on the Employer’s Association which would form part of the Chair’s update. And a paper on the Senior Managers Pay Review to be considered under AOB. The members of the Board agreed to consider both of these items.

16.45 MINUTE OF THE BOARD MEETING ON 23 MARCH 2016

The minutes were accepted as a true and accurate record of the meeting.

16.46 MATTERS ARISING – ACTION GRID

Progress on all items was noted. In relation to item 16.21, the Board agreed not to add anything to the website regarding the redaction of minutes.

16.47 MINUTES FROM COMMITTEE MEETINGS

i. Organisational Development – 11.05.16

The minutes of the meeting were noted. S Heidinger provided an update on the last meeting, notably, an update on the Task Group, the absence statistics and policies. E Harris informed the Board that EIS had hoped to issue a letter to the Board but that they were awaiting the final meeting of the Task Group, due to take place later this week.

16.48 CHAIR'S REPORT

A Linkston provided an update on the Employer's Association, noting that the group had met on 6th June with a further meeting scheduled for 23rd June. It was noted that the pay negotiations for lecturing staff were concluded for last year and this year and for support staff for last year, but that the pay negotiations for support staff for this year were ongoing. The Board voted on the representative on the EA and agreed that the Principal should be the principal representative of the College on the EA with the Chair being the secondary representative. It was noted that D Newall supported this position.

16.49 PRINCIPAL'S REPORT

The Principal spoke to the report with the papers. In addition, the Principal outlined the numerous awards won by the College and students.

S Walsh advised the Board that Laurence Howells was to retire with John Kemp taking up the position of CEO at the Scottish Funding Council on an interim basis.

The Board was informed that the annual performance review is now underway and that a pay policy for senior management has been drafted and is to be presented to the Remuneration committee.

S Walsh advised that the Mhairi Harrington, Principal of West Lothian College had been awarded an OBE. The Board noted their congratulations.

16.50 STUDENT PRESIDENT'S REPORT

In the absence of any representative from the Student's Association, B Hughes advised that the Student Executive will be elected in August. B Hughes advised that the Student Executive had been working with NUS, and will continue to work with the relevant senior managers going forward.

The Chair advised the Board that he would consider items 16.51, 16.58 and 16.59 together.

- 16.51 DRAFT REVENUE BUDGET 2016/17**
- 16.58 SCOTTISH FUNDING COUNCIL FUNDING ALLOCATION 2016/17**
- 16.59 DRAFT REGIONAL OUTCOME AGREEMENT 2016/17**

16.58 - A Linkston invited J Thomson to outline the current position on the Funding Allocation.

J Thomson advised that the College had only received the SFC indicative funding allocation at a Regional level on 9th May.

J Thomson explained that discussions have been ongoing within the Region as to the allocation of the funding to each of the individual Colleges in Glasgow. An illustrative model was circulated in March of this year by the Interim Executive Officer of the GCRB and three meetings were held with representatives from each College from the Regional Sustainability Group. This was noted as illustrative only at that stage and would be considered again when the funding announcement was made. There are now two models being considered – the GCRB Funding Model and the SFC Funding Model. The Colleges within the Region have been unable to reach agreement on the model to be adopted.

J Thomson advised that extensive discussions had taken place at the Finance and Resource Committee regarding the implications of either of the models being adopted. The Board had some further discussion on the models and the possibility that agreement may not be reached at a Regional level. A Linkston advised that a further meeting of the Regional Board was due to take place to try to reach an agreement. The Board noted its disappointment that the SFC had been unable to allocate additional funding to the Region.

The Board of Management discussed the SFC Indicative Funding Allocation.

Item 16.51 – the Board considered the paper presented to it in the context of the uncertain funding position and agreed that the budget could not be approved until the funding allocation had been decided. It was agreed that the budget, at present, should be based on historical figures. Board members agreed that whilst the

Financial Forecast Return was due on 30 June, it was more important to get a balanced budget. It was agreed that the balanced budget should be brought back to the board. It was also agreed that J Thomson could present this paper to the Regional Board.

The Board of Management discussed the Draft Revenue Budget.

Item 16.59 – E Harris explained that the Regional Outcome Agreement was in its final stages and required to be approved by the Chair but that the Board would not be in a position to approve the ROA at this meeting given the aforementioned uncertainty. E Harris explained that, in the event that the College does not get sufficient funding, this would affect delivery of the curriculum.

