

NOTES OF THE MEETING OF THE BOARD OF MANAGEMENT HELD ON 28 OCTOBER 2020 AT 4.30pm. The meeting was held remotely due to Covid-19 restrictions.

PRESENT:

David Newall	Chair
Mary Docherty	Board Member
Fiona Godsmann	Board Member
Sandra Heidinger	Board Member
Stephen Henson	Board Member
Kacper Kacica	Board Member
Gordon McGuinness	Board Member
Runa McNamara	Board Member
Alan O'Donnell	Board Member
Michael Payne	Board Member (from Item 20.55)
Sissa D Rasmussen	Board Member
Keith Rosser	Board Member
Jon Vincent	Board Member
David Watt	Board Member
Clare Walker	Board Member

IN ATTENDANCE:

Brian Hughes	Vice Principal, Curriculum and External Relations
Janet Thomson	Vice Principal, Resources and College Development
Tracy Elliott	Assistant Principal, Finance and Infrastructure
Christine McConnell	Clerk to the Board
David Marshall	Assistant Principal for Item 20.57
Lorraine McGaw	Assistant Principal for Item 20.57

20.46 WELCOME AND APOLOGIES

The Chair welcomed everyone to the meeting.

20.47 DETERMINATION OF OTHER BUSINESS

There were no other items of business for discussion.

20.48 DECLARATIONS OF INTEREST

Declarations of Interest were received from K Rosser and F Godsmann in relation to discussions with the Glasgow Clyde Education Foundation (GCEF). No other declarations of interest were received.

20.49 MINUTES OF PREVIOUS MEETINGS:

- **10 JUNE 2020**
- **Board Update Meeting – 2 September 2020**

The Minute and note were approved as an accurate record of the previous meetings subject to typographical corrections.

20.50 MATTER ARISING: ACTION GRID

The Board noted that the actions on the grid had been completed.

20.51 SCHEDULE OF WORK

The Board noted the Schedule of Work and agreed that a Monitoring Report on Staff Equality and a Health and Safety Report should be added to the Schedule. B Hughes agreed to provide input in relation to the timing of the Credits reports. CMcC

20.52 19-20 DRAFT PRIMARY FINANCIAL STATEMENTS

T Elliott was invited to speak to the paper.

T Elliott took the Board through the draft primary financial statements for the twelve-month period to July 2020 comprising the Statement of Comprehensive Income and Expenditure and the Balance Sheet.

The Board noted that the College is reporting a deficit of £3,724,000. The Board noted that the reported deficit for the period includes a range of adjustments resulting in an adjusted operating surplus of £277,000.

T Elliott listed the key movements which have occurred since the draft Financial Forecast Return was submitted to GCRB earlier in the year. These include: -

- Additional Job Retention Scheme Income
- Reduction in Estates Maintenance, Utilities and Other Estates costs due to COVID19 and the related lockdown
- Release of additional SFC/GCRB ESF and Digital Funding
- Additional GCEF Income
- Reduction in Other Operating costs due to COVID19 and the related lockdown
-

T Elliott advised the Board that there will be a full report to the Audit Committee on the reported actuarial losses to the Defined Benefit Pension Scheme. TE

The Board noted the report and complimented the staff on achieving a cash surplus which was unexpected.

20.53 2020/21 Budget and 2021/22 to 2022/23 Financial Plan

T Elliott spoke to the paper submitted with the agenda and shared a presentation giving details of the 20/21 budget and 21/22 and 22/23 Financial Plan.

T Elliott outlined the draft revenue budget for 20/21 and explained the assumptions made in relation to the receipt of additional GCEF funding and College restructuring which will have a significant impact on the budgeted position. The Board was advised that the budgeted position, including additional GCEF funding and cross College Restructuring, is an underlying deficit of £260,000.

The Board discussed the key risks and their impact on the 20/21 budget.

The Board noted that the budget was based on a number of income and expenditure assumptions which will be kept under review. In particular, on the income side, the Board noted that funding from the European Social Fund and from Tuition Fees are dependent on student numbers being achieved.

Income from externally funded and commercial activity has been impacted by COVID-19 and remains uncertain. Expenditure assumptions made include no automatic filling of vacant posts and some significant reductions in non- staff costs.

