

Minute of Colleges Scotland Board

Thursday 27 January 2022 (1000-1300), by Zoom Video Conferencing

Present	
Ken Milroy (KM) (Chair)	Waiyin Hatton (WH)
Willie Mackie (WM)	Audrey Cumberford (AC)
Ross Martin (RM)	Elaine Acaster (EA)
Shona Struthers (SS) (CEO)	Alex Linkston (AL)
David Watt (DW)	Liz Connolly (LC)
Angela McCusker (AMcC)	Ann Landels (AL)
Janie McCusker (JMcC)	Andy Witty (AW)
Jen Johnston (JJ)	Jillian Cheape (JC)
Ronnie Smith (RS)	
In Attendance	
Kirstie Laird (KL) (Minuter)	Michelle Brand (MB)
Keith MacPherson (KMacP) (External Auditor)	Steve Galloway (SG) (Strategem)
Apologies	
Lydia Rohmer (LR)	Hugh Carr (HC)

1. Declaration of Interest Register – Sign Off

Agenda Item: 1 | Paper No: 1 | Lead: KM

1.1 Discussion

KM requested the Board's agreement to sign off the Declaration of Interest Register and inform KL of known amendments.

1.2 Decision

The Board signed off the Declaration of Interest Register and no amendments were noted to KL.

2. Welcome and Apologies

Agenda Item: 2 | Verbal | Lead: KM

2.1 Discussion

KM noted for the purpose of the minute that this is the last meeting for himself and WM as members of the Board.

2.2 Decision

WH was ratified as Chair of Board following the election process. RS was ratified as Chair of Audit and Risk Assurance Committee (ARAC).

3. Minute of the Previous Meeting & Matters Arising

Agenda Item: 3 | Paper No: 3 | Lead: KM

3.1 Discussion

The Board reviewed the minute of the previous meeting (Thursday 28 October 2021). A brief discussion around the minute was held, noting that no notes of interest have been received for the role for Prevent representative and this was still an ongoing action.

The Board was asked to note and agree the suggested amendment to the previous minute. JMcC requested an amendment to include further clarification is required on Directors' liabilities. The Board discussed and noted the ongoing action for SS under item 3.1 of the previous meeting. SS confirmed this was an action, to clarify the benefits which would be no longer available to members choosing to leave Colleges Scotland (CS) Membership.

3.2 Decision

SS agreed to seek a new Prevent representative by inviting self-nominations from all Chairs and Principals.

SS confirmed that the Directors' liability is an ongoing piece of work to be addressed as part of the governance review and any article rewrite.

The minute was approved subject to the amendment of item 5.4 (Directors' liabilities on organisation wind up).

4. Audit & Risk Assurance

Agenda Item: 4 | Paper No: 4.1, 4.2 and 4.3 | Lead: WM

4.1 Discussion

KMacP joined the meeting. KM welcomed KMacP and invited WM to introduce the papers for review. WM highlighted the papers presented (paper 4.1), were reviewed and discussed at the ARAC meeting in January. The committee recommend the papers for approval by the Board.

KMacP noted a quality assurance check was completed and is comfortable the papers presented to the Board today reflect the amendments to narratives surrounding the accounts made by the auditors following the ARAC meeting and discussion in January. No substantial or material adjustments were identified through the process and no errors or adjustments were required on the accounts and transactions.

The Board was asked to observe the pension liability on the balance sheet (paper 4.1 page 27) and note the liability moves with external factors such as inflation, discount rates and bond rates and the key concern for the organisation is to meet and service ongoing contributions. This means the balance sheet sits with the liability and going concern and to note it is a long-term liability to be serviced throughout the annual pension.

KMacP highlighted the opinion given on the Auditors Opinion on accounts (paper 4.1 page 22) reflects the additional work done to ensure they are satisfied there is no material uncertainty of going concern.

AL requested the Directors and Trustees List (paper 4.1 page 18) be amended to show his organisation as West Lothian College.

WM referred to the Annual Governance Statement (paper 4.2) highlighting the report is a summary of work carried out by the ARAC, reflecting on the assurances received during the year on how the organisation has managed risk. WM confirmed the ARAC recommended the report for approval.

The Board held a brief discussion on the risk register which was discussed at the Chairs' Committee in December and ARAC in January. It was highlighted the Board has an opportunity to review and consider the current risk appetite following the completion of the CS strategy review in

March, it is anticipated that some of the risk levels will change at this point. WM invited SS to update the Board on the risk register.

SS noted the strategic risks highlighted as high in red on the summary page (paper 4.3 page 6) are expected to remain high risk until the CS Strategy Review is concluded. SS briefed the Board on the high risks.

The ARAC request the Board's approval of the risk register following their review of the paper.

4.2 Decision

The Board approved the Financial Statements (paper 4.1) and Annual Governance Statement (paper 4.2) on the ARAC's recommendation, subject to the Directors and Trustees List being amended.

The Board approved the risk register (paper 4.3).

