

**South Lanarkshire College
Board of Management Meeting
Held on 29th May 2018**

Present J Gallacher (Chair), A Kerr, S McKillop, J MacKenzie, M Mitchell, J Carratt, C McDowall, G Stillie, S Duffy, R Ralston, P Hutchinson, R Harkness, I Johnstone, S Dillett, C Gibb.

Apologies L McTavish

In Attendance A Allan, K McAllister, A Martin

Mr Kerr was welcomed by Board members and full introductions were given.

1. Declaration of Members' Interests

No additional declarations were received.

2. Minutes of the Previous Meeting

The minute of the meeting held on 13th March were agreed by the Board of Management.

3. Principal's Update – May 2018

Trade Unions

EIS Negotiations – The Principal gave an outline of what was happening at present regarding national negotiations. Although no local industrial action was foreseen, there could be strike action called nationally after the summer break.

Unison Update – national executives are visiting all colleges for a Branch meeting. Unison had made a claim for £1,400 flat rate and this was rejected. Job Evaluation and counter offer awaited.

Mr Kerr enquired what the impact of industrial actions was for students. The Principal stated that the lecturers had striven to help their students catch up as they never wish to disadvantage their students. Ms MacKenzie stated that often lecturers would ensure class groups had information for self-study on the strike days which helped greatly.

Ms Harkness stated that the College was able to stay open and continued to pay childcare.

Audit Scotland

Update on the ongoing process. The focus is on the three Regions. The Principal and Mr Gallacher were interviewed as part of the process.

The Lanarkshire Region will show as the poorest performing region. The College continues to be in the top four in the PI table but due to the positioning of New College Lanarkshire towards the bottom, the Region has an overall poor performance.

The Principal stated that Audit Scotland had been very supportive of the College. He stressed the College wished to carry on as a successful organisation but would want that to be reflected within a successful region.

Discussion then ensued on the College reporting a balanced budget and forecasting this for the next five years. Members stated that this of course came with a cost as it restricted the College's investment in estates, equipment and other such areas. The Principal stated that this level of control did come with an impact and cost, however, the College was run as a business and as such spent within its means. Although fully supporting this, members stated that the powers that be, must be kept fully aware of the sacrifices being made to achieve this.

Members asked when the Audit Scotland Report would be published and would it indeed highlight the efforts being made by South Lanarkshire College. Also concerns were raised in relation to reputational damage to the College due to the poor performance being reported for the Region.

The Principal stated that all concerns had been raised with Audit Scotland.

Recruitment

Members noted that enquiries were slightly down on that of this time last year. The Principal stated that this appeared to be the case across the Sector which may well have been a reflection of the increasing number of school pupils staying on to complete Sixth Year. He added that in spite of this he fully expected to meet the annual target.

Ms Harkness highlighted that although enquiries were down, the number of unconditional offers is up by 2%.

South Lanarkshire Council Visit – 21st June 2018

The College continues to try to enhance the relationship with South Lanarkshire Council. The first meeting had been initiated when the Council received the College's annual report and had sent back extremely positive feedback. Lindsay Freeland, Chief Executive and his senior team will be visiting the College on 21st June 2018 to meet with our College Management Team to discuss working together and what the College has to offer to the schools in the Council area.

The Principal added that the College was now working more closely with East Renfrewshire Council. A number of Head Teachers had been in to meet the Senior Management Team and have a tour of the College. The Council has now agreed to add the College to their Options List.

Members welcomed this information and applauded this collaborative working.

Student Elections

Ms Harkness stated that the College had received three candidate nominations for President and two for Vice. She added that all were having excellent campaigns and that she was delighted with the level of voting.

4. Updates from the Committees

Development Committee

Ms Johnstone took members through the minute of the Development Committee which had taken place on 8th May 2018, highlighting the following:

Quality Enhancement Group Report

Education Scotland – Andrew Brawley, HMI has made a number of visits to the College throughout April and May. Part of the discussion had been the importance of assigned colleges still maintaining their own self-evaluation processes and final reports. This had helped secure the agreement that South Lanarkshire College would continue to publish its individual report.

