

EDINBURGH COLLEGE BOARD OF MANAGEMENT

MINUTES OF MEETING OF 02 SEPTEMBER 2014

13:30 Boardroom, Milton Road Campus

Present: Colin Arthur; Kellie Bradford; Maidie Cahill; Sandra Cairncross; Martin Crewe; Jan Cutting; Mandy Exley; Moira Frizzell; Alan Johnston; Ian McKay (Chair); Nigel Paul; Jane Richardson; David Rutherford; Robin Stimpson; Jeroen Van Herk; Ian Young.

In attendance: Su Breadner; Penny Davis; Simon Earp; Ray McCowan; Julie McCran; Pauline MacPherson; Sheila Page; Marcus Walker (Clerk); Alan Williamson; Craig Wilson.

1 WELCOME AND APOLOGIES

- 1.1 Apologies had been received from Diane Erasmuson.
- 1.2 The Chair welcomed ECSA Student President, Jeroen Van Herk.
- 1.3 The Chair welcomed, HM Inspector of Education, Sheila Page for agenda Item 2.

2 EDUCATION SCOTLAND REVIEW

- 2.1 The Board received a presentation from the HM Inspector on the *Edinburgh College External Review*, conducted by Education Scotland from 28 April to 2 May 2014.
- 2.2 The Board NOTED that the External Review's single overarching judgement indicated that the College had in place 'effective' arrangements to maintain and enhance the quality of its provision and outcomes for learners and other stakeholders.
- 2.3 The Board NOTED the following aspects of the External Review highlighted by the HM Inspector:
 - (i) areas of positive practice;
 - (ii) areas for development, including the main points of action;
 - (iii) two areas of 'excellent' practice, related to *Enhancing Employability* and *Enhancing Partnership Working*;

Martin Crewe joined the meeting.

- 2.4 The HM Inspector informed the Board that one year on from the Report, the College would produce a report setting out what had been accomplished to address the main points of action.
- 2.5 The Board asked the HM Inspector questions around the following areas of the External Review outcome:
- (i) the effective implementation of the LDT initiative across the College.
 - (ii) the implementation of the overall quality system, and the importance of overarching guidance and regular programme team meetings;
 - (iii) the programme outcomes in the areas of business and computing;
 - (iv) the scope of courses provided at the College. The HM Inspector acknowledged the high-level of consideration that the College had placed on its curriculum and course portfolio.
- 2.6 The Chair thanked the HM Inspector for presenting the outcomes of the External Review to the Board. The Chair also extended thanks, on behalf of the Board, to the Education Scotland Review Team for the effective manner in which the Review had been conducted.

Sheila Page left the meeting.

3 DECLARATIONS OF INTEREST

- 3.1 Sandra Cairncross declared an interest, with regards to any discussion related to Edinburgh Napier University.

4 MINUTES OF PREVIOUS MEETING

- 4.1 The Board APPROVED the Minutes from 10 June 2014 as an accurate record of the meeting.

5 MATTERS ARISING

- 5.1 Actions from the previous meeting were complete, overtaken or on the agenda, with the exception of the following item:

5.1.1 WSUMs PRICE COMMUNICATION (minute 6.2.2/ 10.06.14 refers)

The Board NOTED that the Principal continued to highlight the College's low WSUMs price to Colleges Scotland.

6 PRINCIPAL AND EXECUTIVE REPORT

- 6.1 The Board NOTED a number of aspects of College business with which the Principal had recently been engaged, including the Principal's Roadshows held over all four campuses to welcome staff for the new academic session.

6.2 STRATEGY AND PLANNING

6.2.1 The Board NOTED an update from the VP Strategy & Operations on the College Strategic Plan. The Board NOTED that the Strategic Plan would be brought to the next meeting of the Board, and incorporate outcomes from the:

- (i) Violet Bick branding review;
- (ii) Commission for Developing Scotland's Young Workforce Report
- (iii) Education Scotland Review; and,
- (iv) College's Strategic Objectives.

