

Date: 12 December 2017

Time: 1.30 - 5.15pm

Room: 2089

A G E N D A

Presented by

- | | | |
|--|---|-----------------------|
| 1 | <u>Presentation:</u> | David Eardley/ |
| 1.30-2.15pm | 2016-17 Financial Statements incorporating Operating and Financial Review by the Board of Management and Signing of Accounts | HP/KH |
| | (attached) | |
| 2 | <u>Presentation:</u> | Colin Grant |
| 3-4pm | The Bridge Update - followed by Discussion | & team |
| 3 | Welcome and Apologies for Absence | BJ |
| 4 | Declaration of Interest | BJ |
| 5 | Minute of Meeting of 10 October 2017 | (attached) BJ |
| 6 | Matters Arising | |
| | 6.1 Learner Journey Marketing Campaign – feedback from meeting with Barry Graham | (verbal) CT |
| | 6.2 Mentoring, Board Members to new Curriculum Managers | (verbal) CT/HP |
| | 6.3 The Bridge - feedback | (verbal) SAW |
| Matters for decision | | |
| 7 | Matters for Decision from the Learning & Teaching Committee | (attached) |
| | • Curriculum Development Plan | DH |
| 8 | Publishing of Internal Audit Reports | (verbal) HC |
| Matters for discussion | | |
| 9 | Follow up from Joint Meeting with Borders College – 20 Nov 17 | (verbal) BJ |
| 10 | South of Scotland Enterprise Agency | (attached) CT |
| 11 | Borderlands | (verbal) CT |
| 12 | Intensification of Regional outcome Agreements (ROAs) | (attached) CT |
| 13 | Background and Implications of General Data Protection Regulation (GDPR) and Background and Implications of Cyber Resilience | (attached) AG |
| 14 | Strategic Risk Register | (attached) CT |
| 15 | Regional Chair's Report | (attached) BJ |
| 16 | Principal's Report | (attached) CT |
| 17 | President of Student Association Update Report | (attached) LT |
| 18 | Agenda items for Next Board Meeting | (verbal) BJ |
| Matters for attention from Board Committees | | |
| 19 | Draft Minutes and/or Matters for attention from meetings held since the last Board Meeting | |
| | 19.1 Draft Minute-HR Committee of 10 October 2017 | (attached) SM |
| | 19.2a Draft Minute-Audit Committee of 21 November 2017 | (attached) HC |
| | 19.2b Annual Audit Committee report to the Board | (attached) HC |

19.3	Draft Minute-Finance & General Purposes Committee of 28 November 2017	(attached)	JH
19.4	Board Development Committee discussion - 25 October 2017	(attached)	BJ
19.5	Feedback from Learning & Teaching Committee of 5 December 2017	(verbal)	DH

Matters for information

20	Key Facts Leaflet	(attached)	CT
21	Key Stakeholders Leaflet	(attached)	CT
22	Summary of Mainstream Courses	(attached)	SAW
23	College Management Structure Update	(verbal)	CT
24	Any Other Business		
25	Date and Time of Next Meeting – Tuesday 13 th March 2017, Dumfries (time tbc)		

Board Development Events:

Board Development Event: Tuesday 23 January 2018, 10am – 3pm

Joint Board/Staff Session on Vision 2020: Wednesday 14 February 2018, 10.30am-12.30pm

Note 1: Draft Minutes of Board and Committee meetings are not available on the college website until approved by the appropriate meeting.

Note 2: The following minutes have been approved since the last Board Meeting. These are either circulated with this agenda or are to follow (to arrive before the meeting)

- Approved Minute of Development Committee Meeting of 28 March 2017 (circulated with agenda)
- Approved Audit Committee Meeting of 19 September 2017 (circulated with agenda)
- Approved Finance & General Purposes Committee Meeting of 20 September 2017 (circulated with agenda)
- Approved Learning & Teaching Committee Meeting of 3 October 2017 (to follow)

Board of Management

Minute of meeting of the Board of Management of Dumfries and Galloway College held on
Tuesday 12 December 2017 at 2 pm in Room 2089 of the Dumfries campus

