

**Board of Management Meeting – South Lanarkshire College
Friday 22nd May 2020 at 1000 hours (on Teams)**

Present A Kerr (Chair), A McKechnie, K Dougans-Haining, S Duffy, C Gibb, L Glen, R Harkness, P Hughes, Y Johnston, L Newlands, R Smith.

Apologies J Carratt, S Dillett, T Donnelly, P Hutchinson.

In Attendance A Allan, A Martin, K McAllister
R Holland and L Nutley (Mazars – External Auditors).

1. Declarations of Members Interests

Membership of The Lanarkshire Board was declared by A Kerr, A McKechnie, R Smith, R Harkness and L Newlands. Mr Kerr also declared his membership of the Board of the Scottish Funding Council.

2. Minutes of the Previous Meeting

The minute of the meeting held on the 8th May 2020 was approved by the Board.

3. Matters Arising

Funding Allocation – the allocations for the two colleges are still to be finalised. We aim to deliver the parity of funding across both colleges as laid out in the Regional Collaborative Plan. We still await the amended guidance form the Scottish Funding Council on the Regional Outcome Agreement.

Quad Meeting – work continues with the two Principals working on the governance document. The date of the next meeting is still to be confirmed.

Workforce Planning – since the last meeting of the Board, the Principal had met with Mr McDowall to discuss the operation on the Furlough scheme. The senior team was now looking at the scope for use across the College.

Digital Poverty – members had noted a strong focus on schools’ investment in this area. Ms McKechnie noted that Colleges Scotland continued to make the case for additional funding to the Scottish Government. She added that the College had concluded the exercise of distributing additional IT equipment to students, reaching out to meet all known demand. She added that students had also been able to access the Hardship Funding to meet their IT requirements.

4. Chair’s Welcome

Mr Kerr thanked members for their attendance and continued support. He stated that this meeting marked the penultimate of those agreed. This schedule of fortnightly meetings had allowed consideration of the work of the four Committees. He stressed the importance of the Board continuing with the appropriate oversight and assurance over the summer period whilst recognising the demands that this frequency of meetings was asking of members and the senior team. Members were asked to consider the option of moving to monthly written updates from the Principal to the Board over the summer period with the option to call special meetings as required. This would be revisited at the end of today’s meeting.

5. Principal's Update

The Principal stated the main topics of her update would be: staff and student engagement and wellbeing, assessment and certification, capital investment (programme of summer works), future proofing of the business.

Student Engagement

The level of engagement across the three faculties stood at 70-80%. This was high when compared to the levels being reported across the sector and was a testament to the commitment of our staff and students. Attendance was recorded by lecturers and through engagement with our IT systems. Across March an average of 2500 Teams calls per day had been recorded, a significant uplift on previous usage.

Expanding on the work to address digital poverty, 50 of the 90 available laptops had been distributed to students and the offer remained open for a short period. Students had been extremely positive when picking up equipment and grateful for the efforts of the College and staff in supporting them through these unprecedented times.

Hardship Funds – the College had allocated £252K TO 173 FE students and £28K to 124 HE students.

Wellbeing

Staff Absence remained extremely low with only six members of staff reporting absent. These are the lowest absence figures reported for this time of year. The mood across the College community remains generally very positive, with staff and students working in tandem to achieve best possible outcomes. The support staff teams continued to be particularly busy in the run up to the year end. Some staff are under-deployed and we are currently considering whether there is scope to utilise the UKG furlough scheme.

Staff and students continued to access the support made available by the College, all of which were now available virtually. We were pleased to have become part of the Hey Girls initiative which continued the College's journey in offering support to address period poverty. We plan to issue a staff survey next week to sense check individually staff views on well-being and workload.

Regular meetings continued with the JNC and the relationship remained positive. Dialogue was ongoing with Unison in regard to annual leave and nationally the EIS had submitted a pay claim of 4.8%.

Assessment and Certification

The paperwork had been distributed to members with the Board papers. This guidance, which was in line with SQA requirements, had been distributed to all staff and additional training mechanisms had been put in place to support this, taking account also of advice from EIS representatives. These had been well received by staff. Dialogue would remain ongoing with the trade unions. The College's ambition remained that students would complete where possible by the end of term, or be deferred, and all efforts continued to support this.

Capital Investment (Summer works)

The College remained on track to spend the allocated dilapidation funds. The work was scheduled to commence on 15th June 2020 but this would remain subject to the guidance set out by Scottish Government. The next meeting with the Project Management Team would take place on 29th May 2020. These works included the enlargement of social space on the third floor, improvement to the toilet facilities for our disabled students, the creation of two additional counselling rooms and the replacement of flooring in the main food court area.

