

**NOTES OF MEETING OF THE BOARD OF MANAGEMENT HELD AT 4.30PM ON
21 DECEMBER 2016, THE BOARDROOM, LANGSIDE CAMPUS**

PRESENT:

David Newall (DN)	Chair
Sandra Heidinger (SH)	Vice Chair
Keith Rosser (KR)	Board Member
Carolyn Davidson (CD)	Board Member
Graeme Whiteford (GW)	Board Member
Gordon McGuinness (GMcG)	Board Member
Scott Cooley (SC)	Board Member
David Watt (DW)	Board Member
Fiona Godsman (FG)	Board Member
Mary Docherty (MD)	Board Member
Clare Walker (CW)	Board Member
Stephen Henson (SHen)	Board Member
Amparo Fortuny (AF)	Board Member
Michaela Ditrichova (MD)	Board Member

IN ATTENDANCE:

Eleanor Harris	Depute Principal
Brian Hughes	VP Curriculum and External Relations
Janet Thomson	VP Resources and College Development
Tracy Elliott	AP Finance and Infrastructure
Gillian Murray	Clerk to the Board (Minute Taker)

OBSERVERS

Jan Polley	Polley Solutions Limited
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APOLOGIES

Susan Walsh	Principal
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16.126 WELCOME, APOLOGIES AND THANKS

The Chair welcomed everyone to the meeting. Apologies were noted from S Walsh.

16.127 DECLARATIONS OF INTEREST

K Rosser and F Godsman declared their interest in Item 16.145 as trustees of the Glasgow Clyde Education Foundation.

16.128 DETERMINATION OF OTHER BUSINESS

There was no other business.

16.129 MINUTE OF THE BOARD MEETING ON 26 OCTOBER 2016

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

16.130 MATTERS ARISING – ACTION GRID

All matters arising had been actioned.

16.131 MINUTES FROM COMMITTEE MEETINGS

i. Learning & Teaching – 09.11.16

G McGuinness provided an update from the Learning & Teaching Committee. The Committee had received copies of recent Reports including the Complaints Annual Report, the External Awarding Body Annual Report and the Student Satisfaction Survey Annual Report. In response to a question, E Harris informed the Board that the Complaints report had followed the same general trend as previous years and had not raised any specific concerns.

ii. Finance & Resources – 30.11.16

D Newall informed the Board that the Finance & Resources Committee had held a Financial Scenario Planning session at the start of their recent Committee meeting which was also attended by members of the Audit Committee and other Committee Chairs. An update was given on that session and the other work considered by the Committee. In response to a question regarding the minutes, B Hughes informed the Board that steps had now been taken to open up communications between the Students' Association and the Glasgow Clyde Education Foundation.

iii. Audit – 07.12.16

D Watt provided an update on the work of the Audit Committee (for which the minutes had been circulated via email and were available at the meeting), advising the Board that the feedback from the external auditors had been positive, taking comfort in there being no governance concerns and no new recommendations in their Management Report for the year ended 31 July 2016. The Committee had discussed the Financial Statements at length. D Watt also informed the Board that the Committee had received two good audit reports on Student funds (Student Support Funds and Education Maintenance Allowance).

16.132 CHAIR'S REPORT

GCRB

D Newall had attended two board meetings of GCRB since the last College Board meeting. He congratulated A Fortuny on being elected as a Student Member of the GCRB. The GCRB had considered the Regional Outcome Agreement for 2015/16, looking at the evaluation. The region had failed to meet its target in relation to SIMD10 in 2015/16 and GCRB had agreed that work should be carried out to analyse why the target wasn't met. The GCRB wants to increase this target in the ROA for future years but D Newall has reservations about increasing the target if that is going to be unrealistic and if it would only be achieved through reducing opportunities for non-SIMD10 students.

The date for GCRB obtaining fundable status is now expected to be April 2017. An update was given on the staffing proposals made by R Ashton to the last GCRB board meeting. It had been agreed that the GCRB Nominations and Remuneration Committee would consider the proposal and the job specification for two GCRB staffing roles (Finance & Resources and Curriculum & Quality).

