

NOTES OF THE MEETING OF THE BOARD OF MANAGEMENT, HELD ON 12 JUNE 2019, AT 4.30PM IN THE BOARDROOM, LANGSIDE CAMPUS, GLASGOW CLYDE COLLEGE

PRESENT:

D Newall	Chair
S Heidinger	Vice Chair
J Vincent	Principal
D Watt	Board Member
R Fraser	Board Member
G Whiteford	Board Member
M Docherty	Board Member
F Godsman	Board Member
M Payne	Board Member
K Rosser	Board Member
C Walker	Board Member
S Henson	Board Member
K Gasiorowska	Board Member
F Robinson	Board Member

IN ATTENDANCE

J Thomson	Vice Principal Resources & College Development
B Hughes	Vice Principal Curriculum and External Relations
T Elliott	Assistant Principal, Finance & Infrastructure
L McGaw	Assistant Principal, Human Resources
G Murray	Clerk to the Board (Minute Taker)
A Szilassy	Incoming Student President
S Rasmussen	Incoming Student Vice President

ACTION

19.28 WELCOME AND APOLOGIES

The Chair welcomed everyone to the meeting. There were apologies from G McGuinness

19.29 DECLARATIONS OF INTEREST

Declarations of Interest were noted from F Godsman and K Rosser in relation to discussions regarding a bid to GCEF to be discussed as part of the discussion on Item 19.38, 2019/20 Draft Revenue Budget. It was agreed that they would leave the room whilst the discussion took place.

Declarations of Interest were noted from the Principal and the other members of the Senior Leadership Team in attendance at the meeting in relation to the update from the Remuneration Committee (Agenda Item 19.32v). It was agreed that they would leave the meeting during this discussion.

DETERMINATION OF OTHER BUSINESS

The Clerk to the Board had received two additional Items of Business more than 24 hours in advance of the meeting. The first Item, Voluntary Severance Scheme Extension, had been circulated to Board Members with the Agenda and Papers. In accordance with the Articles of Governance, the Board voted in favour of allowing this item to be discussed. The second Item, 'Restructure Concerns' tabled on behalf of S Henson and C Walker was circulated to enable the Board to consider whether or not to allow this to be discussed. The Board voted in favour of allowing this item to be discussed.

19.30 MINUTE OF THE MEETING HELD ON 20 MARCH 2019

The Minute was approved as an accurate record of the previous meeting.

19.31 MATTERS ARISING

The Board noted the progress on the Matters Arising Action Grid

The Chair re-ordered the Agenda at this point and took Item 19.38 – Draft Revenue Budget 2019/20 for discussion.

19.38 2019/20 DRAFT REVENUE BUDGET

The Chair informed the Board that this Item should be considered in four distinct parts

1. Presentation of the Budget

T Elliott was invited to present the Draft Budget Paper. T Elliott took the Board through the cover paper highlighting the deterioration in the forecast position since last reported to the Board at its March meeting. Two significant budget pressures (STSS employer pension contribution increase and the teachers cost of living increase) were outlined to the Board, both being national decisions and thus outside the control of the College. T Elliott spent considerable time explaining to the Board the action that would have to be taken to address the forecast deficit of £944k, with a large focus on restructuring alongside budget cuts and commercial income growth.

The Board considered the draft Budget. The Board discussed the figures presented in the paper, challenging the figures within the budget both in terms of accuracy and achievability. In response to a query from a Board Member, T Elliott informed the Board that the majority of the savings to balance the £944k deficit would have to come from staff costs on the basis that significant cuts had already been made to non-staff costs, although non-staff budgets would be looked at again to ascertain if further savings could be made.

2. Steps the Executive are taking to balance the Budget

The Principal was invited to provide an update on the steps being taken to balance the budget. The Principal highlighted the longer term steps that would be needed to reduce the deficit including restructuring, better utilisation of permanent teaching staff, closer scrutiny of temporary staff budgets, a recruitment freeze for non-essential vacancies, reduction of non-staff costs, a reduction in the buffer for credit targets and converting GCRB life cycle maintenance into revenue.

