

Minute of Colleges Scotland Board

Thursday 23 June 2022, Argyll Court, Castle Business Park, Stirling, FK9 4TY

Present		
Waiyin Hatton (WH) (Chair)	Angus Campbell (ACa)	Liz Connolly (LC)
John Henderson (JH) (Zoom)	Ann Landels (Ala)	Alex Linkston (AL)
Ross Martin (RM) (Zoom) (left meeting – 1215 hrs)	Janie McCusker (JM)	Lydia Rohmer (LR) (Zoom) (left meeting - 1200 hrs)
Ronnie Smith (RS) (Zoom)	Shona Struthers (SS) (CEO)	David Watt (DW)
In Attendance		
Kirstie Laird (KL) (Minute)	Gavin Donoghue (GD)	Jen Johnston (JJ)
Andy Witty (AW)		
Apologies		
Margaret Cook (MC)	Audrey Cumberford (AC)	Ray McCowan (RMc)
Angela McCusker (AM)	Fiona McQueen (FM)	Caroline Stuart (CS)

1. Welcome and Apologies

- 1.1. The chair welcomed members in attendance and recorded apologies from six board members.
- 1.2. The chair informed the board of the following committee and member updates requesting ratification where necessary:
 - 1.2.1. Ann Landel's interim post as Edinburgh College Chair ends on 4 July 2022 making this their last BOM meeting. Edinburgh College are still to announce a replacement chair, but it is expected the successful candidate will start 4 July 2022.
 - 1.2.2. Angela McCusker's tenure as Dundee and Angus College Chair ends on 3 July 2022 making this their last BOM meeting.
 - 1.2.3. Angus Campbell had previously expressed interest in the chair vacancy of the Funding and Finance Committee. **The board ratified Angus Campbell as the New Funding & Finance Committee Chair.**
 - 1.2.4. The Funding & Finance Committee seek to fill two board member vacancies to meet the required minimum of five board members set out in the TOR. Invitations are open for self-nominations from board members.
 - 1.2.5. **The board ratified Ray McCowan and Fiona McQueen as members of the Audit and Risk Assurance Committee (ARAC) following their agreement to join the committee.**
 - 1.2.6. Sue Cook stepped down from her co-opted position on the ARAC now there is a full complement of members.
- 1.3. The chair confirmed a fuller discussion about the future and purpose of the Funding & Finance Committee would be taken under item 5.1.

2. Declaration of Interest Register

- 2.1. The chair invited board members to provide any changes to their Declarations to Kirstie Laird (Board Admin Officer).

3. Minutes of Previous Meetings and Matters Arising

- 3.1. The board agreed the minute of 23 March 2022 without amendment as an accurate record.
- 3.2. The board agreed the minute of 25 May 2022, which was an Extraordinary Board meeting, without amendment as an accurate record.

4. CEO Report

- 4.1. Paper 4.1 provided an overview of activity and staffing levels covering the period March to June since the last board meeting.
- 4.2. WH, SS and AC met recently with the Minister where it was agreed the Minister would work with the Scottish Funding Council (SFC) and civil servants to develop a transition plan to prevent the sector going into a managed decline.
- 4.3. The CEO highlighted some key areas of work which are currently ongoing, as referenced in Paper 4.1.
- 4.4. It was noted that the Good Governance Steering Group confirmed that the external review period is now between 3-5 years. **The chair will schedule a board evaluation for 2024. An interim progress report based on comments contributed at one-to-one meetings with the chair will be prepared.**
- 4.5. The board discussed the need for the sector to be proactive in providing solutions to the challenges faced rather than relying on Scottish Government (SG) to provide more funding.
- 4.6. One board member provided the chair with a list of topics to be raised at future meetings, which **the chair agreed to circulate to the board** on the approval of the board member.
- 4.7. **The board agreed Colleges Scotland (CS) would organise an event in September to bring the sector leadership together to discuss ways to drive success across the sector.**
- 4.8. **It was agreed upon conclusion of this work a meeting would be arranged with key stakeholders to ensure a more joined up approach to future budget challenges and implications.**

5. Colleges Scotland Review

- 5.1. The board were reminded of the previous work undertaken by the Governance Working Group. There was an in-depth discussion on Paper 5.1 noting Annex 1 and 2.
- 5.2. The board were given an update of a meeting between CS and SG Civil Servants (Claire Jamieson and Adam Mackie) to discuss the Regional Chairs' Appointment Letters, wording and powers of SG and their expectations of their appointed Regional Chairs.
- 5.3. **The chair agreed to approach SG requesting a formal written acknowledgement for clarity on points within the Regional Chairs appointment letters.**
- 5.4. Following an in-depth discussion on the recommendations from the Governance Working Group **all recommendations were agreed with the exception of the recommendation "Ensure as part of the CS Board induction process that publicly appointed Regional Chair Board Members understand that their appointment to the CS Board is conditional on the payment of subscription as "Company Members" ..."** which will be reviewed on receipt of SG's clarification on appointment letters.
- 5.5. Board members were reminded that all corporate documents including the Articles are available online.

