

**POLICY & RESOURCES COMMITTEE
MINUTES OF MEETING OF 22 OCTOBER 2014**

1400, Boardroom, Granton Campus

Present: I Young (Committee Chair); A Johnston; I McKay; N Paul; D Rutherford; R Stimpson

In attendance: P Davis; M Exley; M Walker (Clerk); A Williamson; C Wilson

1 APOLOGIES

1.1 Apologies had been received from Martin Crewe.

2 DECLARATIONS OF INTEREST

2.1 None.

3 TERMS OF REFERENCE

- 3.1 The Committee NOTED a draft Terms of Reference for the Policy & Resources Committee. The Terms of Reference had been circulated to all Board Members on 11 September 2014, with suggested amendments to the wording incorporated by the Governance Director.
- 3.2 The Committee NOTED that the Vice Chair would act as Chair of the Committee, not the Chair as stated in the draft Terms of Reference.
- 3.3 Members DISCUSSED the Committee's role related to the review of financial management. The Committee AGREED that future Management Accounts would be received by the Committee, and circulated to Members on a monthly basis.
- 3.4 The Committee APPROVED the Policy & Resources Committee Terms of Reference, with the amendments outlined above, for recommendation to the Board.

Nigel Paul left the meeting.

4 FINANCE REPORT

4.1 COST SAVINGS & EFFICIENCIES

- 4.1.1 The Committee NOTED a report on the progress made to implement initiatives to address the College's projected budget deficit.
- 4.1.2 The Committee NOTED the total recurring savings identified to date, and the savings to be released in 2014/15. The Director of Finance informed Members that the extent of impact of the current year's deficit depended on containing all other costs and achieving income targets set by the College.
- 4.1.3 The Committee NOTED that overhead budget costs continued to be reviewed, although the Executive remained mindful of the potential negative implications of cuts to essential support for both students and staff. Members NOTED the establishment of a sustainability group to consider a range of potential efficiencies across the College.
- 4.1.4 The Committee DISCUSSED the following areas related to cost saving and efficiencies:
 - (i) the Communications budget, and its alignment with the expectation of the Board;
 - (ii) the need to maintain a 'customer focus';
 - (iii) the financial benefits associated with individual cost saving initiatives.
- 4.1.5 The Committee Chair thanked the Director of Finance for his update and acknowledged the efforts of the College's Finance Department.

5 ORGANISATIONAL AND STAFFING REPORT

5.1 VOLUNTARY SEVERANCE

- 5.1.1 The Committee NOTED an update of the current Voluntary Severance Scheme, which expired on 28 November 2014.
- 5.1.2 The Committee NOTED the number of applications for VS and the cost savings associated with accepted applications. Members NOTED that the Executive anticipated more applications as the deadline approached, but accepted that the total number of approved applications was unlikely to reach the original target.

5.2 NO COMPULSORY REDUNDANCY POLICY

- 5.2.1 The Committee NOTED an update on the No Compulsory Redundancy Agreement, which expired on 31 October 2014.

5.3 JOB EVALUATION

- 5.3.1 The Committee NOTED and update on the implementation of the Job Evaluation Scheme.

5.3.2 *Paragraph 5.3.2 presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 30, Prejudice to the Effective Conduct of Public Affairs.*

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6 SCOTTISH FUNDING COUNCIL MEETING

6.1 The Committee NOTED that at the last meeting of the Board, it had been agreed that a Board delegation would seek a meeting with the SFC to discuss the current financial standing of the College (minute 6.3.3/ 02.09.14 refers). The Governance Director tabled a paper highlighting the key points from the meeting which occurred prior to the Committee meeting on 22 October 2014.

6.2 The Committee DISCUSSED the following matters arising from the meeting;

- (i) the case put forward to the SFC by the Executive;
- (ii) the aspirations of the College, and its place as a sector leader;
- (iii) the delivery of an appropriate curriculum;
- (iv) the College's funding arrangements;
- (v) the on-going impact of merger and ONS reclassification.

6.3 The Committee NOTED the SFC's willingness to engage with the College over the matters raised. Members NOTED the positive outcome of the meeting and acknowledged the need to take items forward with the SFC in a holistic manner.

6.4 The Committee AGREED to the establishment of a Project Working Group to draw together on-going initiatives and produce a cohesive plan, which could be taken forward immediately – subject to approval by the Board. The Committee AGREED that the curriculum review would act as a focal point of the Group's work.

6.5 The Committee AGREED that the Project Working Group would consist of Board and Executive members, and would be open to the negotiated involvement of representatives from the SFC. The Board NOTED that the Deputy Principal Strategy & Operations would lead the Executive Team's interactions with the Group.

6.6 The Committee AGREED that the Chair of the Academic Council would lead the Project Working Group and produce a proposal for the Board, outlining the role, remit and reporting requirements of the Group.

The Principal, Deputy Principal, Director of Finance and Clerk left the meeting.

The Governance Director assumed the role of Clerk.

7 INTERIM APPOINTMENT

- 7.1 Following on from the discussion regarding the development of a Project Working Group under the main agenda, the Committee discussed further the matter of leadership of the College during the period of the project.
- 7.2 The Remuneration Committee had been involved in ongoing discussions in relation to the Principal's departure, and Members of the Policy & Resources Committee were advised that preparatory steps had been taken with a view to bringing the matter of an interim appointment to the full Board on 4 November.
- 7.3 Members AGREED that it was reasonable that the Board should assure the SFC that the strongest possible leadership was in place, and that it would be difficult for a Principal who had announced her departure to provide that leadership.
- 7.4 It was AGREED that the project team that had been identified in the earlier part of the meeting could serve as a key point of engagement for an interim principal.
- 7.5 Members considered that communications with different stakeholder groups would be particularly challenging in the coming period, and AGREED that the same corporate affairs advisor who had worked closely with the College around the time of merger should be engaged with immediate effect, to ensure the effective implementation of a strong communications plan.
- 7.6 The Governance Director would seek to ensure that the appointment of the corporate affairs advisor was consistent with relevant guidance.

8 RECRUITMENT OF NEW PRINCIPAL

- 8.1 The Governance Director explained that there were five agencies on the APUC approved list for principal-level posts. A mini-competition process would be required to select the best consultant.
- 8.2 Members AGREED to proceed with the tender process and report progress to the Board on 4 November.
- 8.3 The Committee discussed membership of the shortlisting and interview panel, and AGREED that the panel should comprise the Chair of the Board along with one other Non-Executive Member and one independent, external person. Membership of the panel would be agreed following discussion with the appointed recruitment consultant.
- 8.4 Staff and student engagement in the recruitment process was discussed. It was AGREED a suitable solution would be developed to ensure appropriate involvement.

9 ANY OTHER COMPETENT BUSINESS

None.

10 DATE OF NEXT MEETING

To be confirmed.

The meeting closed at 16:45