5. Multi Year Spending Plans Submission

Agenda Item: 5 | Paper No: 5 | Lead: AW

5.1 Discussion

AW referred to Paper 5 and the Government's announcement of a spending review, to be published in May this year. Two elements surrounding this are covered in the paper; the first around the Ask and the second around the engagement which is included in the budget discussion and is reflected in the Appendix to the paper. The Ask element reflects and highlights the Scottish Government's priorities for the resource spending review and the principles as laid out.

The Board held a discussion surrounding the impacts to the sector of the draft budget and the need to collate the impacts in terms of activity levels (students and staffing). Attention was drawn to the strategic intent lead by Helen Webster from Scottish Government and her intentions to set up a directorate of 10-15 civil servants over the next 18 months to deliver a vision for the tertiary sector which will not include schools.

The Board discussed factoring in capital investments and funding as there is nothing in the Governments spending plan for 2024/25 relating to the sector and the risk of being unable to provide skills needed for modern economy due to lack of ability to purchase current equipment.

The consensus of the Board was that there is a requirement to provide evidence and quantify the impact on activities that will not be delivered due to lack of funding, as well as the impact on compliance, health and safety, possible campus closures etc. The Board commended JJ on her use of narrative in recent publications and media releases which were strong but fair in getting our message over.

AC highlighted to the Board that the College Principals' Group (CPG) discussed this at their last meeting. JJ has started work on gathering consistent data from each college to inform our communications and public relations tactics, as well as voicing our concerns in discussions with the Scottish Funding Council (SFC).

5.2 Decision

JJ to continue the work started on collating data from each college to help quantify impact and to maintain the narrative in the communications and publications from CS.

The Board approved the approach for the Colleges Scotland Spending Review Submission and the engagement plan.

6. Colleges Scotland Review

Agenda Item: 6 | Paper No: 6 | Lead: WM/SG

6.1 Discussion

WM invited the leads of the three working groups to discuss each group's progress to date and the direction the strategy is going in terms of the proposed model and its new look subject to Board agreement.

SG shared the strategy framework (Paper 6) on screen for the Board to view. SG covered the vision and three clear strategic goals/aims agreed by the strategy group in November 2021. Three key areas that required further work are noted below:

- develop a Think Tank to help lead and influence policy,
- create and implement a clear and focused stakeholder management plan
- clarify the process for policy prioritisation as well as a selection criteria.

SG highlighted the next stage following completion of the three subgroups templates. Each subgroup will further develop their Strategy area to align with the Strategy Framework, highlighting the key actions and interdependencies required for delivery. This will allow the Board to determine the priorities and KPIs.

WM confirmed SS and the team will collate a list of all things that the CS staff do that are not covered within the three areas to ensure nothing is missed for the review sign off in March.

The three group leads provided an update to the Board on their templates and the direction of travel echoing what was shared with the Board at the Strategy Review meeting in January 2022. The consensus from the working groups, was that further work is required around setting KPIs and interdependencies and the use of the wider college family. JJ is currently working on a mapping exercise to ensure duplication of work across the sector is avoided.

WM confirmed the workplan presented to the Board follows a very tight timeline. By early February 2022 the group proposed reforming the strategy working groups into a smaller group called the Strategy Completion Group, aiming for a full presentation to the Board at the March meeting for sign off.

WM confirmed AL and the Governance group will be kept informed of the progress of the Strategy Completion Group and included in further discussions to ensure good Governance around the creation and implementation of the new Strategy.

It was agreed that any decisions should be feedback to the Board for approval and the completion group will oversee the implementations.

The Board was asked to approve and endorse the work done to date, the implementation of the completion group and the timeline presented with an aim of the Review being finalised and endorsed at the March 2022 Board meeting.

6.2 Decision

Each Subgroup to further develop their Strategy area to align with the Strategy Framework, highlighting key actions and interdependencies required for delivery.

SS and AC to present the current Review work to the CPG in February 2022 and SS and WH to present to the Chairs' when they next meet.

The subgroups are to reform into the Strategy Completion Group and finalise their templates in January 2022.

The Board agreed the timeline, implementation of the Strategy Completion Group and the work done to date on the direction the review is taking.

7. Committee Activity Update

Agenda Item: 7 | Paper No: 7 | Lead: KM

7.1 Discussion

The Board discussed the updates from CPG, Funding and Finance Committee and Chairs' Committee. CPG and Funding and Finance noted the updates had already been discussed earlier in our meeting.

KM highlighted that the Chairs' Committee had considered and agreed revisions to the HR Policies around the sick pay element within the Absence Management Policy for new starts from January 2022. CS will have 2 different sick pay terms - the terms for new starts will mean the length of sick pay is determined by length of service. The Chairs' Committee have noted they are paying close attention to the pension fund and the impact that would have on subscriptions with the intention remaining to gain top slicing from SFC to cover additional funds for deferred members.