Scottish Budget

D Newall tabled an update paper from Colleges Scotland, being an Analysis of the Scottish Government Draft Budget. The Board noted increases to both Net College Resource and Net College Capital figures at a sectoral level. The Scottish Funding Council is due to make its funding allocation to the Region in February 2017.

Principal's Absence

Discussion took place in private following the discussion on item 16.138. Only board members and the clerk to the Board remained in the meeting for this part of the discussion

16.133 DEPUTE PRINCIPAL'S REPORT

E Harris provided an update on National Bargaining, informing Board Members of the background to the recent settlement for support staff which had resulted in all strike action being called off.

E Harris outlined the recent Awards for which the College had been nominated.

An update on Estates (including the recent Additional SFC capital funding) was given with E Harris noting the very positive feedback from staff and learners following the work completed to improve the sports and fitness facilities at the Cardonald Campus in the summer of 2016. Discussion took place around the use of this space, and other spaces within the College, for community benefit. It was clarified that the sports and fitness facilities project was part of the summer works and was funded from the 2016/17 SFC capital allocation.

Following an update on the recent trip to Saudi Arabia by two members of the College, the Board discussed the ethical concerns surrounding contracts in certain foreign countries. D Newall advised the College Management that the Board would want to continue to consider any potentially controversial contracts before entering into these.

16.134 STUDENT PRESIDENT'S REPORT

A Fortuny provided an update on the recent work of the Students' Association, including an update on the Class Representatives, advising the Board that there are a total of 500 Class Representatives, and that 220 of them had received Sparqs class rep training which is increased by 59% on last year. A Fortuny outlined other areas where the Students' Association are represented both at a Regional and National level.

The Students' Association are working to improve communication. One of the ways they hope to achieve this is by the introduction of a new website. The Board discussed the new website with discussion focussing around what help may be available within the College to be developed by the students.

The Board noted the update on the Students' Association and the Chair thanked A Fortuny for a very detailed report.

16.135 ANNUAL REPORT FROM THE AUDIT COMMITTEE TO THE BOARD OF MANAGEMENT CHAIR'S REPORT

D Watt presented the Annual Report from the Audit Committee to the Board of Management. D Watt explained that the annual report is part of the financial year end process and that the Audit Committee should report to the Board of Management, prior to the Board approving the College Financial Statements, to inform the Board of Management of the adequacy and effectiveness of the College's internal financial and management systems controls, and the arrangements for securing economy, efficiency and effectiveness. A copy of the Report had been circulated with the Agenda. D Watt reminded board members that a copy of the Report will be sent to the Scottish Funding Council along with the final financial statements.

The Board noted that the Audit Committee reported that it was satisfied as to the adequacy and effectiveness of Glasgow Clyde College's internal financial and management systems as reviewed by internal and external audit for the financial period 2015/16.

The Board of Management discussed and noted the Annual Report from the Audit Committee.

16.136 ANNUAL REPORT FROM THE FINANCE AND RESOURCES COMMITTEE TO THE BOARD OF MANAGEMENT

D Newall presented the Annual Report from the Finance & Resources Committee to the Board of Management, explaining that the requirement for an annual report is set out in the remit of the Committee. D Newall drew the Board's attention to the conclusion that the overall financial health of the College has continued to be stable.

The Board of Management discussed and noted the Annual Report from the Finance & Resources Committee.

16.137 DRAFT FINANCIAL STATEMENTS FOR TWELVE MONTH PERIOD ENDING 31 JULY 2016

T Elliott was invited to speak to the paper issued with the Agenda. T Elliott presented the Glasgow Clyde College financial statements for the twelve month period ending 31 July 2016. It was explained that the 2014/15 figures within the financial statements represent a sixteen month period (April 2014 to July 2015) as a result of a previous revision to the financial period end for Scottish Colleges. It was also explained that, due to the Principal's absence, the opening statement within the report had been prepared by the Depute Principal. The year-end audit of the draft financial statements had been completed.

T Elliott advised members that the financial statements had been prepared in line with the Statement of Recommended Practice (SORP) 2015. It was explained that the deficit reported in the draft financial statements is in line with the forecast outturn operating position previously reported to the Board of Management on 31 August 2016 subject to the year-end adjustments which were also outlined to the Board.