The Board discussed the various steps, questioning J Vincent on the reduction of staff costs. J Vincent outlined the early proposals to restructure the academic management informing the Board that the EIS have already been alerted to this. J Vincent provided an update on the ongoing consultation with Level 8.2 Support Staff, making the Board aware that the Union, Unison, had raised a dispute around a possible breach of the local RPA (Recognition & Procedures Agreement) and other matters. J Vincent updated the Board that the dispute will be heard in the coming days but that its existence did not put a halt on Consultation which was planned to end on 21st June. Following the Consultation, decisions would have to be made on the next steps. J Vincent indicated that there is a likelihood that all levels and jobs will have to be looked at to achieve the requisite cost savings.

In response to a question, J Vincent assured the Board that the decision to start the restructure at Level 8 Support Staff came from an existing need to reshape these areas of the College. A working group had been set up to consider moving admin centrally prior to the need for cost reduction.

The Board emphasised the need for any Restructure to be thorough, taking account of all requisite processes and having regard to the overall delivery and learning experience of students.

The Board **agreed** to delegate authority to the Remuneration Committee to make decisions on Restructuring and that the College Management should have a meeting with the Remuneration Committee following the current Consultation period to decide on the next steps of the Restructure.

The Board **agreed** that any decision to make compulsory redundancies should be a decision of the full Board – Remuneration Committee did not have delegated authority to make this decision.

3. Application for GCEF Funding

K Rosser and F Godsman left the room for this part of the discussion.

ACTION

J Vincent provided an update on the recent discussions with the Chair and Director of GCEF regarding funding Voluntary Severance. They had taken legal advice and did not feel that their Constitution allowed GCEF to fund Voluntary Severance although they did express their willingness to support the College through a period of restructure and safeguard the experience of learners. The Chair and Director had indicated that GCEF might be willing to support other costs. J Thomson informed the Board that the College Management has been drafting a list of costs that they could ask GCEF to fund. J Thomson informed the Board that ongoing engagement with GCEF was crucial.

Having discussed the draft Revenue Budget and noting the necessary staff exit costs, the Board **authorised** the College Management to continue discussions with GCEF with a view to obtaining funding from GCEF of around £700k in addition to the £250k bid for planned Capital expense.

JV/JT

K Rosser and F Godsman returned to the meeting.

4. Is the Board content to approve the Budget?

Having discussed the 2019/20 draft Revenue Budget, the Board decided it **could not approve** the draft Budget at this stage. The Board requested that further work be done to consider the requisite staff cost reductions and secure additional funding from GCEF. The draft Revenue Budget should also take account of the further SFC guidance due to be issued week commencing 17th June. The Board agreed that the Chair and the Chair of the Finance & Resources Committee should have delegated authority to continue discussions with the College Management on the Draft Revenue Budget with a view to the Draft Revenue Budget being brought to the August Board for approval.

TE

L McGaw left the meeting.

19.32 MINUTES OF COMMITTEE MEETINGS

- i. Finance & Resources (29.05.19 and 6.3.19)**
The Board noted the Minutes of the Finance & Resources Committee.
- ii. Audit 22.05.19)**
The Board noted the Minute of the Audit Committee.
- iii. Learning & Teaching (15.05.19)**
The Board noted the Minute of the Learning & Teaching Committee
- iv. Nominations Committee (11.04.19)**
The Board noted the Minute of the Nominations Committee. The Chair provided an update from the

ACTION

recent Board Recruitment Information Event, thanked College Management for their participation, and thanked F Godsmen for her presentation at the Event. The Chair highlighted the five Board Members whose term of office would end next year and informed the Board that he would be initiating discussions with the Board Members to ascertain their future intentions to remain on the Board of Management.

v. Remuneration Committee (11.04.19)

J Vincent, B Hughes, J Thomson and T Elliott left the room for this item.

