

Minute of Colleges Scotland Board

Thursday 21 March 2024, Argyll Court, Castle Business Park, Stirling, FK9 4TY

Present		
Waiyin Hatton (WH) (Chair)	Angus Campbell (AC)	Joanna Campbell (JC)*
Liz Connelly (LC)	Margaret Cook (MC)	Trudi Craggs (TC) *
Susan Elston (SE)	Ray McCowan (RM)	Laurie O'Donnell (LO)
Nora Senior (NS)*	Derek Smeall (DS)	Ronnie Smith (RS)
Shona Struthers (SS)	David Watt (DW)	
In Attendance		
Gavin Donoghue (GD)	Frances Harrower (FH)	Tony Sharkey (TS)*
Andy Witty (AW)		
Apologies		
Alex Linkston (AL)	Janie McCusker (JM)	Fiona McQueen (FM)
Caroline Stuart (CS)		

* via video conferencing

1. Welcome and Apologies

- 1.1. WH welcomed members to the meeting. WH advised that Tony Sharkey (TS) who is a board member at West Lothian College is joining the meeting in an observer capacity at the request of AL who is unable to attend but asked if TS could attend some of the key sector meetings to give him an insight into the role of the Regional Chairs.
- 1.2. Apologies were noted as above.

2. Declaration of Interests

- 2.1. No conflicts were declared by members of the board.

4. Minute of Previous Meeting and Matters Arising

- 4.1. The draft minute of the previous meeting outlined in Paper 4.1 was noted by members.
- 4.2. WH advised that the remaining actions were either complete and would therefore be removed from the action log or covered on the agenda or with the staff to take forward.
- 4.3. **The board approved the minute as an accurate account of the meeting.**

5. CEO Report

- 5.1. The CEO report outlined in Paper 5.1 was noted by members.
- 5.2. SS reported that she and WH had a useful introductory meeting with Shirley Laing on Tuesday 19 March 2024 following her taking up her post as the new Director for Lifelong Learning and Skills at the Scottish Government. SS advised that Shirley appeared keen to engage with the Colleges Scotland board and sector leaders on a regular basis.
- 5.3. SS advised that the logos listed at the end of the CEO Report were there to illustrate to the board the range of organisations Colleges Scotland engaged with during the period and

that the March report had also included logos from 130 colleges, organisations, businesses and trade union representatives who had put their names to the open letter to the Scottish Ministers as part of the national campaign led by Colleges Scotland to try and reverse the decision by Scottish Government to end the Flexible Workforce Development Fund.

- 5.4. The board noted that the CEO report would be shared with all chairs and principals following the meeting.

6. College Sector Finance Committee

College Sector Reform to 2026

- 6.1. Paper 6.1 which provided updates on the work of the Reform Short Life Working Groups for each of the three key priority areas was noted by members.
- 6.2. AC advised that there had been a useful discussion with chairs and principals at the meeting on Thursday 19 March 2024 regarding this area.
- 6.3. AW reported that there was a clear consensus by the chairs and principals to continue to push for the flexibilities sought for by the sector directly with the Minister. AW also advised that sector leaders had also agreed that funding for College Employers Scotland (CES) should not come from the core teaching grant.
- 6.4. Various discussions took place by the board in relation to the need to manage different points of view across the sector and for any disagreements to be raised so that these can be heard and noted so that we are able to move forward with one voice and as a united front, as currently the Scottish Government and SFC are reporting that they are hearing conflicting messages from the sector. It was recognised however, that individual colleges will continue to communicate their own priorities, but the ask is that this is managed in a way which does not contradict the sector's position.
- 6.5. The board agreed that the sector needed to be more assertive in its engagement and communication with the Scottish Government and SFC and to continue to push for the flexibilities, aligning these with the Scottish Government's national ambition and communicating that the sector can deliver skills on a national scale to guarantee economic growth for Scotland. It was agreed to continue to collate information across the sector to help with the sector's position.
- 6.6. The board confirmed that it did not need to see as detailed reports including correspondence with the Scottish Government or SFC in future board papers for this area.
- 6.7. **While the board agreed to the principles and next steps outlined for progressing each of the Reform areas, it also agreed that the board needed to take back ownership of this area of work and agree timescales for when these could effectively be delivered. The board also agreed that going forward it would be useful to truncate the principles for each of the three groups into a one-page summary and link each of the priorities to the Scottish Government's priorities.**

