

**South Lanarkshire College
Board of Management Meeting
Held on 18th September 2018**

Present A Kerr (Chair), S McKillop, C Paterson, J Carratt, C McDowall, G Stillie, S Duffy, P Hutchinson, R Harkness, I Johnstone, C Gibb.

Apologies L McTavish, R Ralston, L Newlands, S Dillett.

1. Declaration of Members' Interests

Membership of The Lanarkshire Board was declared by A Kerr, S McKillop, C Paterson, R Harkness and J Carratt. No other declarations were received.

2. Presentation by Steve McIntosh, Regional Chief Information Security Officer from Higher Education and Further Education Shared Technical Information Services Ltd on The Cyber Threat Landscape.

The presentation covered – Cyber Security, Cyber Threat Actors, Motivations, Cyber Security Risks, Cyber Risk Reduction, Reducing the Sector Risk, Board Responsibilities, Benefits. A copy of the presentation will be placed on the Board of Management Portal.

Discussion took place regarding the Board's responsibility to understand the risks to the organisation. Mr McIntosh informed members that he was comforted by the College's reporting mechanism on risk and that cyber resilience was well represented on the Risk Register.

Members were further informed that the College had been one of the first to gain the Cyber Essentials+ Accreditation. Mr McIntosh commented that this had been quite an achievement.

Members enquired why other organisations had not achieved this and Mr McIntosh responded that it was a difficult award to achieve within the timescale. The deadline for having a system in place is October 2018.

Members thanked Mr McIntosh for his presentation and applauded the College's achievement.

3. Welcome

Mr Kerr took the opportunity to welcome Claire Paterson to her first full Board meeting since becoming Student President. He thanked her for her input thus far at both the Board Planning in June 2018 and at the Construction Awards the previous evening.

4. Minutes of the Previous Meeting

The minute of the meeting held on 29th May 2018 was presented and agreed by the Board of Management. This would now go forward to The Lanarkshire Board for information.

5. Matters Arising

Recruitment – the Principal stated that at present the College was extremely happy with its recruitment numbers and he thought it unlikely that there would be a requirement to run many January Start courses.

Change of Radio Station – members enquired if the change of station from Capital to Radio Clyde had been well received and if an impact analysis had been done. Ms Harkness said the verbal feedback so far had been positive with good coverage being given to the College. Mr Johnstone added that the Development Committee was also considering this and would have more solid information after the analysis of the final recruitment had been done.

6. Chair's Update

Mr Kerr stated that going forward this would be a standing item on the Agenda. Members welcomed this introduction.

Election of Vice Chair – Mr Kerr reminded members that at the last full Board in May 2018, Mr Gallacher had tendered his resignation from the Board after many years of service to the College. This had of course created a vacancy for a Vice Chair.

He continued that after some consideration he would wish to propose Paul Hutchinson to be considered for the role of vice chair. Mr Kerr asked that members take time to consider this during the meeting and the point would be revisited under Any Other Competent Business.

Board and Committee Dates 2018/19 – the final draft of these had been tabled for members' approval. Mr Kerr stated that although there would always be room for change should issues arise, it would be best that schedule was set and adhered to. He asked that all members take a final look and if no points were raised with Ms Martin, she would take the dates as final and distribute to members and place on Board of Management Portal.

Recruitment of Members – members noted the current vacancies on the Board. Mr Kerr stated that the Principal and Clerk were working on recruitment at present. An update would come back to the Board in due course.

Meetings with the Associate Principals – members noted that Mr Kerr had met with each of the three Associate Principals on an individual basis. He had welcomed this and had taken the opportunity to tour each Faculty with them. Mr Kerr stated it had been excellent to meet students and staff in both classroom and workshop environments.

Meeting with the Joint Negotiating Committee (JNC) – a meeting is being arranged for Mr Kerr to meet with the trade union representatives of the College.

Construction Awards – 17th September 2018 – Mr Kerr stated that he had attended this Awards Ceremony the previous evening and had been impressed by the evening. Students and their families, College staff and stakeholders came together to celebrate the many successes of the students within the Faculty of Construction.

The Lanarkshire Board – Mr Kerr stated that he was in ongoing dialogue with the Chair and other members of The Lanarkshire Board with regard to communication between the organisations and the need for respect and parity of esteem and most significantly with respect to the publication of documents referring to South Lanarkshire College with no reference to or discussion with SLC.

Discussion then took place on the Draft Business Plan for Lanarkshire which had been compiled by The Lanarkshire Board. Members raised concerns that this document which referred to Lanarkshire and made specific references to South Lanarkshire College, had never been provided

to the Board. It was agreed that Mr Kerr would highlight the concerns of members to the Chair of the RSB.

Board Member's Profile – Mr Kerr stated that it was important that staff and students knew who their Board was. He hoped that members would respond to the request to provide a short profile for the College website. This should be passed to Ms Martin for publishing.