Present:

Brian Johnstone (Chair)	
Delia Holland	Pat Kirby
Carol Turnbull	Janet Brennan
Stuart Martin	Kenny Henry
Naomi Johnson	Ian White
John Henderson	Robbie Thomas
Rob Orr	Barry Graham
Karen McGahan	Tony Conlon
Leah Thomas	

In attendance:

Helen Pedley, Vice Principal Corporate Services
Andy Wright, Vice Principal Learning and Skills
Andy Glen, Vice Principal Performance and Planning
Ann Walsh, Secretary to the Board of Management

Item 1 only:

David Eardley – Director, Scott Moncrieff

Item 2 only:

Colin Grant	Gillian Brydson
Dugald Forbes	Pat Shearer
Lesley Watson	

Minute Taker: Heather Tinning, Executive Team Assistant

1 Presentation: 2016-17 Financial Statements

The Finance Manager spoke to the Annual Report and Financial Statements for 1 August 2016 – 31 July 2017. The Finance and General Purposes Committee recommended the Accounts to the Board for approval.

The Finance Manager reported on the highlights including:

- Positive cash balance going forward
- Gross Income of around £12.5m
- Net Assets and Reserves just over £3m

Stuart Martin, reported on behalf of the Audit Chair, that the Audit Committee were satisfied with the Accounts and that the Audit Committee Members take great value from the Auditors input.

David Eardley, Director of Scott-Moncrieff, reported that this is the first year of a 5-year appointment with the College. He plans to issue a 'clean' opinion with no qualifications.

The Chair thanked the Finance Manager and the Finance Team for all the hard work involved in completing the Accounts, and also the Audit Committee and the Finance and General Purposes Committee for their input.

Decision: Members approved the Financial Statements and authorised the Chair and the Principal to sign on behalf of the Board

Action: The Chair and the Principal to sign the Accounts

2 Presentation: The Bridge Update

Representatives from Dumfries and Galloway Council provided a presentation on the Bridge project. Key points to note:

- Bridge to be established as a Charitable Trust
- Currently in process of applying to be registered as a Charity, with potentially 12 trustees allowing for a skills mix
- Looking to create interest from 4 burgh schools to allow for maximum numbers
- The Bridge could provide the next step for Students before College or University
- Dugald Forbes meeting with Head Teachers and College Representatives to ascertain viable numbers
- Challenges include a move to a 3-block day
- Timescales – on target for Phase 1
 - On target to open from October 2018

The Chair thanked all for attending, and providing a very comprehensive update to Board Members. He noted the increased working together which is very welcome. Further updates will come to the Board,

3 Welcome and Apologies for Absence

The Chair welcomed all to the meeting.

Apologies for absence were intimated on behalf of Ros Francis and Hugh Carr.

The Secretary to the Board confirmed the meeting was quorate.

4 Declaration of Interest

Members agreed to indicate declarations of interest as appropriate throughout the meeting.

5 Minute of Meeting of 10 October 2017

The Minute of the Board of Management meeting held on 10th October 2017 was approved.

6 Matters Arising

6.1 Learner Journey Marketing Campaign

Barry Graham reported that he and the Vice Principal Learning and Skills had an initial meeting at Wallace Hall. Following the meeting, two members of staff have been asked to take this forward. He advised that progress is being made, with another meeting to be arranged to discuss further.

6.2 Mentoring, Board Members to new Curriculum Managers

The Principal reported that 5 indications of interest had been received in terms of the Mentoring Role. As there are a total of 8 Curriculum Managers, it has been decided not to take this forward and to review in terms of moving forward to strengthen links.

In terms of the Curriculum Managers, a Development Programme is in place with an external training provider, together with in-house training for budgets and HR processes.

Action: The Principal and the Chair will also review another form of Board/Curriculum Links.

6.3 The Bridge - feedback

The Vice Principal Learning and Skills advised that he attended a DYW meeting with Michael Cross, Deputy Director, Colleges and Adult Learning Division recently. Following discussion on Senior Phase Delivery, it was evident that there were similar issues of access across the Sector, nationally.

