

**South Lanarkshire College
Board of Management Meeting
Held on 5th December 2017**

Present J McCartney, J Gallacher, S McKillop, I Johnstone, L McTavish, P Hutchinson, R Ralston, S Duffy, C Gibb, M Mitchell, J Carratt, J MacKenzie, S Dillett, R Harkness.

Apologies C McDowall, G Stillie, A Martin.

In Attendance A Allan, K McAllister

1. Declarations of Members' Interests

No declarations were received. Ms McCartney stated that the Register of Interests had been sent to members and she encouraged them to send them back to the Clerk to the Board as soon as possible. These would be signed at the February meeting of the Board.

2. Minutes of the Previous Meeting

Minutes of the meetings held on 19th September were agreed by the Board of Management.

3. Matters Arising

As a follow up to the review of Board effectiveness that was carried out by On Board Training and Consultancy Limited, their report would be distributed at the end the meeting. Mrs Martin would be preparing an Action Plan in conjunction with the Chair and the Principal. Mr McKillop would be glad to receive comments from members to assist in this being done.

Mr McKillop was pleased to tell the meeting that the College was 461 credits above its target for 2016/17 which also allowed the Region to achieve its target. As regards 2017/18, the College was currently 3000 credits ahead of the previous year at this time. Also, he stated that the College had had 1200 credits added to its 2017/18 target prior to the start of the year and he was hopeful of having more additional credits. Unfortunately, the sector was experiencing problems re the audit of ESF activity, and the College was not immune from this.

The sector had had high hopes for the Flexible Workforce Development Fund but its introduction and implementation had proved to be challenging, with colleges across the sector reporting a poor take-up by employers. The Scottish Funding Council is reviewing the process but the College is unlikely to meet its target, a scenario that is said to be sector-wide.

He reported that work on the College's HR software was continuing, with improvements being developed in the areas of applications and monitoring, with reliance on spreadsheets being replaced by automated processes and information.

Mr Ralston asked the meeting to note that he had contacted the Chair of the RSB Audit Committee as had been suggested in the previous minutes.

4. Updates from the Committees

Audit Committee

Mr Ralston took members through the minute of the Audit Committee which had taken place on 6th November 2017.

Members were asked to note that this meeting was the annual joint meeting and was attended by John Gallacher, Chair of Finance, Lucy Nutley of Mazars (external audit), and Chris Brown of Scott Moncrieff (internal audit).

Members' attention was drawn to the following items:

Mr Ralston asked the Board to note that all work had been completed re the 2016/17 external audit.

He stated that the Audit Committee had used the meeting to meet with both the external and internal audit providers without College staff being present. He reported that no issues of concern had been raised.

He also reported that the internal auditors of New College Lanarkshire had undertaken work on assuring the Regional Board that SLC had met all of its Regional responsibilities.

Annual Financial Statements for 2016/17 – Draft Annual Report of the External Auditors to the Board of Management and the Auditor General of Scotland.

Mr Ralston highlighted the following from the report, which was a draft dated 24th November:
Page 3 – the Financial Statements opinion had been amended to remove outstanding items;
Page 9 – the Conclusion stated that the working papers provided by the College were good; there were no significant matters discussed with management; and no significant difficulties during the audit.

Pages 21/22 – there would be an unqualified opinion on the Financial Statements.

The Board of Management noted the contents and explanations and that the external auditors had given the Financial Statements an unqualified opinion; they duly approved the report of the external auditors.

Internal Audit

Internal Audit Reports had been received on –

- Student Activity (credits)
- Student Support Funds
- Follow up

Mr Ralston stated that the reports had all been extremely positive with no areas of any concern raised. In regard to an earlier report on Business Continuity and Recovery Plans, Mr McKillop asked the Board to note that the College had asked for this review to be undertaken. Mr McAllister reported that the College had engaged external advisors (Infosec, a branch of APUC) to take the College through the preparation of a Business Impact Analysis, which was the main issue raised in the review. Mr Allan added that the College had had some major incidents in the past

that it had dealt with successfully but that the review would allow it to have a set of formal procedures and a system of review in place.

The Board approved the report on Student Activity and noted the reports on Student Support Funds and the Follow Up audit.

Annual Report of the Internal Auditors – November 2017

Mr Ralston asked the Board to note the overall internal audit opinion given by Scott-Moncrieff on page 6 of the report. Addressing the points raised in the review of the Business Continuity Plan, as previously discussed, were in hand.

Members noted the contents and approved the document.

Internal Audit Plan 2017-2018

Mr Ralston stated that the Audit Committee had discussed this document in detail to ensure that the requirements addressed current issues and they were happy to request approval; this was duly given by the Board.

Risk Management

Members had had sight of:

- South Lanarkshire College Risk Register at November 2017
- Regional Risk Register at September 2017

Both of these documents had been circulated with the papers to be noted by members.