The Board discussed the impact on the budget where students withdraw early and the need to provide clarity to students on their responsibilities. Two key dates are beginning of November for Scottish Funding Council (SFC) funding and beginning of December in relation to Students Award Agency for Scotland (SAAS) funds.

The Board was advised that the assumptions were based on a balanced approach which has been fully discussed by Senior Management and is thought to be robust based on the best information currently available.

The Board noted the risks in relation to achieving the targeted income from commercial activity and noted that a cautious approach had been taken by the Business Development Unit when preparing the 2020/21 commercial activity plan.

The Board discussed the savings of non-staff costs and noted that many of these related to course expenses for tools and other equipment supplied to students. The Board recognised that some cuts have had to be made to achieve the budgeted position.

The Board agreed to approve the budget for 2020/21 resulting in an Adjusted Operating Deficit of £260,000.

T Elliott took the Board through a presentation on the Three Year Financial Plan for 2020/21, 2021/22 and 2022/23.

The Board noted the changes which have occurred since the briefing provided on 2 September 2020 and was advised of the variations in the plan excluding any restructure and GCEF funding which the Board noted as key risks.

The Board discussed the proposed savings and noted the Principal's commitment to achieve savings by voluntary measures if at all possible. The Board noted that the voluntary severance scheme must be approved by Glasgow Colleges' Regional Board and by the Scottish Funding Council and the application is progressing. The Board emphasised that there must be a strategic approach to restructuring and asked that a detailed report on the strategy for achieving savings through voluntary severance be brought to the next Board meeting on 9th December 2020.

The Board commented that there may be longer term constraints on public funding so a cautious approach to income should be adopted. T Elliott highlighted that SFC/GCRB income forecasts for 2021/22 and 2022/23 are based on assumptions as provided

JV

by the SFC and GCRB for planning purposes only and, as such, may be subject to change when future funding allocations are announced.

T ELLIOTT LEFT THE MEETING

20.54 UPDATE ON FUNDING APPLICATIONS TO GCEF

J Thomson spoke to the report.

The Board was advised that discussions were taking place with GCEF to explore avenues for additional funding. The GCEF Donation Agreement has been amended in relation to possible use of funds.

The Board heard that the Foundation has approved a revenue bid of £350K for 20/21 and that the College will be submitting a further substantial bid to address its financial sustainability for the next two years. GCEF has indicated it is supportive of the College's position

The Board asked that the draft bid be shared with Board members before it is submitted to GCEF. JT

M PAYNE JOINED THE MEETING

20.55 STRATEGIC RISK REGISTER/ RISK APPETITE

J Thomson spoke to the report. The Board was advised that the Risk Register has been reviewed and changes made were highlighted. JT

The Board commented on the following elements:-

Risk F4- mitigating actions should reflect the income from GCEF

Risk O2- the risks attached to homeworking should be reflected.

The Board was asked to consider whether the College's risk appetite has changed in light of the changes to the Risk Register given the impact of Covid-19. After discussion and a vote, the Board agreed that the risk appetite should remain as "Open". JT

This decision should be included in the Financial Statements.

The Board of Management noted this report.

20.56 Audit Scotland – Covid 19 Guide for Audit and Risk Committees

J Vincent spoke to the report.

He explained that the Audit Committee had considered the terms of the Audit Scotland Guide for Audit and Risk Committees. The Committee asked that the College complete the questionnaire included in the Guide under the following four areas:-

- Internal controls and assurance
- Financial management and reporting
- Governance
- Risk Management.

The Board discussed the responses provided and commented that it would like to receive a briefing on cyber security in light of the increased risks attached to home working. JT

The Board noted the paper.

20.57 Update on Role of Support Staff- IT/ Student Support Staff

L McGaw and D Marshall joined the meeting and gave a presentation to the Board on the work of support staff since lockdown. The presentation covered a wide range of activities across all areas of the College

The Board commented on the innovation and commitment shown by staff and expressed its thanks to all involved. The Board asked that the Principal give consideration to ways in which individual contributions can be recognised. JV

20.58 GOVERNANCE UPDATE

C McConnell spoke to the report.