T Elliott provided an overview of the College's Financial Performance explaining that before adjustments there was a small operating surplus of £38k, which was subject to adjustments in respect of Expenditure Funded by Depreciation Cash; Funded Pensions and Unfunded Pensions Financial Reporting Standard (FRS) 17 Actuarial Adjustments, and an accounting adjustment related to Capital Funding received from the Arm's Length Foundation. It was highlighted that these adjustments are accounting adjustments which do not impact on the financial sustainability of the College. In response to a query from a Board Member, T Elliott provided a further overview on the treatment of Nett Depreciation Cash in the accounts.

T Elliott advised the Board of Management that the Financial Statements had been discussed at length by both the Finance & Resources Committee and the Audit Committee. The Remuneration Committee had also had sight of the Remuneration

section of the report and comments had been considered. T Elliott advised that a further change would be made to the Financial Statements as a result of recent comments by the Remuneration Committee, that being the expansion of the section on Equal Opportunities to refer to all protected characteristics (p39 of the financial statements)

D Newall took the Board through the Financial Statements, section by section, inviting comments or questions.

The Board approved the Financial Statements.

16.138 EXTERNAL AUDITOR'S MANAGEMENT REPORT FOR 2015/16 INCLUDING LETTER OF REPRESENTATION

T Elliott explained that this draft Annual Report has been prepared by Wylie and Bisset following the external audit work completed in respect of the financial statements of the College for the period ended 31 July 2016.

The draft report summarises the work undertaken by Wylie and Bisset through the external audit and outlines an unqualified audit opinion on the 2015/16 financial statements. The report acknowledged the substantial improvements in governance procedures since the appointment of the new board in October 2015.

The draft report makes no new recommendations for the 2015/16 year and outlines two governance recommendations from the 2014/15 audit work which have not yet been fully cleared. One recommendation is not yet due for implementation, in relation to internal audit's review of compliance with the Code of Good Governance, which is due to take place during 2016-17 and is included in the internal audit plan. The other point relates to the evaluation of the Board of Management Chair which was not completed as part of the evaluation exercise for 2015/16 due to the departure of the Chair in June 2016. This will take place during 2016-17 and will be monitored in the next year's follow up.

T Elliott tabled a paper which showed further changes to be made to the Report, explaining that these additional changes are as a result of comments being received from Audit Scotland.

The Chair noted that this was a very good Report and took the opportunity to compliment staff on their co-operation with the auditors, as detailed in the Report.

The Board discussed the External Auditor's Report and approved the wording within the Letter of Representation to be signed by the Chair and the Depute Principal.

16.139 CAPITAL MASTERPLAN UPDATE INCLUDING ADDITIONAL SFC CAPITAL ALLOCATION

J Thomson was invited to give an update on the Capital Masterplan.

There are two projects in the capital masterplan where the costs have increased since the last capital masterplan report to the Board. These are the Landscaping and Horticulture Teaching Facilities comprising new workshops and glasshouse building at the Langside campus, and the lifts replacement project at the Cardonald campus.

J Thomson outlined the reasons for the increased costs. In relation to the Landscaping and Horticulture Teaching Facilities project, it was explained that the additional costs were in relation to two planning requirements plus an attenuation tank having to be moved. The overall increase in costs is £192k. These additional cost items had been discussed with GCEF, (who are funding the original plan costs of the project), at their November meeting and they have agreed in principle to fund these additional costs subject to formal approval of them by the Board of Management.

In relation to the Lifts Replacement Project at the Cardonald campus, the increased cost was to reflect the tenders as now returned for that project. This increased cost was contained within the Large Scale Plant Upgrade Part 1 of the capital masterplan..

J Thomson also highlighted that there was an updated figure in the capital masterplan being the increase to the summer works estimate line for future years which had been increased by £100k in each of 2017/18 and 2018/19.