The Board of Management discussed the Draft Regional Outcome Agreement.

16.52 CAPITAL MASTERPLAN UPDATE

J Thomson was invited to speak to the report issued with the papers.

J Thomson explained that there had been a reduction in the capital funding allocation for the College. The College Capital Masterplan has been updated since last reported to the Board in March to increase the planned summer works 2016 funded by the College by £250k up to £650k, to include a new line item as approved for funding by the Glasgow Clyde Education Foundation (GCEF) at its May meeting for the Hairdressing Salons Upgrade of £140k (including at least £5k fundraising), and to include the science lab changes estimated at £50k, as a result of the transfer of science provision from Glasgow Kelvin College to Glasgow Clyde College in the summer of 2016. Also, the College website project approved for funding of £162k by (GCEF) at its February meeting has been included on the Capital Masterplan. A new column had also been included in the Capital Masterplan to show the source of funding.

The Board considered each of the items on the Capital Masterplan. Discussion took place around the increase in the summer works. J Thomson advised that the figure of £400k was potentially low and that this would be reviewed in the December cycle. JT

After discussion, the Board approved the Capital Masterplan.

The Chair considered Item 16.54 next and invited A McGhee to join the meeting for this item.

16.54 FUTURE CLEANING SERVICES PROVISION

J Thomson was invited to talk to the report issued with the papers.

It was explained that there is an ongoing review of the cleaning service provision for the college. The College currently still has the same cleaning services provision arrangements which were inherited as the point of merger. Anniesland and Langside have an external provider, whilst Cardonald has in-house service provision.

J Thomson explained that this was a sensitive topic given the potential impact on staff. Meetings had already taken place with A Muirhead and S Heidinger to ensure all issues were being considered. A paper had already been presented to the Organisational Development Committee and the Finance and Resources Committee outlining the work that had been done to date.

Extracts from the report had been circulated in advance to Board members along with a recommendation that option 2a was approved. The options were as follows:-

Option 1 – Continue with the mix of in-house provision at Cardonald and external provision at Anniesland and Langside.

Option 2a – outsource all cleaning on a single contract

Option 2b - outsource all cleaning with 10% reduced specification

Option 3 – transfer all cleaning to in-house delivery

The Board members discussed each of the options and considered the advantages and disadvantages of the various options. Detailed discussion took place around the potential impact on the in-house staff if option 2a was selected. The Board discussed the effect of a TUPE transfer on staff. Discussion also took place around the desired standards of cleanliness to be incorporated into a potential out-sourced contract.

C Walker questioned why West College Scotland had decided to go with in-house cleaning. She also questioned what the costs would be of the disadvantages of going external. C Walker noted a further concern about the quality of an out-sourced provision and the negative impact a poor quality service could have on staff and students. D Newall raised a concern about the costs of the out-sourced provision being estimated. Board members agreed that the cost of the contract following a tender should be kept within the estimates. The Board members discussed concerns around the management of the contract and agreed that the success of any contract would be largely dependent upon A McGhee ensuring a team was put in charge of monitoring the contract.

A Linkston noted the various concerns and advised that, given the cost pressures facing the College, they had a responsibility to

students to reduce overheads. A vote was taken and it was agreed that option 2a was the preferred option.

S Walsh agreed to contact West College for an insight into their reasoning behind their decision to take the cleaning in-house and feed this back to D Newall. It was agreed that, if anything material came out of this then it would be referred to the Finance and Resources committee. If nothing material, the Board agreed to proceed with option 2a. In the meantime, the Executive should actively engage with the Unions to take forward option 2a.

SW

JT

The Board discussed the various options and approved option 2a.

A McGhee left the meeting

16.53 CORPORATE PLAN 2016-20 FINAL DRAFT

B Hughes was asked to present his paper on the Corporate Plan 2016-20. A copy of the final draft had been circulated to Board members with the papers.

B Hughes explained that this was the final draft of the content of the plan but that graphics will be added to the final version for print. The key aspect for the Board to approve was the narrative. B Hughes advised that some of the performance indicators will be qualitative and others quantitative.

The Board discussed the Plan, noting the new name of 'Development Plan' and agreed that the content was good, The Board members acknowledged that account had been taken of their earlier feedback with increased references to staff throughout the plan.