The Board discussed the various governance issues raised and agreed the following actions:-

- (1) Nominations Committee was asked to review the Scheme of Delegation and Standing Orders and to produce a draft Board development plan for consideration at 9th December 2020 Board meeting;
- (2) The revised Committee memberships as shown in Appendix 3 of the report were approved. In particular, Sissa D Rasmussen and Kacper Kacica were welcomed to the Board and various committees as student representatives. Alan O'Donnell has joined the Learning and Teaching Committee and Alan O'Donnell and Clare Walker have joined the Nominations Committee.

The Board noted: -

- that the vacancy for new Board members was being re-advertised and was encouraged to share with any contacts who may be interested;
- Board members' appraisals have been completed satisfactorily; and
- Nominations Committee will consider applications for GCEF appointments at its meeting on 4 November 2020.

**20.59 T ELLIOTT REJOINED THE MEETING
MODERN SLAVERY AND HUMAN TRAFFICKING
STATEMENT 2019/20**

T Elliott spoke to the report.

The Board discussed the terms of the Statement and agreed that the first paragraph should include a clear declaration that the College rejects modern slavery in all its forms. TE

The Board asked that the statement be amended and checked for typographical errors and circulated to the Board for approval by email before publication on the website.

20.60 CHAIR'S REPORT

D Newall provided the Board with a verbal update.

The Chair outlined the report which has been published by SFC which has implication for the structure of Colleges across Glasgow.

The Board agreed that the Chairs of the Board's Committees should meet with the Principal to prepare a paper for the Board at its meeting on 9th December with options for the future structure of Colleges in Glasgow. Chairs/
JV
CMcC

The Board discussed the planned external effectiveness review and agreed that this should be progressed with a view to completion by April 2021.

20.61 PRINCIPAL'S REPORT

J Vincent was invited to speak to the report.

The Board commended those mentioned in the report who had received awards.

Board members were invited to attend the Virtual Graduation Ceremony being held on 30th October 2020.

The Principal provided an update on the impact of Covid-19 on the College. The Board noted that face to face teaching and support was being provided for students on all campuses in line with Covid-19 restrictions.

The Board discussed the SFC review and noted the plan to respond.

The Board noted the report.

20.62 STUDENT ASSOCIATION PRESIDENT'S REPORT

S D Rasmussen spoke to the report issued with the agenda.

She outlined the wide range of activities being undertaken to support students at the start of the academic year.

The Board expressed its admiration for all the work which is being done.

The Board **NOTED** the report.

MINUTES OF COMMITTEE MEETINGS

20.63 ORGANISATIONAL DEVELOPMENT COMMITTEE MINUTES

16 September 2020

The Board noted the Organisational Development Committee minutes.

20.64 AUDIT COMMITTEE MINUTES

30 September 2020

The Board noted the draft Audit Committee minutes.

20.65 *Moved to end of Agenda*

20.66 FINANCE AND RESOURCES COMMITTEE MINUTES

7 October 2020

The Board noted the draft Finance and Resources Committee Minutes.

20.67 CREDITS- ESTIMATE OF OUTTURN AGAINST TARGET 2019-20

The Board noted the report.

20.68 CAPITAL MASTER PLAN UPDATE

The Board approved the report.

20.69 FREEDOM OF INFORMATION SUMMARY

The Board noted the report.

D Watt, J Vincent, J Thomson, B Hughes and T Elliott left the meeting.

20.65 REMUNERATION COMMITTEE MINUTE

The Board discussed the Committee's decision to award a pay rise to Senior Staff which the Committee Chair explained was felt to be fair in all the circumstances. Some members expressed concern at the decision and noted the need to ensure that satisfactory performance reviews have been completed. The Board noted that the pay policy at present provides that all members of the Senior Management Team are awarded the same level of rise-irrespective of individual performances. The Board agreed that development of a pay award system linked to individual performance should be a priority for the Principal in the coming months.

The Board noted that the Remuneration Committee had reviewed its terms of reference and agreed that they remained appropriate. A view was expressed that the decision on senior management pay awards should be reserved to the full Board. The Chair agreed that this question would be re-considered at the next meeting of the Remuneration Committee with a report presented to the Board at the following meeting.

CMcC

The Board of Management **NOTED** the Remuneration Committee minutes.

20.70 ANY OTHER BUSINESS

There was no other business.

DATE OF NEXT MEETING

9 December 2020 at 4.30pm

Location to be confirmed in light of current government restrictions