One to One Board Appraisal Meetings - Mr Kerr stated that the cycle for these meetings was upon the Board. He added that it was his intention to set up a meeting with each of the members to catch up and also address the formal process. Members welcomed this.

7. Principal's Update

National Pay Bargaining – the Principal re-iterated that the College was now tied to the agreements and negotiations determined by National Pay Bargaining. Members acknowledged the difficulties this brought to a College who had for many years achieved successful local bargaining, with open and frank communication between the Senior Management Team and Staff representatives.

Details were given of the ongoing discussion on lecturing staff hours and the impact from this. The Principal stated that thus far, the College had avoided going into dispute at a local level but that this was not the case for all colleges.

Members noted that dialogue also continued on the annual salary proposals for both lecturing and support staff and that Mr McAllister had set aside indicative allowances for this within his budgets. Ms Paterson enquired if strike action was anticipated. The Principal stated that this may be a possibility but to a large extent it would be outwith the College's control.

Discussion then took place regarding the excellent support given to students at SLC before and subsequent to the last round of strike action.

Construction Industry Training Board (CITB) – the Principal gave a detailed synopsis of the collective work being done in the Sector to address the growing issues in regard to the split of fees between the CITB and colleges. Members noted that there had been no rise in payment to the College over the past eight years with CITB retaining 70% of the funding.

Discussion then took place on the benefits and pitfalls to the individual colleges becoming Management Agents. Members stressed the importance that this should not lead to colleges bidding against each other for the same pot of money. The Principal stated that initial discussions indicated that colleges would agree a fixed cost that would be adhered to. Members asked that due cognisance be taken of this agreement not being kept to and the financial impact of such an action.

8. Update from the Committees

Audit Committee

In the absence of Mr Ralston, Mr Kerr and Mr Hutchinson took members through the minute of the Audit Committee which had taken place on 28th August 2018, highlighting the following:

Consolidated Accounts – Mr Kerr had sought clarification on the preparation of the Consolidated Accounts at the meeting and had received assurance from Mazars that there would be clear separation of the audit of the Accounts of New College Lanarkshire and South Lanarkshire College. Members had stated that it was not acceptable within the commentary of the Consolidated Accounts, that NCL and its subsidiaries plus SLC were referred to as the Group and had requested that this was reported back. Mazars had agreed to feed this request back to the RSB. This directive was welcomed by the Board.

Mr Hutchinson stated that the Committee had stressed the importance of transparent reporting and in particular the agreement on timing to allow the Board of SLC to examine the Consolidated Accounts and narrative prior to them going forward to the Scottish Funding Council. Members noted that the SLC December Board meeting had been moved to facilitate time for this.

Internal Audit Plan 2018-2019 – Scott Moncrieff – August 2018 – this had been presented to the Committee for approval. Members had been happy to approve the content with the caveat of future proofing if and when required.

Risk Register – the Committee had been issued with a detailed copy of the Risk Register, the College summary and commentary as at 16th August 2018. Mr McAllister had updated members on the work being undertaken in the areas of cybercrime and GDPR and the narrative on the final grant-in-aid allocation to the College.

Mr Hutchinson stated that the Committee had noted the changes to the Register and in particular the area of long-term financial security and the high risk rating which would likely be given by all colleges across the Sector given the uncertainty around funding.

Human Resources Committee

Mr McDowall took members through the minute of the Human Resources Committee which had taken place on 29th August 2018, highlighting the following:

All Staff Conference – 13th August – the Committee received the evaluation of the day and it was the most positive evaluation yet. It was noted that this was another well-delivered in-house conference with the organisation of the event amongst the highest scoring in the evaluation.

The theme for the day had been ‘You Rock’ and Mr Kerr stated that it had been a vibrant day with the ideal balance of learning and fun.

Teaching Qualification in Further Education (TQFE) – the College remains committed to supporting lecturing staff in achieving the TQFE qualification. Nine members of staff will be supported in 2018/19 with the College meeting the full fee cost. The qualification will be delivered by Stirling University this year. The Committee had also requested that due consideration was given to the facilitating accessibility of part-time staff to the qualification.

Absence – extremely positive figures presented. The Committee has asked that cross-sector statistics on absence be sought if possible.

Health and Wellbeing Initiatives – work is being carried out to make the College a ‘Clean Air College’. A survey has been carried out of students and staff to explore what could be done in support of those wishing to try to quit smoking. The survey results were positive and supportive of the Clean Air initiative.

Discussion then took place regarding the wider issue of 'clean air', reducing fumes and what more the College could do to support this initiative. Ms Paterson informed members that the College had a new and funded Cycling Officer in place and that this had been very well received by students. The Principal added that going forward, consideration would be given to an electric college van and that charging points were to be installed in the College car park.