Future-Proofing the business

The College had seen a dip in applications (this week by around 7%), but offers remained ahead of numbers reported at this time in the previous year (up 20%). The approach to marketing and the messaging being pushed out continued to be reviewed and virtual open evenings were planned for each Faculty for 26-28 May.

The College Leadership Team remained focussed on scenario planning. The key consideration was the restrictions presented by social distancing and how these impacted on the practical use of the College's buildings and the implications of this for staff/student numbers. Other key topics were the agreement on a start date for the new term, the length of day, the provision of PPE and which students and staff would have priority to accessing the building. Ms McKechnie added that she had welcomed the input and assistance given on scenario planning from Ms Gibb. Mr Allan continued to meet regularly with both Inspire and Bertram to ensure our on-site contractors were fully engaged. All planning was informed by Government Publications. An update will be brought back to the Board for discussion.

Members questioned the level of autonomy given to individual institutions as announcements of different strategies had been made, and enquired on the impact this would have on both staff and prospective students. Ms McKechnie replied that colleges and universities were autonomous institutions and would make decisions based on best advice for their own institution. The college sector was seeking to agree a national position on term start date but this was not yet fully agreed. The College recognises the need for clarity for prospective students, and in advance of our imminent virtual open evenings. Any lack of clarity would create sensitivities around marketing and recruitment. The senior team was actively considering the CPD requirements for staff to provide them with improved online ability and greater confidence in the new ways of working.

Discussion ensued in regard to the College's social demographic and the pressures of delivering courses within the historical timescales post COVID-19. Ms McKechnie gave assurance that this very much formed part of the team's thinking in scenario planning. Consideration was being given to those students who were in most need of support, as colleges continued to play a strong role in combating deprivation and supporting social justice. The team was also working to agree on those students who needed early access to the building to complete their courses. The Associate Principals were considering the current curriculum to assess its fit in the new environment and what might emerge as key needs in provision to enhance economic recovery. Colleges had been at the heart of recovery during the previous recession and the College was alert to the key role it would play going forward.

Mr Hughes raised the issue of the need for additional IT resources and how this would impact on organisational culture and the shape of learning delivery. He added that this may well be an area for discussion by the Development Committee. Ms McKechnie noted that work was in train to identify all the procurement requirements (including signage, Perspex, PPE, etc.), in recognition of likely

backlog in delivery times. She noted that this had been discussed at the College Principals' Group and the use of possible sector-wide procurement. Detailed discussion took place on what the future would look like for the College and the changes that would be required to meet the needs and expectations of students and staff going forward. Members acknowledged the ongoing work and asked that detail is continued to be fed back to the Board for information and approval where needed.

Ms Newlands stressed the importance of students having a sense of closure at year end; of getting deferred students completed at the earliest possible stage; and the importance of supporting our most vulnerable students. Ms McKechnie recognised this and noted that decisions on Graduation Ceremonies and Construction Awards would be taken in the following week. The College Leadership Team was considering the options available to ensure that our current students did indeed have some sense of closure and that their achievements were celebrated in the best way possible. Members noted that they would welcome news on the virtual options when final decisions were made.

Mr Smith noted the need for leadership for the recovery and stated that he had been in dialogue with Colleges Scotland regarding the influence of the College Sector in shaping the recovery plan. Mr Kerr noted the need for colleges to occupy the space in terms of both economic and social recovery, and to move beyond technical solutions to strategic and longer-term consideration of the needs of the post-COVID landscape. He advised that decisions of significance would be alerted to the Board.

6. Update - Audit and Risk

The following paperwork had been distributed in advance of the meeting:

- Audit Strategy Memorandum – Year Ending 31 July 2020 – Mazars
- Risk Action Planning Overview – from Risk Management Group – 4th May 2020
- Lanarkshire Region Strategic Risk Report
- 2019/20 Internal Audit Plan – Progress Report – May 2020 – Scott Moncrieff

Mr McAllister stated that his report sought to update members of the developments in the areas of audit and risk.

Audit Strategy Memorandum – Year Ending - 31 July 2020

An initial meeting had taken place between Mr McAllister, Ms Holland and Ms Nutley to discuss the plan going forward and Ms Nutley would take members through the content of the Audit Strategy Memorandum. She stated that it had been difficult to draw up the report due to the present landscape and that she was mindful that it would be subject to change. These changes would of course be highlighted to the Audit Committee and agreement sought as needed. She then directed members to the detail of the report, drawing attention to the following:

- Responsibilities – these remain unchanged from the previous year.
- Audit Scope, Approach and Timeline – these targets remain aspirational and will be flexible to meet the needs of the Finance Team. Audit Scotland have given assurance that flexibility in deadlines would be acceptable and that maintaining the quality of the audit process should be the key ambition.