Ms Gibb stated that she and Ms Stillie would meet to discuss how the College managed its risk processes and that this would be reported back to members. Mr Gallacher stated that he would like consideration of the testing of risk. It was agreed that this would form part of the review process.

Draft Report of the Audit Committee to the Board of Management for the 12 months accounting period ended 31st July 2017

Discussed by the Board in particular were:

Page 4 - the Business Continuity Plan;

Page 8 - consolidated financial statements; Mrs McTavish stated that consolidated Regional accounts were now a requirement of the Scottish Funding Council. The deadline for the submission of these had been extended to the end of January 2018. Ms McCartney noted that this meant that SLC would not have sight of them prior to the submission of our own accounts. She also stated that it might be appropriate to record this within the SLC Financial Statements. However, after discussion, it was agreed that with SLC contributing to the consolidation process and, of course, the performance of the Region, SLC should have sight of the consolidated accounts before their submission. Mrs McTavish stated that it would be appropriate for there to be a joint audit committee meeting whose remit would be, inter alia, to consider the consolidated accounts. Mrs McTavish would arrange such a meeting.

The report stated that the Committee was of the opinion that the Board of Management's duties, as described in the Statement of the Board of Management Responsibilities (pages 14 and 15 of the Financial Statements), had been satisfactorily discharged and that Audit Scotland's Code of Audit Practice and relevant parts of the Scottish Public Finance Manual have been complied with.

Mr Ralston stated that, in line with the statement from the report, he sought Board approval for the documentation; approval was agreed.

Finance and Resources Committee

Mr Gallacher took members through the minute of the Finance and Resources Committee which had taken place on 6th November 2017.

This was the joint annual meeting with Audit Committee which had taken place directly before the Finance and Resources Committee. At the Audit Committee meeting, consideration was given to the draft Annual Report of the External Auditors to the Board of Management and the draft audit Financial Statements. The approval of the former by the Audit Committee allowed the Finance Committee to consider the latter.

Draft Annual Finance Statements 2016/17

It was noted that the College is operating with a slight surplus, as per budget. Members were taken through the document. As previously, the changes to the format of the Financial Statements, and to the figures contained therein, were noted by the Board. The College would be continuing to present management forecasts to the Finance Committee which would allow proper consideration of the operational financial situation of the College. Mr McAllister highlighted that the “surplus” figure of £15k on page 33 of the Statements was the most pertinent one.

Mr Hutchinson asked what would happen to the surplus. Mr McKillop replied that, should the figure be higher and the College had appropriate liquid assets, it could transfer funds to the arms-length Trust. In this instance, there would be no transfer.

The Board of Management duly approved the Annual Finance Statements for the year to 31st July 2017.

Principal Accounting Policies

Mr Gallacher stated that the Policies in place for 2016/17 had not changed since the previous year. **The Board of Management duly approved them.**

Management Accounts – Quarter to October 2017 and forecast for year to July 2018

Members noted the content of this document and that the College was continuing its policy of producing a balanced budget, year-on-year.

Estates Report

Mr McKillop asked the Committee to note that he and Ms Gibb had already met with a view to revamping the Report and providing additional, pertinent information.

Procurement Report

Mr Gallacher welcomed the work being done with New College Lanarkshire on tenders via the APUC placements in both organisations and highlighted the considerable savings being made on the joint waste management contract. Members echoed his sentiments and asked to be kept abreast of further developments in this area.

Development Committee

Ms Johnstone took members through the minute of the Development Committee which had taken place on 8th November 2017.

Particular emphasis was placed on the discussion of the quality arrangements in the College and the completion of the 2016/17 self-evaluation cycle.

Mr McKillop informed members that he had attended a meeting hosted by Cabinet Minister, Shirley-Anne Somerville, at which both FE and HE institution principals were present. He reported that this was the first such meeting in his knowledge to include both sectors. Members welcomed this development.

Engagement with Awarding Bodies

Members noted the level of engagement between the College and no fewer than 60 awarding bodies. Discussion then took place agreeing the importance of this and the benefits it brings to College students and staff in terms of the sharing of good practice.

Student Engagement

Sparqs training to improve and enhance student engagement continued to be well-received.

Student Satisfaction

As reported in the minutes of the Committee, the most recent student satisfaction survey had shown that South Lanarkshire College's results were significantly above the sector average.

Student Recruitment

Members noted that the total increase in credits recorded in comparison with the same period in 2016/17 was over 3000. It was, however, noted that international recruitment remained a challenge due to, amongst other issues, changes in visa arrangements. The College, however, continued to have a healthy arrangement with Chinese students and staff.

5. Student Association Update

Ms MacKenzie, Student President, took members through the content of the SA October Report to the Board. She stressed it had been an extremely successful year for the Association and hoped that this would continue. She was, however, actively looking for ways to increase general interaction between the student body and the Association. To this end, she said that three stands had been purchased to distribute the SA newsletter, and this had proved to be successful. It was being considered whether to purchase more stands. The Association was looking to have more online polls on the College's social media Yammer site to encourage more involvement from the student body.