6.4 Arm's Length Foundation

Following agreement at the Board to recommend to wind up the Arm's Length Foundation, the Chair advised that he had been informally recommended to retain the ALF, and encouraged members' views. Members noted that there is only a minimal cost involved in maintaining the ALF. The Principal asked members to note that the college still has a Scottish Funding Council ALF which can be used. The Chair advised of the current Trustees of the ALF including:

- Carol Turnbull
- John Henderson
- Brian Pattinson
- Fraser Sanderson
- Liz McIntyre

Decision: Members agreed to the Chair's suggestion not to wind up the Arm's Length Foundation

Action: Remit to the Finance and General Purposes Committee to discuss with the Trustees

7 Matters for Decision – Learning and Teaching Committee – Curriculum Development Plan

The Chair of the Learning and Teaching Committee reported that the 1-year plan from the 5-year plan Curriculum Development Plan had been presented at the last board Meeting.

Decision: Members approved the Curriculum Plan, following recommendation from Learning & Teaching Committee

8 Publishing of Internal Audit Reports

Stuart Martin, spoke on behalf of the Audit Chair advising that the Audit Committee members recommended to the Board that Individual Internal audits reports will remain internal documents and not published on the website, noting that the audits are included in the published annual internal audit report. Members noted the variation of practices with other colleges. Members also noted that the Audit Committee the removal of names from Reports had been discussed (in light of the new data protection rules effective from May 2018). The Principal advised that in terms of Freedom of Information, normal rules apply with the sharing of information on request.

The Chair asked for a show of hands to allow the recommendation to be taken forward, to cease to publish the Internal Audit Reports:

- Accept – 12
- Against – 0
- Abstained – 3

Decision: To take account of the new legislation, Members accept the recommendation from the Audit Committee to publish only the Annual Audit Report on the College Website. Moving forward, only the Annual Report will be published on the College Website

9 Matters for Discussion: Follow up from Joint Meeting with Borders College – 20 Nov 17

The Principal reported on the Joint meeting with Borders College on 24th November.

Paul Smart, Deputy Director, Colleges Young Workforce and SFS Sponsorship Division had addressed Priorities for the sector and there was discussion on Rural Matters. A further meeting of the Chairs and Principals has been arranged to discuss a letter to Paul Smart on areas of concern to Dumfries and Galloway and Borders Colleges and Intensification.

Action: The letter to Paul Smart to be circulated to the Board for information

10 South of Scotland Enterprise Agency

The Principal spoke to the South of Scotland Enterprise Agency report, which had also been presented at the Joint Board Meeting with Borders College on 20th November 2017. Professor Russel Griggs has been appointed as Chair of the Interim Partnership and Rob Dickson has been announced as Lead Executive. The Principal advised that following Ministerial approval the Advisory Group will be announced.

The Chair asked members to note the Interim Arrangements.

Members noted the report for information.

11 Borderlands

The Principal reported that following an announcement in the UK Government Budget, the Local Authorities are putting together a joint paper on aspects to take forward, regarding extra resources for the region. A meeting has been arranged with Principals and Chairs from Dumfries and Galloway College and Borders College and the Secretary of State for Scotland, David Mundell MP.

Action: Board Members to be updated following the meeting with David Mundell MP

12 Intensification of Regional Outcome Agreements (ROAs)

The Principal spoke to the Intensification of Regional Outcome Agreements report, which had been issued. The Vice Principal Performance and Planning has been meeting with staff to progress the Regional Outcome Agreement. The draft ROA will be submitted to the SFC for the 15th December, with feedback expected before the 31st January. The Principal advised the college currently awaits confirmation of the Funding Allocation. The ROA will be presented to Members at the Board Development Session on 23rd January.

The Principal advised that, per the SFC guidance, the college is no longer required to focus on full-time learners, aged 16-24.

Members noted the update on Intensification of Regional Outcome Agreements.