An update was given on the work being done to improve the toilets at Cardonald following the additional capital funding allocated to the Region. J Thomson informed the Board that the final budget for this project is now anticipated to be approximately £100k higher than the initial estimate of £600k prepared recently and it was requested that this be funded from the 2017/18 SFC capital allocation. The board discussed the need to carry on with this project timeously to enable the drawdown of the SFC additional funding (projects being required to be complete by March 2017). J Thomson sought approval from the Board to spend an additional £100k to complete the upgrade of the toilets and the Business Centre at Cardonald.

The Board discussed the update. Discussion took place around the long term plan for the Cardonald campus with Board Members and they were informed that there was an estates condition survey for each campus estimating expenditure for the next twenty five

years. There was a discussion on the relative size of each campus including the past investment and Board members discussed the long term position at the Cardonald campus. The discussion considered the allocation of capital funding at a regional level with Board Members taking the view that funding should be allocated on a needs basis rather than being allocated according to the number of credits being delivered.

The Board noted the updates and approved the increased costs of £192k in relation to the Landscaping and Horticulture Teaching Facilities, and the £100k in relation to the toilets and Business Centre project at Cardonald.

16.140 GLASGOW CLYDE COLLEGE PORTFOLIO 2017/18

B Hughes was invited to provide an update on the Glasgow Clyde College Portfolio for 2017/18. B Hughes advised the board that the college prepares its portfolio for the coming academic year in November / December. The process for preparing the portfolio was outlined to Board Members with Board Members noting that the process was ongoing.

The Board discussed the impact on support staff as a result of increased ESF credits being delivered next year. The College Management offered assurances that this was being considered throughout the portfolio planning. B Hughes informed the Board that further work was going to be done in the next year to try to improve the student retention rate. Such an improvement would deliver additional credits of activity without the need to deliver more courses. Discussion also took place around the need to deliver more part time courses and the possibility of delivering more blended learning.

B Hughes advised Board Members that the process is continuing and that further detailed updates will be given to the Learning & Teaching Committee with the output being brought to the Board at a later date.

16.141 REGIONAL OUTCOME AGREEMENT 2017/20 DEVELOPMENT

B Hughes provided an update on the Development of the Draft 2017-18 Regional Outcome Agreement,

B Hughes outlined the key targets within the draft ROA 2017/20, including core activity, ESF activity and SIMD10 activity. Discussion took place around the delivery of SIMD10 activity. B Hughes explained that one of the aspirations within the Region was to ensure that the College population matches the regional population in respect of SIMD10. Around one third of the Glasgow colleges region residents reside in SIMD10 datazones

and therefore the intention is to increase SIMD10 activity from 110k credits to 120k credits by 2020. D Newall reiterated his concern about setting such a high target where the region has already failed to meet the lower target. The Board discussed the impact of this increased target. B Hughes agreed to raise this specific matter at the GCG Learning and Teaching Group.

BH

The Board noted the update on the development of the ROA 2017/20.

16.142 PROCUREMENT STRATEGY

T Elliott presented the College's Procurement Strategy for approval. It was explained that the Procurement Strategy had been updated to reflect applicable legislation, particularly the Procurement Reform (Scotland) Act 2014. The strategy is also aligned with the College's and the Scottish Funding Council's key strategic outcomes as detailed in the Glasgow Regional Outcome Agreement and the College Development Plan.

T Elliott explained that it was now a requirement to publish the strategy and, following approval, the strategy will be published with a link being sent to the Scottish Government.

D Newall observed that the strategy was very strong on social benefit.

The Board approved the Procurement Strategy.

16.143 PROPOSED TUITION FEES 2017/18

T Elliott presented the Board with the proposed 2017/18 tuition fees. It was explained that the 2017/18 fees are in line with 2016/17 apart from International fees and Rest of UK fees which have been increased, based on advice provided by the College International and Business Development Unit.

T Elliott invited the Board to approve the proposed tuition fees for 2017/18 as set out in the paper, with the caveat that the Rest of UK fee is subject to review by the Senior Management Team at its next meeting (22 December). The Board approved the fees on this basis.

16.144 COLLEGE STRATEGIC RISK REGISTER

J Thomson presented the College Strategic Risk Register. J Thomson outlined the work which had been going on to review the Risk Register and amend its style. A new style Risk Register will go to the next Audit Committee and will then come to the next Board meeting.