6.2.2 The Board NOTED a presentation from Violet Bick received prior to the Board meeting. The Board AGREED that its members should participate further in the development of a College 'branding wheel' through a one-off meeting. The core proposition of the brand review would then feedback into an appropriate Board committee.

6.2.3 The Board NOTED the printing and administrative costs associated with producing papers for the Board and its committees. The VP Strategy & Operations proposed that the Board move to a hybrid of printed Board papers and a paperless system, prior to adopting a paperless system from 2015/16 onwards.

The Board AGREED to the proposed paperless system, but stressed the importance of the system remaining both user-friendly and flexible.

6.3 FINANCE

6.3.1 The Board NOTED the financial performance of the College, as highlighted in the Financial Accounts to July 2014.

6.3.2 The Board received the *Annual Budget for 2014/15* and the *2015/16 Forecast Budget*, put forward by the Executive Team for approval.

The Board NOTED that the 2014/15 budget illustrated a deficit of £1.9m. The Director of Finance informed the Board that the adverse movement shown against the indicative budget reflected both the full effect of pay awards and the costs of harmonisation. The Board NOTED that as a result of pay related costs, a number of operational budgets had been reviewed and adjusted.

The Board NOTED the breakeven position highlighted in the 2015/16 forecast budget. The Director of Finance informed the Board that reductions in staffing costs were vital to achieve the forecast breakeven position. The Board NOTED an update on the Voluntary Severance Scheme, which ends in November 2014, and the potential cost savings that would be released.

The Board DISCUSSED the 2014/15 budget and the College's financial position, focussing on the following:

- (i) the College's low WSUMs price;
- (ii) the on-going implications of the ONS Reclassification;
- (iii) the College's significant cash investment in its staff;

- (iv) the higher costs of harmonisation than anticipated;
- (v) the recent efficiencies made, and the encouraging long-term signs related to the College's commercial activities.

The Board NOTED that the Principal expected to meet the targets set out in the 2014/15 Budget, since the College's 2013/14 performance had been significantly ahead of expectations.

The Board APPROVED the Annual Budget for 2014/15, and agreed that the deficit budget had been put forward in good faith by the Executive Team.

6.3.3 The Board NOTED that there were on-going changes occurring across the sector which had been compound by uncertainties related to the ONS Reclassification. The Board AGREED that in light of the situation a Board delegation of the Chair, Vice Chair and the Audit Committee Chair, along with Principal and Director of Finance, would seek a meeting with the SFC to discuss the present financial standing of the College.

6.3.4 On behalf of the Board, the Chair stated that he would like College staff to recognise the significant investment that had been made in staffing, and stressed the importance of a sustained period of stability for the College to become the institution it should be.

Jan Cutting left the meeting.

6.4 HUMAN RESOURCES AND STAFF ENGAGEMENT

6.4.1 *Paragraph 6.4.1 presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 30, Prejudice to the Effective Conduct of Public Affairs.*

6.4.2 *Paragraph 6.4.2 presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 30, Prejudice to the Effective Conduct of Public Affairs.*

6.4.3 *Paragraph 6.4.3 presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 30, Prejudice to the Effective Conduct of Public Affairs.*

Alan Johnston left the meeting.

7 EDINBURGH COLLEGE STUDENTS' ASSOCIATION

Graeme Kirkpatrick, ECSA Manager, joined the meeting.

- 7.1 The Board NOTED a report on ECSA activities and upcoming projects, introduced by the Student President.
- 7.2 The Student President, on behalf of the ECSA team, thanked the Principal for her inspiring keynote speech at the *NUS Partnership for Change Conference*.
- 7.3 The Board NOTED ECSA's objectives for the current academic year, which included:

- (i) the modification of the class representative system, to ensure a more focussed view of the learning and teaching across departments and campuses;
- (ii) working with the College to implement improvements to its application and enrolment systems, in light of feedback from students;
- (iii) an appropriate level of engagement in the development of the Curriculum Strategy.

The Board NOTED that the Executive Team would work with ECSA to progress the issues highlighted above.