13 Background and Implications of General Data Protection Regulation (GDPR) and Cyber Resilience

The Vice Principal Performance & Planning spoke to the General Data Protection Regulations (GDPR) and Cyber Resilience report, which had been issued advising that GDPR enhances the rights and strengthens the existing data protection. The College is currently reviewing procedures

to ensure compliance. Staff training will be arranged to ensure that staff are updated and fully aware of the new regulations, effective 25th May 2018. A Sector Data Protection Officer will also be appointed to take forward the new regulations.

Cyber Resilience is a Government Action Plan for all Government Bodies which must be complied with. A recent Cyber Security Audit had been presented to the Audit Committee, showing a positive outcome. Members noted that a previous Cyber Attack to the College had been prevented, with the current measures in place.

The Principal reported that Angus Warren, from Advanced Procurement for Universities and Colleges (APUC) had offered to present to the Board Members and undertake staff training. The College is required to identify a Board Member to be named on the Cyber Resilience Action Plan. The Principal has volunteered on an interim basis, however welcomed volunteers to come forward.

Action: Information to be brought back to the Board following further updates

Members noted the report and subsequent actions by the College.

14 Strategic Risk Register

The Principal spoke to the Strategic Risk Register, approved at the Audit Committee meeting on 21st November 2017. No new risks had been added, however there are changes to 2 risks to reflect the current position, including:

- Risk No 6 – ‘Public Sector funding cuts – forecast for session 2017/18’

Updated to reflect the current budget for 2017-18 is forecasting a break-even position

- Risk No 4 – ‘Unable to achieve credit (activity) target’

Updated to reflect the ongoing work to monitor progress against targets. The Principal advised that the enrolment targets were not achieved, however this is being monitored moving forward.

Action: The Principal to provide a fuller picture at the next Board Meeting

Decision: The Board approved the Strategic Risk Register

15 Regional Chair’s Report

The Chair spoke to the report which had been issued, providing an update to members on recent developments in the Sector.

Members noted the Regional Chair’s Report.

16 Principal’s Report

The Principal spoke to the report which had been issued, providing a note of key activities for information.

Members noted the Principal’s Report.

17 President of Student Association Report

The President of the Student Association spoke to the report which had been issued, highlighting developments including:

- The Dumfries and Galloway College Student Association Constitution has now been signed by the Chair and the President of the Student Association
- Recent Sporting Activities have been arranged for both campuses including Blind Folded Football
- Kaleidoscope events arranged during EC and Diversity Week
- Board Representatives and Class and Curriculum Reps met on 11 December 2017
- Dumfries Food Bank Appeal

Members noted the President of the Student Association's Report.

18 Agenda items of Next Board Meeting

The Chair welcomed agenda items for the next Board Meeting, arranged for 13th March.

Action: Board Members to forward agenda items for consideration to the Chair

19 Matters for attention from Board Committees: Draft Minutes and/or Matters for attention from meetings held since last Board Meeting

19.1 Draft Minute – HR Committee of 10 October 2017

Save Net: The Vice Principal Corporate Services reported that the HR Department had set up a test with a Member of the Board to check that the Website can be accessed from an external e-mail. Following confirmation, a link will be sent to all Board Members.

The next HR meeting will be arranged early next year to discuss Workforce Planning.

The Chair thanked the Chair of the HR Committee for all of his hard work and also the Vice Principal Corporate Services for her contribution to the Committee.

Action: Following confirmation that Board Members can access Save Net, a link will be sent to all Board Members

19.2 Draft Minute – Audit Committee of 21 November 2017

Stuart Martin, on behalf of the Chair of the Audit Committee reported on discussions from the meeting, including the Audit reports and advised that Committee Members took confidence from these reports internally and externally.

19.3 Annual Audit Committee report to the Board

Members noted the Annual Audit Committee report to the Board

19.4 Draft Minute – Finance & General Purposes Committee of 28 November 2017

The Chair of the Finance & General Purposes asked members to note the draft minute of the Finance & General Purposes Committee of 28th November 2017.

The Chair thanked the Chair of the Finance & General Purposes Committee for all his hard work.

19.5 Board Development Committee discussion – 25 October 2017

The Board Development Committee meeting of 25 October 2017 was not quorate. The discussion that took place was note and circulated.