Scottish Government Budget 2024-25 and Draft Budget 2025-26 – Key Decisions

- 6.8. Paper 6.2 which provided an update on the Scottish Government Budget 2024-25 and Draft Budget 2025-26 was noted by members.
- 6.9. WH advised that the outputs from the discussion with chairs and principals at the meeting on Tuesday 19 March 2024 regarding this area had been sent to the board on Wednesday 20 March 2024 as an additional paper.
- 6.10. AW reported that there was a preference by the chairs and principals not to refer to 'flexibilities' but instead 'foundations' and to update SFC on the agreed outcomes sought by the sector.

6.11. The board agreed that identifying two or three strategic asks of transformational change to explore through the Tripartite Alignment Group would help the sector's position and hold SFC to account for progressing these.

6.12.

[REDACTED]

6.13.

[REDACTED]

6.14.

[REDACTED]

[REDACTED]

[REDACTED]

7. **Audit and Risk Assurance Committee**

Risk and Regulatory Update

7.1. The Risk Register outlined in Paper 7.1 was noted by members.

7.2. SS reported that the risk description for Risk 4 (relationship with trade unions) had been changed to make it clearer as to what this area relates to.

7.3.

[REDACTED]

7.4. SS advise that there had been a reduction to Risk 13 (transition to new finance suppliers) due to recent discussions which have taken place at senior level between the Chief Executive and the key partner at Dickson Middleton.

7.5. **The board agreed the risk register as presented.**

8. **Finance and General Purposes Committee**

Colleges Scotland Company Membership Process and Procedures

8.1. Paper 8.1 which outlined considerations and proposals by the committee on the processes and procedures around the application of company membership for Colleges Scotland and payment of membership subscriptions was noted by members.

8.2. WH reported that at the meeting on Thursday 7 March 2024, the committee had a lengthy discussion around colleges seeing declining budgets and having to make hard choices, including making reductions, and that the Colleges Scotland board needed to be mindful of this when it came to funding Colleges Scotland, while understanding that this is likely to impact its services and possibly its future sustainability. WH advised that the committee

had agreed that it would be helpful to discuss this further at the Board Development Day in August 2024 where it could take the time to properly consider the business model and its operations for the next few years.

8.3. SS advised that the paper presented several recommendations to the board to tighten up the processes and procedures around company membership and payment of membership subscription. This included:

- Make revisions to the Articles to include conditions around the need for Company Members to provide a 12 months' notice in writing prior to the 1st August.
- Enforce sound governance and practices by ensuring that membership of Colleges Scotland is based on paid subscription by the deadline.
- The board to consider subscription levels for the next year much earlier than it currently does (in March) to allow it to be able to mitigate the risk of a Company Member wanting to resign.

8.4. Discussion took place by the board on whether members should provide a 6 or 12 month notice period and three members disagreed with the 12 month period. It was agreed to go with the consensus in supporting the recommendation of 12 months as presented by the committee.

8.5. The board approved all the recommendations of the committee as presented in the paper.

Board Development Day

8.6. Paper 8.2 which provided a detailed proposal by the committee in relation to activity for the Board Development Day for consideration by the board.

8.7. The board agreed the proposed arrangements and outcomes for the day.

8.8. WH asked the board to provide suggestions for an appropriate external facilitator directly to FH.

8.9. DW suggested that the event took place at a neutral venue i.e. a college and offered Fife College to host the event. **It was agreed that FH would make enquiries with the college directly.**

CS Management Accounts to 31st December 2023 and Q2 Forecast

8.10. The CS management accounts outlined in Paper 8.3 were noted by members.

CES Management Accounts to 31st December 2023 and Q2 Forecast

8.11. The CES management accounts outlined in Paper 8.4 were noted by members.

Board/Committee Calendar of Meetings 2024/25

8.12. Paper 8.5 which outlined the Board/Committee Calendar of Meetings for 2024/25 and included dates for the three advisory groups was noted by members.