Graeme Kirkpatrick left the meeting.

8 COMMITTEE REPORTS

8.1 ACADEMIC COUNCIL

The Board NOTED that the next meeting of the Academic Council would be held on 19 September 2014.

The Board NOTED the establishment of four sub-groups, which would reach out to staff and students across the College and feedback regularly to the Committee.

8.2 AUDIT COMMITTEE

8.2.1 MINUTES 20.06.14

The Board NOTED the Audit Committee minutes from the meeting held on 20 June 2014.

The Board NOTED the Committee's removal of the Monitoring Our Performance target on cash reserves, since the ONS Reclassification made the performance indicator redundant.

The Board NOTED that the Committee had received positive Internal Auditors Reports on *Student Records* and *Student Experience*. The Board AGREED that both Reports would be circulated to Board members, for information.

8.2.2 FINANCIAL ACCOUNTS TO 31 MARCH 2014

The Committee Chair presented the *Edinburgh College Annual Report & Financial Statements for the period ended 31 March 2014*, as recommended to the Board for approval by the Audit Committee held on 20 June 2014.

The Board NOTED areas of activity undertaken by the College's External and Internal Auditors for the period 1 August 2013 to 31 March 2014, along with the Accounts and Annual Reports for 2013/14.

The Board APPROVED the *Edinburgh College Annual Report & Financial Statements for the period ended 31 March 2014*, for submission to the SFC by the Accountable Officer.

The Board APPROVED the Management Representation Letter, as recommended by the Audit Committee.

The Chair, on behalf of the Board, thanked the Audit Committee, the Director of Finance and the Finance Team for their efforts to produce the 2013/14 Financial Report and Accounts.

8.2.3 TOP RISK REGISTER

The Board NOTED the Edinburgh College Top Risk Register for September 2014.

8.3 CAPITAL & INFRASTRUCTURE COMMITTEE

The Board NOTED that the next meeting of the Capital & Infrastructure Committee would be held on 2 October 2014.

8.4 COMMERCIAL & INTERNATIONAL COMMITTEE

The Board NOTED that the next meeting of the Commercial & International Committee would be held on 2 October 2014.

8.5 NOMINATIONS & ENGAGEMENT COMMITTEE

The Board NOTED that the next meeting of the Nominations & Engagement Committee would be held on 9 October 2014.

8.5.1 COMMITTEE MEMBERSHIP UPDATE

The Board NOTED that two Board members, Nigel Paul and Jane Richardson, had been approached by the Committee Chair to join the Commercial & International Committee in order to strengthen its membership. The Board APPROVED the proposed changes to the Committee membership, prior to a review of the committee structure in early 2015.

8.6 REMUNERATION COMMITTEE

The Board NOTED that the next meeting of the Remuneration Committee would be held on 17 September 2014.

9 MONITORING OUR PERFORMANCE

9.1 MONITORING OUR PERFORMANCE (MOP)

9.1.1 The Board NOTED a MOP update outlining the final outturn for the academic year 2013/14, which included 64 objectives and 139 targets.

The VP Customer & Student Experience informed the Board that 35 of the targets were awaiting SFC PI data. The Board AGREED that these targets would be signed off by the Academic Council, on behalf of the Board.

9.1.2 The Board NOTED an overview of the objectives, measures and targets included in the MOP report for 2014/15.

9.2 OUTCOME AGREEMENT 2014-17

9.2.1 The Board NOTED that on 15 April 2014 the Edinburgh College Outcome Agreement 2014-17 was approved by the SFC.

9.2.2 The Board NOTED the timetable and process for the negotiation of 2015/16 Outcome Agreements, as outlined in the *SFC Guidance: Delivering College Outcomes Agreements (AY 2015/16)*.

9.3 SFC QUALITY REPORTS

9.3.1 The Board NOTED that the College is required, annually, to complete two self-evaluation reports, the *Annual Quality Report 2013/14* and the *Self-Evaluation of the Outcome Agreement 2013/14*.