She also mentioned the benefits of the Sparqs training being undertaken and the welcomed involvement of the NUS in the development of the Association. She outlined the involvement of the College representatives in NUS activities, including several recommendations to their conferences and meetings.

Embryonic discussions were taking place with University of the West of Scotland with a view to developing the social networks of both institutions. This would be going hand-in-hand with the development of more internal clubs in the College itself.

The Association is working on the structure of a SA Governance Group and was looking to appoint a role model as President; ideally this would be an ex-student with a high public profile. This was included in the SA strategic plan, based on the NUS framework, which also included a proposal to join the Glasgow student forum.

Ms MacKenzie made special mention of the programme of mentoring of College student representatives which had been launched by NUS.

Members congratulated the Student Association on the work being undertaken with Ms Gibb making particular mention of the College receiving the LGBT Charter Mark Award, the culmination of several years of hard work, in which the Association had been central. Her congratulations were echoed by the meeting.

Human Resources Committee

Mr McKillop took members through the minute of the Human Resources Committee which had taken place on Monday 23rd November 2017. Attention was drawn to the following:

Staff Development Days (18 & 19 December) - The College continues its wide programme of staff development with two days of training in December. Mention was made of the increasing mandatory training on, in particular, equality and diversity. The College is increasing the use of online sessions, which allowed staff to undertake the training at times suitable to them.

Health & Wellbeing - The College also continues to develop its programme of activities in this area and there had been a very positive reaction from staff to the Health and Wellbeing Week in October.

Ms Carratt raised an issue re the gender balance of the members of staff who had undertaken ASIST (Applied Suicide Intervention Skills Training) training. Mr McKillop replied that this had been noted and that the next round of training included male members of staff. This would give the group trained to give counselling a much more balanced membership.

Students with Dementia - Mr McKillop reported that recommendations had been received via a Dementia Friendly audit and that the atrium area of the first floor of the College would have innovative features introduced in response. The Quality Audit Group would be monitoring this.

TQFE - Mr McKillop asked members to note that the College now fully-funded TQFE training for staff, in line with the practice at New College Lanarkshire.

HR Systems – Members noted the further development of the College's HR system; Mr McKillop offered to have members of the HR Committee view this before the next round of Board meetings. This was welcomed by the meeting.

Staff Absence - The Committee had received a report detailing the absence over the second and third quarters from 1st April to 30th September 2016. This showed a decrease of 2.64% across the periods. Mr McDowall stated that whilst the College had never had a great issue with absence it was encouraging to see the figure continue to fall. Members agreed that excellent support systems were in place to assist staff back to work.

National Pay Bargaining – the Board was updated on the ongoing negotiations and possible industrial action. It may be that lecturing staff would be taking further industrial action in pursuit of their pay claim.

Marketing - the College had employed a graphic designer to replace the external service that had proved to be quite expensive and not entirely satisfactory. This had proved to be successful so far, with staff very pleased with how responsive the service was now.

Whistleblowing Policy / Occupational Health & Safety Policy - Members noted that these Policies had been agreed and would be presented to the next meeting of the JNC.

Counselling - It was reported that the counsellor available was extremely busy, a waiting list and a student placement was being introduced to assist. This would also give the College one male and one female counsellor.

6. AOCB

IT / Business Continuity / Cyber Resilience

Ms Johnstone raised the question of GDPR (General Data Protection Regulation) and how advanced the College's procedures were to address this. Mr McKillop stated that the College had an action plan to tackle this issue and the allied issues of business continuity and cyber resilience. He added that the issues were being managed through the College's Risk Management Group.

At the suggestion of Ms Gibb, Ms McCartney asked that members hand back hard copies of papers if they were not required. She added that the College were investigating having paperless meetings.

Green Gown Award

Ms Johnstone congratulated Mr Allan on receiving the Green Gown Award for Leadership. This followed on from other awards received from this body. Members joined in the congratulations and recognised the hard work being undertaken in the area of sustainability.

Foundation

Mr Hutchinson asked for an update on the Foundation. Mr McKillop agreed to attend the next meeting of the Foundation.

At this stage the Chair asked that the staff, staff representatives and student representatives leave the meeting as a reserved item on remuneration was to be discussed.

7. Remuneration Committee

A paper, which had been produced and unanimously agreed by the Remuneration Committee was distributed and discussed. Ms McTavish enquired if members of the Remuneration Committee had undertaken the required training. Members of the Committee assured her that this training had been undertaken and appropriate certification received.

Discussion was then led by Mr Gallacher. The paper was unanimously approved by the Board of Management. At the close of the discussion the paperwork was returned to the Chair.

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