The next Board Development Event will take place on 23rd January 2018. Discussions will include:

- Board Member Evaluation and development actions
- Whole Board Evaluation
- Development Plan 2017/18

19.6 Feedback from Learning and Teaching Committee of 5 December 2017

The Chair of the Learning & Teaching Committee reported on the revised date for the next Learning & Teaching Committee.

Discussions continued on How Good is Our College, with the final report submitted to Education Scotland. In terms of student retention, the Vice Principal Performance and Planning and his Team are looking at the reasons for students leaving and considering options moving forward.

Following discussion on reviewing the name of the Committee, the majority of Members agreed to retain the name of the Committee as Learning and Teaching Committee.

The Chair thanked the Chair of the Learning & Teaching Committee for her excellent leadership.

20 Matters for Information:

Key Facts Leaflet

Key Stakeholders Leaflet

The Chair welcomed the Key Facts and Key Stakeholders Leaflets, and encouraged members to use the information on both, as ambassadors of the College. The Principal advised that the leaflets will also be available on the College Website.

Actions:

- The Board Secretary to include the Key Facts Leaflet and Key Stakeholders leaflet as part of the Key Documents available to all Board Members on Admincontrol
- The Principal to progress the College Website with the Marketing Manager

21 Summary of Mainstream Courses

The Vice Principal Learning & Skills reported on the Summary of Mainstream Courses, which now includes the activity with the schools. Members noted the Summary and requested a more user-friendly Summary for the next Board Meeting.

Actions:

- The VP Learning & Skills to provide an annual update with the Curriculum Plan
- The VP Learning & Skills to provide a more user-friendly version to Board Members

22 College Management Structure Update

The Principal advised that a new HR Manager Michael Youd had been appointed, officially starting from 4th January 2018. In terms of the Vice Principal post, the Principal is still considering what will be required, with more of a focus on Innovation and Enterprise, External Development and Finance. In the meantime, as a short-term measure in the interim, the Facilities Manager will report to the Vice Principal Performance and Planning and the Finance Manager will report to the Principal.

23 Any other business

23.1 Publishing of Accounts on the College Website

Members discussed the obligation to publish accounts on the College website, as it had been noticed that the 2015-16 financial statements were not included on the website. The Vice Principal

Corporate Services confirmed that Financial Statements are normally always available on the College Website and that she would ensure that the 2015-16 Accounts were included.

Action: The Vice Principal Corporate Services to take this forward to ensure that the financial statements are available on the College Website

The Principal thanked Board Members for all their support over the year, advising that the Board and the Committees give EMT strong guidance and direction.

23.2 Vice Principal Corporate Services

The Chair thanked the Vice Principal Corporate Services for all her hard work with the Board, and wished her well in her new position after 14 ½ years at the college.

24 Date and Time of Next Meeting

The next meeting of the Board of Management will take place on Tuesday 13th March 2018, at 1 pm.

24.1 Board Development Event

The Board Development Event will take place on Tuesday 23rd January 2018, 10 am – 3 pm.

24.2 Joint Board/Staff Session on Vision 2020

The Joint Board/Staff Session on Vision 2020 will take place on Wednesday 14th February 2018, 10 – 1 pm.

25 Approved Minutes

25.1 Approved Minute of Development Committee meeting of 28 March 2017

Members noted the approved minute of the Development Committee meeting of 28th March 2017.

25.2 Approved Audit Committee meeting of 19 September 2017

Members noted the approved minute of the Audit Committee meeting of 19th September 2017.

25.3 Approved Finance & General Purposes Committee meeting of 20 September 2017

Members noted the approved minute of the Finance & General Purposes Committee meeting of 20th September 2017.

25.3 Approved Learning and Teaching Committee meeting of 3 October 2017

Members noted the approved minute of the Learning and Teaching Committee meeting of 3rd October 2017.