Members agreed that this was very important and welcomed this update.

College Leavers Destinations (CLD) 2016-17 – this data was completed and returned to the Funding Council in March 2018. The Principal stated that staff had worked tirelessly on this and contacted 98% of the leaver group.

Marketing Report

Marketing – there has been an overall reduction in the marketing budget. The College has focussed on advertising/marketing in the areas of previous success.

Radio – it has been decided to move the College radio advertising from Capital to Clyde. It is hoped that the College will receive more coverage. Feedback will be given to the Development on this change.

Annual Report – the presentation and content of the report has been well received by internal and external stakeholders. Indeed, the Chief Executive of South Lanarkshire Council has asked to visit the College to discuss the report and future links with the College since receiving.

Erasmus+ - College trying to make better use of this funding in coming year. The Principal stated that radical changes were being made to ensure students and staff had access to visits and partnerships.

Curriculum – the Committee had discussed the driver in terms of course changes and additions. Ms Johstone stated that discussion had taken place regarding future proofing the curriculum and influences such as legislation. The Principal stated that courses were under constant scrutiny and PIs were discussed at the Academic Board.

Finance and Resources Committee

Mr Gallacher took members through the minute of the Finance and Resources Committee which had taken place on 10th May 2018, highlighting the following:

Estates Report – Mr Gallacher thanked Ms Gibb for her input to moving this report forward.

Financial Forecast for the year 2017/18 – Mr Gallacher stressed that the College must continue to work within its means and maintain its finances in the manner it always had. He stressed that the College had always been, and would continue to be, run financially as a business.

He drew members' attention to the slight increase in surplus than the original budget and explained that this had been due to additional funding being received in Childcare.

The impact of cash items on the Financial Statements, as opposed to the Management Accounts, was noted.

Balance Sheet – the College wished to move away from overdraft reliance. The facility was still available but as of this point had not been used.

Operating Budget – Indicative Draft at 3rd May 2018 – 12 months from August 2018 to July 2019
Mr McAllister stated that there had been changes to this and that more may be required if there was a further reduction in income.

Discussion took place on reduction in funding and the impact that this would have in areas such as estates maintenance and academic supplies. Members noted the additional monies that were received for backlog maintenance, accepting that this was ring-fenced for committed projects in line with the Funding Council guidance.

Members suggested that this may require to be shown as a risk under the umbrella of 'unable to do'. Mr Gallacher stressed that the College had striven to manage its costs and that as the Chair of Finance he could not support the setting of a deficit budget, this would surely be self-perpetuating. The whole format of funding at present appears to be punishing those who have managed well.

Members approved the indicative budget, noting that an updated version which would take account of any changes in circumstances, plus a forecast for the period to financial year 2022/23, would be presented to the next meeting of the Board via the Finance Committee.

Discussion then ensued in regard to the criteria set for the next six years. Mr McAllister commented that the Funding Council would issue its guidance soon and this would provide the base for workings. The Board could override any assumptions set by the guidance if it saw fit. It was accepted that any projection for a 5-year period in the current volatile and challenging area of public sector finances could only be indicative.

Procurement Arrangements – the College is updating its Financial Regulations, including its purchasing procedures and, as an important step in this process, the thresholds for purchasing. The Committee have considered the content and have approved for presentation to the Full Board.

After some discussion on detail, the Board of Management agreed for the document to go forward, including an agreement on the thresholds for procurement.

Audit Committee

Mr Ralston took members through the minute of the Audit Committee which had taken place on 14th May 2018, highlighting the following:

Mr Ralston stated that this had been the first meeting of the year with Mazars and the arrangements very much mirrored the previous year. He added that the Committee had requested continuity of the Audit Team and this had been agreed.

In terms of Consolidated Accounts, the Committee had raised concerns in regard to a possible conflict of interest on the part of the auditors as they audited both SLC's and the Consolidated Regional Accounts. Assurances had been given by the external audit providers that they would ensure that this would not be the case. Two separate audit teams would work on SLC and the Regional accounts.