G Troup suggested that consideration is given to the four goals to ensure they are forward-looking and that an introductory sentence is included in italics under each heading.

BH

The Board approved the Development Plan 2016-20.

16.55 EXTENSION OF INTERNAL AUDITOR APPOINTMENT

J Thomson was invited to speak to her paper on the extension of the internal auditor appointment.

It was explained that Henderson Loggie were appointed to provide the College internal audit service for a one year period for 2015/16 i.e. for the period ending July 2016. This process was undertaken via a tender exercise and using the related APUC Framework Agreement. There is an option within the contract to extend it for a second year.

J Thomson explained that the external auditors have now been appointed and, given that there is no conflict, the proposal was to invoke the internal auditor one year extension under the existing contract.

The Board approved the extension of the internal audit appointment of Henderson Loggie for a further year.

16.56 FINANCIAL MEMORANDUM BETWEEN GCRB AND ASSIGNED COLLEGES

J Thomson was invited to speak to her report submitted with the papers.

J Thomson explained that the Board needed to consider the draft Financial Memorandum between GCRB and Glasgow Clyde College (as opposed to approving it).

The Board considered the draft in detail and comments were provided on various aspects of the draft Financial Memorandum. It was agreed that the comments should be collated and fed back to the GCRB Chief Executive. Board Members considered it may be useful to look at the Financial Memoranda which other assigned colleges have in place. JT

The Board considered the draft Financial Memorandum

16.57 GCCSA STAFFING STRUCTURE

In the absence of a representative from the Students' Association, S Walsh explained the background to the papers. It was explained that, at the last board meeting, the Board approved the three sabbaticals to the Students' Association and further agreed that the staffing support would be agreed by the Executive Management Team. S Walsh invited the Board to again revert this decision to the EMT. The Board agreed that this decision should be taken by the EMT. The Board took the opportunity of discussing the importance of having continuity in the Students' Association by way of permanent support staff.

16.60 FINANCIAL REPORT TO APRIL 16 AND FORECAST OUTTURN TO JUL 16

In the absence of T Elliott, J Thomson was invited to speak to the papers issued with the agenda. J Thomson explained that the reports outlined the financial position versus the phased flexed budget for the nine month period August 2015 to April 2016 and the forecast outturn position for the academic year August 2015 to July 2016 versus the academic year 2015/16 flexed budget. The

forecast operating position for 2015/16 had been updated to reflect the planned use of depreciation cash in line with the policy priorities of the Scottish Government and, as such, shows a forecast operating deficit of £484k due to the costs of 2015/16 pay awards. The overall forecast position shows a deficit of £185k due to the forecast release of Glasgow Clyde Education Foundation Capital Funding of £299k. It was explained that this capital income is required to be released to the income and expenditure account, as Non-Government Capital Grants can no longer be deferred under new accounting standards.

J Thomson took the Board through each of the income and expenditure variances on the report.

The Board discussed the paper.

16.61 RISK REGISTER

J Thomson was invited to speak to the papers issued with the agenda.

J Thomson explained that the Risk Register now showed changes to risk in colour. It was noted that the highest risk is the failure to achieve financial sustainability. Since the previous quarter's reporting twenty one risk scores have remained the same in terms of their risk score, one risk score has increased which is risk 5 of significant externally driven curriculum change, and one risk score has decreased which is risk 17 of failure to recruit, induct and retain an appropriately experienced Board of Management.

The Board discussed the College's Risk Register.

G Troup left the meeting.

16.62 GOVERNANCE ACTION PLAN

A Linkston advised the Board that the Governance Action Plan was now complete, S Walsh having met with D Newall to discuss any outstanding governance matters. S Walsh advised the Board that she was content that governance had returned to its previous high standard and was confident that would continue. The Board agreed that an update should be given to the Scottish Funding Council and the Cabinet Secretary for Education.

SW/
GM

16.63 BOARD POLICIES

A Linkston referred to the paper on board policies which had been circulated with the agenda. Comments were invited on any proposed revisals. The following revisals were agreed:-
Policy 1.4 – first bullet point, after the word, add “and equality”.

Policy 1.4 - at the end of the third last bullet point add the following, “and provide the same support and confidentiality to those against whom the allegations are brought”.

Policy 1.6 – the last bullet point, after data retention, add “including personal data”.