Board of Management

Minute of meeting of the Board of Management of Dumfries and Galloway College held on Tuesday 10 October 2017 at 2 pm in Room 2097 of the Dumfries campus

Present:

Brian Johnstone (Chair)	
Delia Holland	Pat Kirby
Carol Turnbull	Janet Brennan
Stuart Martin	Kenny Henry
Ros Francis	Ian White
John Henderson	Naomi Johnson
Rob Orr	Robbie Thomas
Hugh Carr	Barry Graham
Leah Thomas	Tony Conlon

In attendance:

- Helen Pedley, Vice Principal Corporate Services
- Andy Wright, Vice Principal Learning and Skills
- Andy Glen, Vice Principal Performance and Planning
- Ann Walsh, Secretary to the Board of Management

Minute Taker: Heather Tinning, Executive Team Assistant

1 Welcome and Apologies for Absence

The Chair welcomed all to the meeting, in particular Vice Principal Andy Glen, Student Association President Leah Thomas and Vice President Tony Conlon to their first Board of Management meeting. The Chair welcomed introductions round the table, for the purpose of new Members.

Apologies for absence were intimated on behalf of Karen McGahan.

The Secretary to the Board confirmed the meeting was quorate with enough members present to allow decisions to be made.

2 Declaration of Interest

Members agreed to indicate declarations of interest as appropriate throughout the meeting.

3 Minute of Meeting of 6 June 2017

The Minute of the Board of Management meeting held on 6th June 2017 was approved.

4 Matters Arising

4.1 Learner Journey Marketing Campaign

The Principal reported on a meeting with Barry Graham, to discuss raising awareness amongst Parents and Staff with regard to alternative choices for school leavers. A pilot project has been agreed between Wallace Hall Academy and the College focusing on Care, but with the aim this is rolled out to other areas.

Action: Board to be updated on outcome at a future meeting

4.2 Mentoring, Board Members to new Curriculum Managers

The Principal spoke to the report, which had been issued, asking Board Members with an interest in becoming mentors to contact the Vice Principal Corporate Services to register their interest. The Vice Principal will complete a matching exercise with regard to matching Board Members with

Curriculum Managers in terms of industry background and strengths with a view to start following the October Break.

Action: Board Members to contact the Vice Principal Corporate Services prior to 31st October to register their interest in mentoring the new Curriculum Managers

4.3 Report from the Student Engagement Sub-Group

The Chair spoke to the report, which had been issued, updating members on progress over the last 6 months. The Student Association President reported that she had spoken to a number of classes to promote the Class Rep and Curriculum Rep recruitment. A meeting has been arranged between the reps and the sub-group of members for early December. The Chair thanked the Student Association Executive Team for the work undertaken on the Student Association documents, including the Constitution and the Partnership Agreement. He spoke of the better understanding of the Student Association and the recognition of the role the Student Association has.

4.4 Commercial Income Opportunities

The Principal spoke to the paper, highlighting key opportunities and challenges for the College in terms of the economic make up of businesses ('Micro') and of co-ordinating activities across all curriculum areas.

Members noted the planned developments within the Business Development Team.
(Ian White left the meeting)

4.5 Education Scotland Review: Short Life Working Groups

The Vice Principal Performance and Planning spoke to the report, to provide a final summary on the actions undertaken through the progress made by the Short Life Working Groups. The Vice Principal reported that the Student Association will be more involved in Student Engagement, adapting to fit in with How Good is our College.

A new course called 'Passport to College' has been created, derived from an idea from the Learning and Teaching Short Life Working Group.

The Vice Principal reported that he meets monthly with the Curriculum Managers to discuss retention and look to identify the students at risk. He advised that staff recognise the retention issue across the college, which is currently sitting at 69%. The Vice Principal advised that his role is to monitor and report, and that the Vice Principal Learning and Skills is responsible for taking forward improvement actions.

The Chair thanked the Vice Principal Performance and Planning for the report, and asked for thanks to be passed on to all staff involved.