Finance and Resources Committee

Mr Kerr took members through the minute of the Finance and Resources Committee which had taken place on 5th September 2018. He asked that members note the key areas for attention listed on the Board Agenda; Board to note financial forecast for the year to 31st July 2018/19, Board to review the updated 5-year financial plan including Budget for 2018/19 and approve the Financial Forecasting Return (FFR) for submission to Scottish Funding Council.

He then asked that Mr McAllister take members through the detail of the papers.

Mr McAllister explained the Board had received the amended set of papers subsequent to the Finance and Resources Committee meeting as he had been directed to seek guidance and clarification from the Funding Council and this set of papers reflected the content of this conversation.

Operating Budget – Draft at 11 September 2018 – 12 months from August 2018 – July 2019 (Appendix 2 B as amended)

Mr McAllister stated that in line with the guidance received he had amended this document. He asked members to note that clear guidance had only been given for the next two years and that the following three were deemed to be indicative as at this point the Funding Council only had a budget up until March 2020.

In line with the directive from the Finance and Resources Committee to management, the College should be working towards a balanced budget year-on-year be for the next 5 years, with appropriate actions being taken to achieve this. It was noted, however, that the surpluses forecast are marginal which leaves very little room for error when considered against the College's top line. This was noted.

Draft Operating Budgets for Financial Forecasting Return as updated 11th September 2018 – 5 years from 2018/19 to 2022/23 (Appendix 2 C as amended)

Mr McAllister drew members' attention to the detail of the document. He highlighted that any significant variations would be as a result of Funding Council changes to College grant-in-aid (including EU income or its replacement), or as yet unknown costs in relation to National Collective Bargaining. He explained that should this happen the College would react and continue to pursue a balanced budget.

It was noted that the impact on salaries as a result of National Bargaining would be supported for two years by the Funding Council but, going forward, no clarification had been given. Following discussions with the SFC where this situation was highlighted by him, Mr McAllister had felt sufficient confidence to incorporate a compensatory increase in central funding, even if it were not specifically identified as being allied to National Bargaining.

European Social Funding (ESF) – this will disappear in two years. Mr McAllister stated he had made the assumption that this would be replaced by another stream of funding but asked that the Board note the impact this would have should an alternative not be given. Obviously, subsequent forecasts would be amended to take account of the developing situation.

Detailed discussion then ensued regarding the impact of the lack of clarity for future funding and the inability of the College to build up funds under the current funding arrangements.

Members raised concerns around the impact on key areas such as training, IT, facilities and maintenance if a drop in funding occurred and the College continued to strive for a balanced budget.

Mr McAllister responded that the Funding Council had asked individual colleges to produce a list of works and areas assessed as being critical, ranking them in order of priority/importance. This year, this had culminated in the £1.3 million being awarded to the College via the Grant in Aid allocation process. However, the monies were ring-fenced and a list of expenditure had to be passed back to the Funding Council. This grant would have to be earmarked for spend, with contracts signed, by the end of March 2019.

Members were informed that Ms Gibb and the Principal were continuing to work on the reporting mechanism on facilities and resources to the Board. Ms Gibb added that she was mindful of the key areas and the need for the highlighting of risks.

Members enquired if the assumptions regarding risk being made by South Lanarkshire College were the same as those at New College Lanarkshire. Mr McAllister replied that the Region had a separate risk register which SLC did feed into, with the Regional register varying in emphasis from the SLC register.

Concerns were raised by members regarding whether maintaining a surplus could result in those monies being taken from the College and therefore doubly disadvantaging the hard work of the institution to continue to operate within its means. Members stated that although fully supportive of maintaining a balanced budget, it would be essential that re-forecasting was done as and when needed and presented to the Board through the Finance and Resources Committee and that detrimental impact was continually monitored. The Principal assured members that this would indeed be the case.

The Principal added that he and Mr Allan would be attending a meeting on the new Funding Methodology and details of this would be reported back to the Board. He added that the College had continued to meet its credit target and indeed grow over the years and that he remained confident that this would be the ongoing pattern. Management was pleased to report that it had not required to go into overdraft during the year to July 2018 and had maintained high performance indicators.

Members then approved:

- The financial forecast for the year to 31st July 2018
- The updated 5-year financial plan including Budget for 2018/19
- The Financial Forecasting Return (FFR) for submission to Scottish Funding Council via the RSB.

Scotland's Colleges 2018 – Report Prepared by Audit Scotland – June 2018

This document had been distributed with the Board papers. Members had been asked to note the content referring to The Lanarkshire Region.

Detailed discussion ensued with regard to the content. Members raised concerns regarding the reputational damage the College could experience by being referenced in such a manner.