- 5.6. The board discussed the options set out in Paper 5.2 relating to delivery of the agreed Strategic Framework for CS. The chair noted the recommendation from the Chairs' Committee was option 2 (£9k increase) which was based on scrutinising the budget and the need for increased communications.
- 5.7. **The board endorsed Option 1 (Flat Cash) with a consensus colleges are not in a position to agree an increase in subscription fees.**
- 5.8. **The board agreed the sector should be called upon to help offset some of CS costings e.g. by offering event hosting, shared training services with an aim of reducing some of CS hospitality costs.**

6. Audit and Risk Assurance Committee Report

- 6.1. The board discussed the current risk appetite and approved the risk appetite without amendment.
- 6.2. The board discussed their accountability for the CES risks agreeing these would remain on the risk register with CES being responsible for their risk management.
- 6.3. The board discussed and agreed CS and CES budgets will be under their own individual scrutiny, however CES finances will still come to the CS Board for approval.
- 6.4. The chair and SS agreed to discuss with each individual SLT member the best use of their time and requirements for attending board meetings ensuring ready access to their expertise on the board's decision making.

7. Chairs' Committee Report

- 7.1. The board discussed the Draft Colleges Scotland Budget 2022/23 (Paper 7.1) and Draft Member Subscription Model 2022/23 (Paper 7.2). **The board agreed option 1 (Flat Cash) for both the budget and subscription model matching the flat cash resource plan agreed in item 5.2.**
- 7.2. All CS staff exited the room to allow the board to hold a closed discussion on the Staff Pay Award proposal (Paper 7.3).
- 7.3. The chair invited the CS staff to return to the meeting and confirmed:
 - 7.3.1. **The board agreed, in principle, to a CS pay award in line with the college sector support staff pay offer for 2021/22 (£1,000 consolidated with effect from 1 September 2021 (pro rata), subject to it being ratified by all support staff unions on 1 July 2022).**
 - 7.3.2. **The board agreed the pay award (backdated to 1 September 2021) should be included in the first available salary payment run after the support staff unions ratification.**
- 7.4. The board noted the requirement for an annual review of the Corporate Governance Code noting the need for further review in line with the governance review. **The board approved the Paper 7.4 without amendment.**
- 7.5. The board noted the qualification from SG (Paper 7.5) for our attention after the agreement to adopt the SG Model Code of Conduct at the March board meeting.

8. College Employers Scotland Update

- 8.1. GD provided the board with an update of the current status of the staff-side dispute and additional funding request to the SFC noting the dispute raised by unions on the quality assurance part of job evaluation, which is currently under discussion.
- 8.2. The board were informed an agreement between management and unions is required in order to provide a unified front for the funding bid to SFC for the job evaluation business case. The board noted the deadline (Monday 27 June) for an agreement as SFC meet Tuesday 28 June.

9. Funding and Finance Committee Report

- 9.1. AW confirmed budgets are reverting to a year-by-year draft budget noting the action points on Paper 9.1 will be worked into the draft budget for the sector.

10. Audit and Risk Assurance Committee

- 10.1. SS informed the board that due to the doubling cost of the audit fees the committee agreed at the June 2022 ARAC meeting to go out to tender for the external audit services.
- 10.2. The board reviewed Information Paper 10.1 noting the committee's workplan for 2022/23 without comment.

11. Chairs' Committee

- 11.1. The board referred to information Papers 11.1 and 11.2 noting **the Income and Expenditure sections headed Policy & Communications would be headed Colleges Scotland going forward.**
- 11.2. **It was agreed that the Management Accounts would be split to show CES accounts and CS Accounts separately. These would be presented at each Board meeting. The Members were reminded that the Board of Colleges Scotland are accountable for CES.**
- 11.3. **It was agreed that the CES Budget which was approved by the Chairs' Committee at their June meeting would be circulated with the minutes of this meeting.**
- 11.4. The board reviewed Information Paper 11.2 noting the agreed work cycle by the committee without comment.

12. Funding and Finance Committee Report

- 12.1. The chair noted the topics covered were taken to the committee's funding group regarding capital and infrastructure and flexibilities of the sector.