- Significant Risks and Key Judgement Areas – the report identifies the key college risks as management override of controls and revenue recognition and noted the proposed mitigation.
- A number of key areas of management judgement are included, but are not considered to give rise to a significant risk of material misstatement. These are: valuation of pension liabilities, valuation of land and buildings and governance change.

Members raised questions in regard to the maintenance of audit quality and how this would be assessed. Ms Nutley gave assurance that systems were in place and that external quality checks were part of this process with recent work being subject to peer review by ICAS. Ms Glen noted the importance of clarity of the practical impacts of any changes; that the Committee and Board should understand forward projections and any risks to assessment of 'going concern', given this was a period of maximum uncertainty. Ms McKechnie asked for further detail in relation to the offer of 'adding value' via identification of areas for improvement and sharing good practice. Ms Nutley said that this could be subject to further discussion but as an example, Mazars had been offering training on the understanding of College Accounts to members of other Boards. Mr Kerr stated that this may well prove beneficial to the SLC Board as members had asked for this type of development as part of their one-to-one sessions.

Members were then asked to approve the proposed financial fee 2019/20 for the audit of financial statements at £14,650. This was approved with the caveat that should any additions be required, these would be brought back to the Audit Committee/Board for approval.

Risk Management

Mr McAllister stated that in addition to reviewing the College's Risk Register, at its most recent meeting, the Risk Management Group had reviewed the College's risks specific to the current COVID-19 pandemic and had compiled a specific Risk Matrix for presentation to the Board. Ms McKechnie noted that this was a work in progress and would be the subject of regular review. A new approach to risk management would be introduced, to clarify the decision-making flow, whereby the Senior Leadership Team would take on a greater role in risk management before the register went to the A&R Committee.

Members enquired if any guidance had been issued centrally and Mr McAllister advised that nothing specific had been received. Ms McKechnie noted that there was much guidance available, though none sector specific, and that Ms Gibb had signposted the team to some useful educational links. Members noted and approved this approach to risk and recognised that it would remain a work in progress. Mr Kerr stressed the importance of the Board being kept fully updated on key developments and informed immediately of any emerging high risks.

Lanarkshire Region Strategic Risk Report

Members welcomed sight of this document but raised concerns as to the transparency of risk for the two colleges and the wider region. It was suggested that there would be value in having a register for each college and a separate register populated with overarching matters for the Region that could impact on both colleges. Ms McKechnie noted that this matter had been raised at the recent TLB Audit and Risk Committee and an action had been agreed for the management team to take away and consider such a format – a SLC risk register, NCL risk register and a Regional Register narrowly focussed on regional business.

Members stressed the importance of ensuring clarity and transparency in this documentation and across the wider governance of the region. Ms McKechnie updated on the work of the Quad Group, including in relation to a draft governance improvement paper. Mr Smith stated that the Quad Group was working to make things simpler and better; that there was real scope to make improvements; that he was keen to enable capacity within each college to contribute collaboratively to regional success.

2019/20 - Internal Audit Plan – Scott-Moncrieff

This report was submitted by Scott-Moncrieff on the work undertaken to date and planned for the year. The current lockdown had resulted in the postponement of two internal audit reviews on Strategic Planning and Communications and Payroll and Expenses. Mr McAllister explained that the internal audit contract was due to end in July 2020 and whilst the College had intended to go out to tender for renewal of the service, the lockdown and the departure of the College's APUC representative had hindered progression of this. Given the current situation, the Board of Management was asked to support the extension of the present contract to allow the outstanding work to be carried out by Scott-Moncrieff. Such an extension would mitigate against any issues that may arise from a protracted tendering process and introduction of a new provider at this particular time.

Members supported the extension of the contract but asked that assurance be sought that the College would be within the rules set out on procurement and at no risk of reputational damage. This assurance should be passed back to the Chair of the Audit Committee. Members otherwise noted the report.

7. Student President Update

Ms Newlands gave a comprehensive update on the work of the Student Association and its ambitions during this time of lockdown. The mood of our students remained positive with good levels of engagement across social media and through other communication networks. Students continued to work on fundraising and a recent campaign had raised £445 for Autism Scotland and local childcare charity. Members applauded the students' efforts. This year Glasgow Pride will be virtual but the College will once again be part of the event and celebrations. The Student Association continued to raise awareness and offer support on mental wellbeing. It was important to many of our students to know that there was always someone there to help, support or just to chat with.

The Student Elections would close at 1600 hours today and the new President-elect and Vice President-elect would be announced to the College community next week. All candidates had worked hard to raise their profile and present their manifestos digitally – this may be a continuing approach for us.

8. Governance

Mr Kerr asked members for their opinions on the best way forward over the coming summer months for ensuring appropriate oversight and governance of the College. After some discussion, members agreed that it was appropriate for this to take the form of a monthly update from the Principal to the Board with meetings being called should they be required.

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