Policy 1.7 – fourth bullet point, replace “promote” with “require”.

Policy 1.8 – seventh bullet point, replace “employees and students” with “employees, students and contractors”.

The Board approved the Board Policies.

16.64 2015/16 CREDITS UPDATE

The Board of Management noted the paper on the Credit Projections 2015/16.

16.65 GLASGOW CLYDE EDUCATION FOUNDATION UPDATE

The Board of Management noted the paper on the Glasgow Clyde Education Foundation Update.

16.66 POST-MERGER REVIEW UPDATE

B Hughes was invited to provide an update on the Post-Merger Review. He advised that the SFC had provided a draft Report which GCC had then revised and returned to them. At the time of the meeting B Hughes was awaiting a response from SFC to those revisions. During the course of the meeting he advised that he had received an email from the SFC accepting the revisions and advising that the final report would be published week commencing 27 June 2016. B Hughes agreed to circulate the final report to Board Members prior to publication. B H

B Hughes advised Board Members that the Report was very positive throughout whilst acknowledging the difficulties the College had had and it was very complimentary of staff.

The Chair advised he would consider Item 16.67 and the Senior Managers' Salary Review (under AOB) at the end of the meeting.

16.68 GOVERNANCE UPDATE

G Murray provided an update on various governance matters including the recruitment of new board members, the draft calendar of meetings and the new membership of the committees. G Murray advised that D Newall would be meeting with new and existing membership to discuss committee membership and if it became apparent that there was any skills gap then further Board members could be recruited.

A Muirhead advised that he and G Troup were remaining as Board members of the Glasgow Clyde Education Foundation and that two new members from the College Board would have to be proposed as Corporate members.

16.69 VICE CHAIR

D Newall advised the Board that, as he is taking up the position of Chair as of 15 July, a new Vice Chair would have to be elected. He proposed that the Vice Chair should be S Heidinger and that the term of appointment should be until her term on the board expires, that being until 31 July 2020.

The Board agreed to appoint S Heidinger as Vice Chair until 31 July 2020. S Heidinger accepted the position of Vice Chair.

16.70 EQUALITY IMPACT OF DECISIONS MADE

The Board had regard to equality throughout its decision making.

16.71 REVIEW OF PAPERS

S Walsh advised the Board that she and G Murray had been developing a new template for papers following on from the Board Development Day in May and that she hoped this would be in place for the next Board meeting. SW/
GM

Before members of the Executive Management Team left the meeting, S Walsh took the opportunity to thank A Linkston for his input and commitment as a Chair, noting that he would step down as Chair on 14 July. S Walsh, and the EMT thanked A Linkston for his excellent contribution to the College and to the Region.

B Hughes, E Harris and J Thomson left the meeting.

16.67 MANAGEMENT REVIEW

S Walsh was invited to present an update on the Management Review. S Walsh advised that the consultation on a revised management structure started week beginning 9 May 2016. During this process staff and trade union representatives provided feedback

S Walsh outlined the proposed structure, noting that there would be a reduction in Vice Principals from 3 to 2 - VP Curriculum and External Relations and VP Resources and College Development S Walsh advised that all Director posts will have a change of title and will now be Assistant Principals. In addition, a structure change to the Faculties would now see a net reduction to the Heads of Curriculum of 2 FTE from 17FTE to 15FTE.

S Walsh provided the Board with a structure chart showing the proposed changes. The Board also had sight of a calendar outlining the proposed timetable for changes.

The Board noted the update.

16.72 ANY OTHER BUSINESS

A Linkston invited the Board members to consider the paper from the Remuneration Committee on the Salary Review of Senior Managers. The paper asked the Remuneration Committee to recommend to the Board of Management that there is an increase to the salary of senior managers commensurate with that awarded to Teaching staff, backdated to April 2016. The Board discussed the paper. It was agreed that, in the absence of the Pay Policy (drafted however not yet presented to the Remuneration Committee), the Senior Managers' Pay Award, as recommended by the Remuneration Committee, should be awarded for the year 2016/17, backdated to April 2016. That pay award is 1.48%. The Board agreed to award this pay increase to senior managers and to include the Principal in this pay award.

The Board approved the recommendation of the Remuneration committee and awarded a pay award of 1.48% to senior managers and the Principal, back dated to April 2016.

Date of the next Board meeting to be confirmed