9.3.2 The Board AGREED that both self-evaluation reports would be approved by the Board outwith the meeting, prior to their submission to the SFC.

9.4 POST MERGER EVALUATION

9.4.1 The Board NOTED the SFC's intention to evaluate the impact of the college merger process.

9.4.2 The Board NOTED that as part of the evaluation process the Principal and up to four Board members would meet with the evaluation team. The Board AGREED that the VP Customer & Student Experience and Governance Director should liaise to confirm attendees from the Board.

9.4.3 The Board AGREED that the evaluation report would be approved by the Board outwith the meeting, prior to its submission to the SFC.

9.5 EDUCATION SCOTLAND

9.5.1 The Board NOTED the action plan to address points raised in Education Scotland's External Review. The Board AGREED that the Education Scotland Action Plan would be reported to the Academic Council, as its content sits within the remit of the Committee.

9.6 COLLEGE EVALUATION REPORTS

9.6.1 The Board DISCUSSED the evaluations noted under paragraphs 9.1 to 9.4, and the duplication of effort required to produce the various reports.

9.6.2. The Board AGREED that the inefficiencies on the current reporting requirements should be highlighted to the SFC, Colleges Scotland and Education Scotland.

10 GOVERNANCE

10.1 GOVERNANCE UPDATE

The Board NOTED an update on the development of the *Edinburgh College Constitution and Articles of Governance*.

10.2 NEW COMMITTEE PROPOSAL

10.2.1 The Board DISCUSSED a proposal to establish an additional committee of the Board, to accommodate HR, OD, finance and other matters arising that had no locus within existing committee remits.

10.2.2 The Board APPROVED the creation of a new committee, entitled the Policy & Resources Committee. The Board AGREED that a detailed terms of reference would be circulated to Board members, prior to a meeting of the Committee.

10.2.3 The Board AGREED that, in the first instance, the Principal would work with the Policy & Resources Committee to assist its functional mapping to the executive management structure.

10.3 BOARD EVALUATION REPORT

10.3.1 The Board NOTED a summary of the process and outcomes from the Board's annual evaluation exercise, which included the following four elements:

- (i) Board Performance Review;
- (ii) Individual Review Meetings;
- (iii) Committee Operational Reviews;
- (iv) Evaluation of the Chair.

10.3.2 The Board NOTED the main conclusions from the Board Performance Review facilitated by Roger Mullin on 27 May 2014. The Governance Director informed the Board that a Governance Strategy, to be brought to the next Board meeting, would seek to address any developmental points raised in the Performance Review.

The Board AGREED that the Governance Director would provide Board members with an update on forthcoming training events, including optional training to develop Board members understanding of financial evaluation and monitoring.

10.3.3 The Board NOTED feedback from the Vice Chair on the in-depth evaluation of the Chair, which included a scaled questionnaire and one-to-one meeting between the Vice Chair and other Board members.

The Board NOTED that issues raised in the previous year's evaluation of the Chair, including timekeeping and agenda management had improved.

10.4 CALENDAR OF EVENTS

10.4.1 The Board NOTED an update from the Governance Administrator on upcoming Board events for the 2014/15 academic year.

10.4.2 The Board NOTED the shortlisting of the College for three College Development Network Awards. The Chair congratulated those members of staff shortlisted, and hoped for a strong Board and Executive presence at the prize giving event.

11 NATIONAL REPORT

11.1 The Board AGREED that a letter, on behalf of the Board, would be sent to congratulate Shona Struthers on her appointment as Chief Executive of Colleges Scotland.

11.2 The Board congratulated Craig Wilson, VP Strategy & Operations, on his recent appointment to the Board of the College Development Network.

12 DEVELOPMENT TRUST UPDATE

The Board NOTED that the Development Trust Chair and Vice Chair would be invited to the next meeting of the Board.

13 ANY OTHER COMPETENT BUSINESS

None.

14 DATE OF NEXT MEETING

The next meeting would be held 14:00hrs on 04 November 2014 at the Granton Campus.

The meeting closed at 17:30 hrs.

..... (Signature of Chair) (Date)