Mr Kerr explained that continuous dialogue was now taking place. Some issues had arisen due to lack of communication and these were now being addressed. He added that South Lanarkshire College was committed to working collaboratively and that progress had been made in the last 6 to 8 weeks.

Discussion took place regarding the proposed Business Plan for Lanarkshire and the need to ensure that South Lanarkshire was an equal at the table in discussing content and actions.

Members noted the progress so far and it was agreed that they would be kept informed of the ongoing narrative.

Development Committee

Ms Johnstone took members through the minute of the Development Committee which had taken place on 4th September 2018, highlighting the following:

Andrew Brawley, HMI – schedule of dates had now been agreed for Mr Brawley to visit the College. He has also been appointed as the HMI for New College Lanarkshire. This will not however impact on the reporting system and the College will continue to receive an individual report.

Members welcomed this information.

Self-Evaluation – the College's annual process is now well underway with the round-robin meeting taking place on 27th September 2018. As with other years an external member will be invited to be part of the process.

Complaints Quarterly Update – two formal complaints were received in Quarter 4 from 1st May to 31st July 2018. This brought the total number of complaints for the year to ten. No complaints went to the Scottish Public Sector Ombudsman (SPSO).

Radio – as previously mentioned the College has moved from Capital to Clyde 1. This has been seen as a positive move and has led to far increased coverage for the College.

Social Media – the Committee had discussed at length the use of social media and the best avenues for the College. Overall it was felt that the College was making good use of social media at present and that the Student Association had ongoing input to ensure the student voice was being considered in the choices made.

Ms Johnstone stated that as part of the Board Effectiveness Action Plan the Development Committee had been given the task of looking at the use of technology at meetings and the role of social media across the College.

In regard to the use of technology at meetings, there appeared to be very little appetite for the Board of move to a paperless environment. Mr Johnstone reminded members that attendance in person was the requirement with telephone conferencing etc being the fall-back position when circumstances arose to hinder attendance. It was noted that all Committee and Board papers were available on the Board of Management Portal and by email on request.

It had been agreed that a short-life working group would be formed, made up of students and staff to further consider social media and its use. The group would report back to the Committee.

Inductions and Information Evenings – the Student Association has been extremely active. The use of videos as part of the induction process has been very much welcomed and has assured a uniformed approach.

Ms Paterson said that she was attempting to visit all classes and had very much enjoyed being part of the Information Evening. This had been one of the busiest events yet with a footfall of more than 650 people.

9. Student Association Report – August 2018

Ms Paterson informed members that it had been an incredibly busy time for the Student Association and that both she and Ms Newlands had welcomed the new experiences and challenges.

She then highlighted the following from her report:

Events and Training – both the President and Vice President attended the two-day NUS Lead and Change training. This had been an excellent event, allowing for dialogue and sharing of good practice.

Mental Health Training – the President attended safeTALK Suicide Alertness training. This developed into an excellent networking opportunity with an offer to attend Scottish Mental Health First Aid Training.

Ms Paterson welcomed both of these opportunities and stated that it was essential when working with students many of whom may be at risk or vulnerable. Discussion then took place amongst members on the overall provision of services and awareness raising within the College. Ms Harkness updated the members on what is already in place and new initiatives going forward.

Information Evening – the Student Association had enjoyed being very much involved in the evening. Ms Paterson stated that she had particularly welcomed the opportunity to meet with prospective students as they arrived. She added that many were extremely nervous and she felt meeting a student first had helped put them more at ease.

Induction Sessions – the Student Association is striving to attend all classes. Ms Paterson stated that she was doing as many as six sessions per day of up to 30 minutes. Ms Harkness added that student groups had very much appreciated this input.

Members thanked the Student Association for their work and support of new and prospective students.

Hoodies – were particularly popular this year. Ms Paterson stated that it was proving difficult to meet demand and that the Principal had approved the ordering of additional Hoodies.

Members agreed that this was an excellent benefit to the students and of course a source of marketing for the College.

Hygiene Bins – the College has introduced hygiene bins in all toilets across the College. Ms Paterson stressed the importance of all students having access to essential hygiene facilities.

Construction Awards – Ms Paterson stated that this had been an excellent event for students. She added that she had been very much part of the presentation party and that the speeches had been inspirational.

Members thanked Ms Paterson for her report and update and praised the already excellent input by the Student Association across the College and working with other colleges and sector stakeholders.

10. Any Other Competent Business

Election of Vice Chair of the Board of Management

Mr Kerr stated that he would now follow the formal process. He stated that he wished to nominate Mr Paul Hutchison to the position of Vice Chair of the Board of Management and asked if any other member would wish to be considered or to nominate. No other nominations were received.

The nomination for Mr Hutchinson was seconded by Mr McDowall and Ms Harkness.

Members congratulated Mr Hutchinson.

There being no other competent business the Chair closed the meeting by thanking everyone for their attendance.