The Committee had stressed that adequate time must be given to SLC to examine the content and narrative of the Consolidated Accounts before they were finalised. There had been issues with this in the previous year. The Auditors had agreed that they would highlight this requirement with Iain Clark of New College Lanarkshire to ensure the same problems did not arise this year. Mr McAllister agreed to monitor this.

Members approved the proposed external audit fee.

Members then noted that the December Board meeting for SLC had been moved to 27th November 2018 at the request of New College Lanarkshire to help them facilitate the timing of Accounts. Mr McAllister stated that he would have further dialogue with Mr Clark to this end. Members stressed that this must happen.

Risk Management – Mr McAllister highlighted that reputational risk had been incorporated into the Risk Register as had been requested by the Board of Management. Members noted this. In discussion, it was emphasised that the College, due to the nature of the organisation and the work it undertook, had to be risk averse. This was reflected in the Register.

Members noted and approved the work being undertaken on risk, making specific mention of the areas of GDPR and Cyber Resilience.

A Cyber Resilience Strategy for Scotland – Public Sector Action Plan – 2017/18 – members were asked to note the content of the report, a copy of which had been included in their pack. The College is working on the requirements at present and the Board will be updated at the Training Day in June and a presentation will be made at the Board meeting in September 2018.

Members noted the report and the responsibilities placed upon the Board and management.

Human Resources Committee

Mr McDowall took members through the minute of the Human Resources Committee which had taken place on 14th May 2018, highlighting the following:

Staff Training and Development – the evaluations of the staff development day in March 2018 had been received by the Committee. All feedback had been positive. There was a particular focus on GDPR in response to the legislative requirements. The College is committed to staff achieving the online GDPR training certification and at this point 81% of the staff have achieved this.

Teaching Qualification in Further Education (TQFE) – the College remains committed to its lecturing staff achieving TQFE. During 2017/18, ten members of staff will be going forward.

Commitment has also been made by the College to fully funding the qualification. The Committee requested that due consideration of accessibility of the qualification to part-time staff be made and the College had agreed to look at this further.

Staff Absence – the Committee remain assured that the system in place is both effective and supportive. Discussion had taken place on the impact of the new MyHR System on absence and it had been noted that staff and managers were finding it an excellent monitoring tool.

Gender Action Plan – the College remains committed to meeting the ambition set by the Scottish Government that by 2030, no college or university will have a gender imbalance of greater than 75% of one gender. In response to this the College has produced a Gender Action Plan and this has reported positive shifts in some class areas; Level 2 Barbering and HNC Quantity Surveying.

Members noted that the College was developing courses to specifically attract specific genders; Women into Construction.

5. Student Association Report

Ms MacKenzie took members through the detail of her report.

Members applauded the Student Association on the continuing success and collaborative working with both internal and external stakeholders.

Discussion took place with regard to the ongoing work on the Student Association Strategic Plan. Members discussed the content and in particular the values set within. It was agreed that these should be aligned to the core values of the College.

As this would be Ms MacKenzie's last full Board meeting as Student President, members took the opportunity to thank her and her team for their hard work and commitment throughout the year.

6. The Lanarkshire Outcome Agreement – 2018/21 – 15th May 2018 Update

Mr Allan drew members' attention to the key points of the report. He explained that this was the overarching contract between the colleges and the Funding Council.

He added that the College continued to endeavour to meet all of the targets set and in many cases have exceeded them.

Members discussed and noted the content.

7. Any Other Competent Business

Mr Gallacher informed members that it was his intention to retire from the Board of Management. He stated that he had enjoyed being part of the College over the years and had been proud to represent an organisation that had remained focussed in the hardest of times. He wished the College and the Board every good fortune for the future.

Members thanked Mr Gallacher for his many contributions over the years and wished him well in his future ventures.

8. Publishing of Papers

Members approved the papers of the Board and Committees for publication on the College website and passing to The Lanarkshire Board.

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