S Heidinger, Chair of the Remuneration Committee provided an update from the recent meeting of the Remuneration Committee outlining the key items which had been discussed being the Principal's performance, Pay Award and Professional Membership and the Pay Award for Vice Principals and Assistant Principals. The Board noted the decisions of the Remuneration Committee in all of these aspects.

During discussions on Pay Awards, a Board Member expressed the view that the Remuneration Committee should not have the authority to agree a Pay Award for Senior Staff and that this power should remain with the Full Board. It was agreed that this point should be considered as part of a review of the Remit of the Remuneration Committee.

DN/SaH/
GM

During discussions on the Principal's Professional Membership to Vistage UK, a couple of Board Members expressed their concern about the Value for Money of this Membership. The majority of Board Members were supportive of this membership, recognising the potential benefits to the College (through networking and potential Commercial Income) and to the Principal, in his own continued professional development. However, the Board recognised the need to consider Value for Money and endorsed the Remuneration Committee's proposal to revisit the membership after six months to assess Value for Money.

SH

The Committee noted the update from the Remuneration Committee.

J Vincent, B Hughes, J Thomson and T Elliott returned to the meeting.

19.33 CHAIR'S REPORT

ACTION

The Chair thanked K Gasiorowska and F Robinson for their contribution to the Board and wished them well in their future careers.

The Chair informed the Board that the Audit Scotland Report had been published.

19.34 PRINCIPAL'S REPORT

J Vincent provided an overview of the Audit Scotland Report, highlighting the key messages within the Report. The Chair informed the Board that the Report would go to the Audit Committee with any requisite actions flowing from the Report being monitored through that Committee.

Audit

An update was given on the recent innovative technology initiative – GiftTech. G Whiteford informed the Board that he had attended the launch of GiftTech and commended the College for this initiative.

An update was given on the EIS-FELA Dispute.

J Vincent provided an update on the ongoing Job Evaluation Process.

The Board were informed that the Estates Review was nearing completion and that an Estates Strategy would be brought to the Board in October.

J Vincent highlighted some of the recent student awards and nominations

The Chair thanked the Principal for the update.

19.35 STUDENT PRESIDENT REPORT

K Gasiorowska was invited to speak to the Report issued with the Agenda. K Gasiorowska outlined some of the key achievements of the GCCSA over the past year. K Gasiorowska introduced the new President of the GCCSA, Aranka Szilassy and the Vice President who would also be a student Board Member, Sissa Rasmussen.

The Board discussed some of the activities which had taken place, commending the GCCSA on the breadth of activity.

The Board thanked K Gasiorowska again for her exceptional contribution to the College over the past two years.

19.36 FINANCIAL REPORT YEAR TO APRIL 2019 AND FORECAST OUTTURN TO END JULY 2019

T Elliott was invited to speak to the paper issued with the Agenda. T Elliott explained that the report outlined the financial position versus the phased budget for the nine month period August 2018 to April 2019 and the forecast outturn position for the academic year August 2018 to July 2019 versus the academic year 2018/19 flexed budget. The Board was

informed that the forecast was in line with the overall budgeted position.

The Board discussed the Financial Report and, in particular, the expenditure variances relating to staff costs. T Elliott explained that budgets are monitored on a monthly basis and that plans are now in place to better utilise permanent staff to reduce temporary staff costs. In response to a query, she informed the Board that the increased temporary staff costs amount to 0.5% of all costs, and that College Management feel that this has been risk managed.

Having **discussed** the Report, the Board **noted** the Report.

19.37 DRAFT FIVE YEAR FINANCIAL PLAN 2019/20 TO 2022/23

T Elliott was invited to speak to the Report issued with the Agenda. T Elliott informed the Board that the draft Five Year Plan would have to be updated to reflect the final pay deal being agreed between EIS –FELA. T Elliott informed the Board that future assumptions are awaited from the SFC and that the deadline for submitting the draft Five Year Plan to the SFC is now September.