13. College Employers Scotland

- 13.1. GD Highlighted CS responded to the GTCS consultation on Proposed New Registration Rules in January 2022 (shared with the board in January 2022). GTCS subsequently wrote to principals in March 2022 outlining at this time no changes to the GTCS Registration and Standards Rules 2014 will take place and the legislative context will be explored in relation to lecturer registration.
- 13.2. GD informed the board that Jillian Cheape (CES) is attending a meeting taking place today (Thursday 23 June) of the working groups to discuss further details of the Registration and Standards Rules 2014 and to scope out a timeline of work to take this to the next GTCS Council in October 2022.

- 13.3. A small group of principals: AC, MC, LC, Angela Cox (AC) and Carol Turnbull (CT), has been established and have been working closely with CES team members on all GTCS matters.
- 13.4. GD advised that trade unions are pushing for the NRPA to include all senior staff and the SG's Lessons Learned report, undertaken by Strathesk Consultants makes various recommendations, one of which is for renegotiation of the current NRPA.
- 13.5. College chairs and their remuneration committee chairs met on 10 May to discuss the sector's position on National Bargaining for Principals and Senior Staff, where it was agreed to continue current arrangements for these two groups not covered by the NRPA. CES are informing SG of this position and also discussing the Strathesk report recommendations.
- 13.6. GD confirmed an agreement has been reached on a consolidated pay award of £1,000 for all un promoted and promoted lecturer scale points, effective from 1 September 2021.
- 13.7. CES expect a further pay claim for 2022/23 to be submitted by EIS.
- 13.8. GMB and Unite completed their ballots for their support staff pay offer of £1,000 on all salary points (effective from 1 September 2021) which their members voted to accept.
- 13.9. The board noted Unisons' closing date of 1 July 2022 for the support staff pay offer.

14. Committee/Advisory Groups Minutes of Meetings

- 14.1. The chair confirmed the minutes of the committees could be viewed at their leisure using the link provided in the board papers pack.

15. AOCB

- 15.1. The chair formerly thanked Angela McCusker and Ann Landels for their input to the board and committees during their time on the CS Board.

16. Date of Next Meeting

- 16.1. The board noted the date of the next board meeting, Thursday 27 October 2022 (1000-1200).

Board of Management Action Monitoring Log

Actions from 23 June 2022 Meeting				
Action Ref	Action	Owner	Due Date	Status
220623 - 4.4	The chair will schedule a board evaluation for 2024. An interim progress report based on comments contributed at one-to-one meetings with the chair will be prepared.	Chair/Exec	June. 2024	Ongoing
220623 - 4.6	The chair agreed to circulate the list of topics to be raised at future meetings with the board	SLT/Admin	September	Complete 12-Sept-22
220623 – 4.7	The board agreed CS would organise an event in September to bring the sector leadership together to discuss ways to drive success across the sector.	SLT/Admin	September	Complete 12-Sept-22
220623 – 4.8	On conclusion of the sector leadership work, a meeting would be arranged with key stakeholders to ensure a more joined up approach to future budget challenges and implications.	SLT/Admin	TBC	Ongoing
220623 – 5.3	The chair agreed to approach SG requesting a formal written acknowledgement for clarity on points within the Regional Chairs appointment letters.	Chair	June 2022	Complete 3-Aug-22
220623 – 5.4	The Governance Working Group's recommendation "Ensure as part of the CS Board Induction process that publicly appointed Regional Chair Board Members understand that their appointment to the CS Board is conditional on the payment of subscription as "Company members"..." will be reviewed on receipt of SG's clarification on appointment letters.	Board	October 2022	Complete 3-Aug-22
220623 – 6.4	The chair and SS agreed to discuss with each individual SLT member the best use of their time and requirements for attending board meetings ensuring ready access to their expertise on the board's decision making.	Chair/SS	October 2022	Complete 23-June-22
220623 – 11.2	The CES Budget reviewed by the Chairs' Committee at their June meeting is to be circulated with the minutes of this meeting.	Admin	October 2022	Complete 20-Oct-22
Actions from 23 March 2022 Meeting				
Action Ref	Action	Owner	Due Date	Status
220323 - 5.2.4	The board agreed following the consultation period CS approach two active student presidents as co-opted members.	Board	June	Superseded (220323-5.2.6)
220323 - 5.2.6	AL will consider governance on co-opting of active students is fundamental to our desired outcome	AL	TBC	Complete 23-June-22
220323 - 6.2.1	An options appraisal of the CS accommodation to help inform a decision to be made within a realistic timeframe given current workload with the aim to inform the 2023 budget setting process.	SS/ Exec	Jan 2023	Progressing
Actions from 27 January 2022 Meeting				
Action Ref	Action	Owner	Due Date	Status
220127 - 7.2.1	CES to review Governance to ensure it is fit for purpose.	CES	Oct 2022	Progressing Prof. Ron Hill undertaking an independent review.