AL and (JC) provided an update on the Employers' Association business case, noting an extraordinary meeting on Tuesday 1 February 2022 with the intent and purpose that it will be freestanding. It was noted that it will not be separate legal entity due to additional costs. The Employers' Association will have its own logo, a new name and a new spokesperson and will operate as if it is a separate organisation. It is proposed that it will be funded by a top slice from SFC. Governance requirements were discussed by the Board and AL noted a review will take place.

7.2 Decision

The Employers' Association will require a review of Governance to check it is fit for purpose.

8. Policy Update

Agenda Item: 8 | Paper No: 8 | Lead: AW

8.1 Discussion

AW highlighted the impact of the recent budget announced by the Scottish Government as flat cash, which the SFC has accepted as a real terms reduction. The Board commended the change of tone reflected in recent media statements. SFC advised there is unlikely to be any change to the budget and to plan for reductions. There has been no confirmation from the Scottish Government yet around sector funding schemes (Mental Health, National Transitional Training Funding (NTTF), Young Persons Guarantee (YPG)) however it is unlikely the NTTF and YPG will continue, and this is being pursued. It has been confirmed that Mental Health funding comes from the health directorate's budget, and we await confirmation on this.

9. Communications & Public Affairs Update

Agenda Item: 9 | Paper No: 9 | Lead: JJ

9.1 Discussion

JJ highlighted the limited budget (£7k) that CS has for communications and public affairs activity. CS does not have the resources to develop stories or commission polls for generating the data we require. CS are in talks with other organisations on how to get useful information that is newsworthy.

A discussion was held on using the wider college family as outlined in the Strategy Review and the work by JJ to ensure the publicity and communications for the Employers' Association was not paid from the policy subscriptions. The budget remains low leaving no allowance to sponsor or be visible at events. The Board suggested that if funds are limited, during the Review it should be looked at to prioritise and see what funding could be utilised from other areas. It was suggested Review actions which have Communications cost implications should form part of the Resource Plan, for prioritisation along with others identified.

10. Colleges Scotland Finance & HR Update (Non-Disclosure)

Agenda Item: 10 | Paper No: 9/Verbal | Lead: SS

10.1 Discussion

SS updated the Board on the position of the accounts over the past 5 month and confirmed we are on budget with a slight underspend.

CS has now successfully recruited our Director of the Employers' Association. Gavin Donoghue will be joining us from the University of Edinburgh with a start date of Monday 11 April 2022 and he has a Communications and Public Affairs background.

As part of the HR update, JMcC questioned if the grievance policy should include an opportunity for formal mediation.

10.2 Decision

JC is checking the grievance policy re wording offering formal mediation prior to the grievance process is started and will feedback to the Board on her findings.

11. Committee Minutes

Agenda Item: 11 | INFO Paper | Lead: KM

KM directed the Board to the Members Area of the CS website where all committee minutes are available for viewing. The link is provided in the Board papers.

12. AOCB

Agenda Item: 12 | Verbal | Lead: KM

WH and the Board thanked KM and WM for their contributions and commitment to the CS Board and Committees during their time as a Board Member.

13. Date of Future Meetings

Agenda Item: 13 | Verbal | Lead: KM

The date of the next meeting is Wednesday 23 March (1545-1715).

Chairs' Committee Action Monitoring Log

Meeting of Thursday 24 June 2021				
Agenda Item	Action	Date	Owner	Status
5	The Chairs' Committee to continue to progress further options surrounding Members Liability, in parallel with the College Scotland Board Governance Working Group, and with input from JMcC and WH.	TBC	SS/KM	Ongoing
13	Share final Flexibility Works report with Board.	TBC	SS	Ongoing
Meeting of Thursday 27 January 2022				
Agenda Item	Action	Date	Owner	Status
3.2	SS to circulate a request for a prevent representative	March	SS/WH	Complete
	SS working on clarity of Directors' liabilities noted within CS articles during the article rewrite	March	SS/PD	Complete
	Amendment to prev. minutes to reflect the Directors' liabilities being captured within the article rewrite	February	KL	Complete
4.2	The Trustee and Directors List within the Financial Statements are to be amended with AL's correct college	February	KL	Complete
5.2	JJ to continue collating data from colleges around quantifying the impact on activities from the budget and to maintain the level of narrative and strength used in comms.	February	JJ	Complete
6.2	Each subgroup to further develop their Strategy area to align with the Strategy Framework, highlighting the key actions and interdependencies required for delivery	February	JMcC/AC/DW	Complete
	SS and AC to present the review framework to the CPG in February and SS/WH to present to the Chairs' next meet.	February	SS/AC	Complete
	The three strategy working groups are to reform into the Strategy Completion Group	February	JMcC/DW/AC	Complete
	The complete framework is to be presented to the Board at the March meeting for sign off.	March	Board	Ongoing
7.2	EA to review Governance to ensure it is fit for purpose	TBC	EA	Ongoing

10.2	JC to update the Board with the grievance policy and wording to offering formal mediation before beginning the grievance process	February	JC	Complete
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