Board Committees' Annual Self-Evaluation/Board External Evaluation

8.13. Paper 8.6 which was a proposal by the committee in relation to taking forward the board committees' annual self-evaluation and board external evaluation activity was noted by members.

8.14. The board agreed to the activity and timescales for undertaking this work.

HR/Health & Safety Update Report for the Period 1st August 2023 to 31st January 2024 including updated HR/H&S Policies and Processes

8.15. The board noted the HR and H&S update provided in Paper 8.7.

Embedding the Organisation's Culture

8.16. Paper 8.8 was noted by members.

8.17. SS provided an update to the board on the recent work undertaken to update the organisation's culture including its values and behaviours.

Ratification of New Committee Chair

8.18. The board ratified LO's appointment as the new chair of the committee.

9. Colleges Scotland Strategy

Strategy Trackers

9.1. The updated strategy tracker outlined in Paper 9.1 was noted by members. No comments were noted.

9.2. AW advised the board that it would review the 2022-26 strategy to ensure its appropriateness for the future as part of the Board Development Day in August 2024.

10. College Employers Scotland (CES)

CES Funding Update

10.1. GD advised the board that discussions continue with SFC around the future funding of CES.

College Employers Scotland Assurance Reports

• **National Bargaining**

10.2. GD provided the board with a brief update on matters relating to National Bargaining.

• **Job Evaluation**

10.3. GD provided the board with a brief update on matters relating to the Job Evaluation Project.

10.4. GD reported that SS had written to Neil Rennick, Director-General Education and Justice at the Scottish Government to seek clarification about how much of the monies (or liabilities) are now recognised or held in the Scottish Government's accounts in order to pay for Job Evaluation outcomes. GD advised that he was still awaiting a response back.

11. Any Other Competent Business

11.1. There was no further business discussed.

12. Date of Next Meeting

12.1. WH advised that the board was scheduled to meet again on Thursday 20 June 2024 (1000-1300) at Colleges Scotland, Argyll Court, Stirling.

NB: Bolden text are decisions and actions which are captured in the action log.

Action Monitoring Log

Actions from 15 June 2023 Meeting				
Action Ref	Action	Owner	Due Date	Status
150623 – 8.12	SLT to carry out a simulation test to check that the Business Continuity Plan and ICT Disaster Recovery Plan is effective and report back to the Audit and Risk Assurance Committee.	SLT	TBA	
Actions from 26 October 2023 Meeting				
Action Ref	Action	Owner	Due Date	Status
261023 – 2.12	Andy Witty to start discussions with SFC around what data is currently collected for the sector and what data could be collected, and how this can inform more research like the Fraser of Allander report (<i>Economic Contribution of Colleges in Scotland</i>) in the future.	SLT	Feb 24	
Actions from 25 January 2024 Meeting				
Action Ref	Action	Owner	Due Date	Status
250124 – 7.13	<i>College Sector Reform to 2026</i> to be a standard item for future board meetings and update provided.	SLT	Ongoing	
250124 – 8.18	Set out the current processes and procedures around company membership of Colleges Scotland, along with any suggested improvements, and discuss with the Finance and General Purposes Committee and then the full board as part of the schedule of meetings in March.	SLT	Mar 24	
Actions from 21 March 2024 Meeting				
Action Ref	Action	Owner	Due Date	Status
210324 – 6.7	The board to take back ownership of the Reform areas and agree timescales for when these could effectively be delivered. Truncate the principles for each of the three groups into a one-page summary and link each of the priorities to the Scottish Government's priorities.	SLT	June 25	
210324 – 6.14	[REDACTED]	SLT	May 24	
210324 – 8.7	Board to provide suggestions for an appropriate external facilitator directly to FH.	SLT	June 2024	