JT

Discussion took place around Brexit and whether or not this ought to be a separate risk. J Thomson explained that it was reflected

within other risks in the Strategic Risk Register but that consideration would be given to listing it as a risk in itself. Discussion then took place around ESF activity with an explanation being given on how this was funded and the impact Brexit will have on this stream of activity.

The Board noted the updated Strategic Risk Register.

16.145 GLASGOW CLYDE EDUCATION FOUNDATION UPDATE

J Thomson provided an update on the Glasgow Clyde Education Foundation. J Thomson advised that, at the meeting on 29th November, the College presented the strategic priorities which The College would aim to pursue through use of the Foundation Funding as discussed and agreed at the College's October Board Of Management meeting. The feedback was, that whilst they accepted these identified priorities, GCEF wanted to consider whether there were any longer term opportunities that should be considered.

The College submitted five applications to the Foundation at its November meeting as follows:-

- Addressing the Talent Pipeline – application for an employer liaison post for each of the three vocational faculties
- On line commercial courses development – range of courses planned to be developed
- Professional Foundation Programme for Lecturers – development programme for new teaching staff
- Student Entrepreneur Project – project to promote entrepreneurship and support student entrepreneurs
- Landscaping and Horticulture Teaching Facilities – potential application for additional costs for this project now required.

The feedback to date from the Foundation was that they would intend to approve the two applications; namely the Professional Foundation Programme for Lecturers, after some further exploration on costs, and the Landscaping and Horticulture Teaching Facilities additional costs, providing approval for this increase is in place from the College Board of Management. The entrepreneurship project is not being funded and the College has been asked to make some amendments to the other two applications and potentially resubmit these after revisions to their next meeting in February.

The Board discussed the applications, observing that not funding every application put forward was not necessarily a negative thing in terms of reinforcing the independent status of the Glasgow Education Foundation. The Board noted the update on the Glasgow Clyde Education Foundation.

16.146 BOARD POLICIES

G Murray outlined the process which had been undertaken to review the Board Policies. A paper outlining the proposed changes, as recommended by the Committees, had been included with the papers.

D Newall took the Board through the proposed changes, inviting comments. The Board approved the recommended changes with a further change being agreed – Policy 3.4, in the second bullet point replace the word ‘hold’ with ‘work towards’.

16.147 FINANCIAL REPORT TO OCTOBER 2016 AND FORECAST OUTTURN TO JULY 2017

T Elliott was invited to speak to the paper issued with the Agenda. T Elliott explained that the reports outlined the financial position versus the phased budget for the three month period August 2016 to October 2016 and the forecast outturn position for the academic year August 2016 to July 2017 versus the academic year 2016/17 budget. The forecast operating position for 2016/17 shows a forecast operating deficit of £259k in line with the budgeted position.

The income and expenditure variances were outlined to the Board.

The Board discussed and noted the Financial Report and forecast outturn.

16.148 CREDITS PROJECTION 2016/17 AND FINAL AUDITED CREDITS 2015/16

B Hughes provided an update on the final audited credits for 2015/16. The Board noted that the college’s final claim of funded activity for 2015/16 was 128,872 credits against a target of 128,044 (including ESF activity). This represents delivery of 0.65% above Target.

An update was also given on the Credit Projection for 2016/17 with an explanation of the work being done to achieve the target.

The Board noted the report.

16.149 GOVERNANCE UPDATE

G Murray provided an update on Governance. The Board had received a paper setting out updates on the following:-

- Board Member Recruitment
- External Effectiveness Review
- Board Self Evaluation
- Code of Good Governance
- Section 22 report

G Murray reminded members of the Remuneration Committee to complete the online training module.

16.150 EQUALITIES IMPACT ASSESSMENT ON DECISIONS MADE

There were no decisions made which would require an equality impact assessment.

16.151 REVIEW OF PAPERS

The Board would like to see more emphasis, within each cover paper, on the decisions they are being asked to make within the papers.

There were no changes to the disclosable status of papers.

16.152 ANY OTHER BUSINESS

No other business.

The next Board of Management Meeting will be held at 4.30pm on Wednesday 22 March 2017, The Boardroom, Langside Campus.