T Elliott took the Board through the Report, highlighting the Balance Sheet, Financial Forecasts and draft Five Year Financial Plan. T Elliott also outlined the assumptions and /Risks and Uncertainties.

The Board discussed the draft Five Year Financial Plan highlighting the need to ensure that the cost savings and income growth are being closely monitored to ensure that the College is moving forward and that it does not remain in the same position in five years, having fixed a short-term problem with no regard to the longer term position. The Board discussed the potential impact of the Support Staff Job Evaluation with T Elliott informing the Board that SFC had not yet provided accounts guidance in relation to this.

The Board **invited** the College Management to bring back a further draft to the August Board meeting along with firm plans on how, in the longer term, a balanced budget will be achieved.

TE

K Rosser left the meeting.

19.39 DRAFT STRATEGIC PLAN

J Vincent was invited to speak to the Report issued with the Agenda. J Vincent introduced the paper, outlining the revised new Values, created following feedback from Board Members. J Vincent also outlined the proposed new Vision Statement before introducing the draft Strategic Plan to the Board.

The Board discussed the new Values and Vision Statement. The Board approved the new Values and the new Vision Statement.

The Board Discussed the draft Strategic Plan. The Board observed the need for clear, measurable KPIs. The Board discussed the need to recognise weaknesses and areas where improvements could be made. Discussions took place around the timing of the draft Strategic Plan with J Vincent reminding the Board that the existing Strategy is in place until 2020. The Board **agreed** that the College Management should use the draft Strategic Plan as a starting point for further development and stakeholder consultation with a view to presenting a further developed plan to the October Board Meeting at the away day.

19.40 CAPITAL MASTERPLAN UPDATE

J Thomson outlined the updates to the Capital Masterplan. The Board of Management **approved** the updated Capital Masterplan.

19.41 GLASGOW CLYDE EDUCATION FOUNDATION UPDATE

J Thomson was invited to speak to the Report issued in advance of the meeting. J Thomson provided an update on the long-term sustainability of the Learning & Teaching Transformation bid. An update was also given on the expanded measures for the success of the project.

The Board **noted** the update.

19.42 GOVERNANCE UPDATE

The Chair introduced the paper and invited the Board to consider the Recommendations on page one of the Report.

The Board **agreed** to commence the election of a new support staff member.

The Board **agreed** the Annual Board Effectiveness Self-Evaluation Framework, subject to a minor amendment in the evaluation of the Chair (The Vice Chair should seek feedback on the Chair's performance from the Chair of the GCRB).

The Board **noted** the progress on the Board Development Plan.

The Board **noted** the updated on Board Member Recruitment.

Having discussed the paper, the Chair thanked G Murray for the paper.

19.43 CREDITS PROJECTION 18/19

The Board of Management **noted** the Paper.

ACTION

19.44 STRATEGIC RISK REGISTER

The Board of Management **noted** the Paper.

19.45 EQUALITIES IMPACT ASSESSMENT ON DECISIONS MADE

The Board noted that an EIA had been carried out in relation to the Voluntary Severance Scheme. The Board of Management requested that an EIA be carried out in respect of any future decisions on restructuring, in particular, any restructuring as a result of the ongoing Consultation with Level 8 Support Staff.

19.46 REVIEW OF PAPERS (INCLUDING DISCLOSABLE STATUS)

As per noted on papers.

19.47 ANY OTHER BUSINESS

The Board considered the Voluntary Severance Scheme extension paper which had been circulated. The Board agreed to the College Management seeking an 18 month extension of the scheme from GCRB and SFC.

S Henson and C Walker informed the Board that all matters raised in their paper had been addressed throughout discussions on various other items on the Agenda.

DATE OF NEXT MEETING

4.30pm on 28th August 2019 at 4.30pm, The Boardroom, Anniesland Campus.