4.6 Henry Duncan Building

The Principal reported on the purpose of the Henry Duncan Building in terms of research and business opportunities. She advised that the Crichton Institute staff using the Henry Duncan Building have now been relocated to Maxwell House. Various discussions have taken place with regard to the use of the Building, allowing for the original purpose of the building to be maintained. With reference to the previous paper on Commercial Income and ongoing discussions regarding Entrepreneurship, the Principal advised on a proposed development for a Business Development and Entrepreneurship centre, to be used as flexible space. Board Member Naomi Johnson offered to help in terms of Entrepreneurship and Social Enterprise. The Joint Board meeting with Borders College is to be held in the Henry Duncan Building on 20th November 2017.

The Chair thanked the Principal for the update.

5 Matters for Decision – Board Development

5.1 Members Positive Feedback – Development Event 4 July 2017

The Chair of the Board Development Committee, Brian Johnstone, reported on the very positive Board Development Event held on 4th July.

5.2 Board Evaluation 2016-17 – for approval

The Chair of the Board Development Committee, Brian Johnstone, spoke to the Board Evaluation 2016-17 which he advised is a requirement of Good Governance. Any actions outstanding will be brought forward into the Board Development Plan 2017-18.

Decision: The Board approved and signed off the Board Evaluation 2016-17

5.3 Draft Board Development Plan 2017-18 – for discussion

The Chair of the Board Development Committee, Brian Johnstone, spoke to the Draft Board Development Plan 2017-18, which he advised was partly populated using information collated from the Board Development event held on 4th July 2017. The Board Secretary advised members on how the report had been completed, including recommendations from the External Effectiveness Review undertaken in January 2017. The Draft will be included on the Board Development Committee Agenda for 25th October 2017.

Action: Board Members to forward comments to the Chair or Board Development Committee Members prior to Board Development Committee meeting on 25th October

Members noted progress made in terms of actions in the plan.

6 Matters for Decision from the Remuneration Committee – Draft Minute 25 September 2017

The Chair of the Remuneration Committee, Delia Holland, reported that following meeting of 25th September, three matters were considered to recommend to Board for approval, including:

- Executive Team Pay Award
- Principal's Pay Award
- Principal's Objectives for 2017/18

Board Members considered and approved all three matters, including:

- Executive Team Pay Award

Executive Team to receive the proposed financial award plus additional annual leave to 44 days in line with negotiations nationally, backdated to period 1st April 2017

- Principal's Pay Award

Principal to receive additional 2% plus 1 additional consolidated day annual leave, backdated to period 1st April 2017, with a commitment from the Board to work towards achieving alignment of the Principal's salary with Principals of colleges of a similar size

- Principal's Objectives for 2017/18

The objectives previously agreed in draft between the Principal and the Chair for 2017/18 were approved by the Board

Action: The Chair to inform the Principal of the decisions
(Hugh Carr arrived at meeting)

7 Matters for Decision from the Learning & Teaching Committee

The Chair of the Learning & Teaching Committee, Delia Holland, reported from the last Committee meeting held on 3rd October.

She commenced by reporting that three papers by the Student Association were considered at the meeting, including:

- Student Association Constitution
- Student Association Partnership Agreement
- Student Association Strategic and Operational Plan

The Chair of the Learning & Teaching Committee thanked the Student Association President and Vice President for their work in completing the papers. These papers were particularly welcome due to previous delays in developing them. The Strategic and Operational Plan was approved at the Learning and Teaching Committee, with the Constitution and the Partnership Agreement being recommended to bring to the Board meeting under 7.1 & 7.2 below.

7.1 Student Association Constitution

Members discussed the Constitution, and suggestions to amend including section 1.6.2 which currently states that only reasonable expenses can be paid to sabbatical officers. The Constitution should be revised to clarify payment of salaries, as at present it only states expenses.

Action: Constitution to be amended, prior to signature

The board noted other action required regarding Student Association accounting and formal approval of funding, to be in line with the constitution

7.2 Student Association Partnership Agreement

The Chair of the Learning & Teaching Committee asked members to note that the Student Association Partnership Agreement has already been signed and advised members that the Agreement has been brought to the Board for information only.

7.3 Learning and Teaching Strategy

The Chair of the Learning and Teaching Committee, confirmed that the Strategy had been discussed at the Learning & Teaching Committee meeting on 3rd October, and is recommended to the Board for approval.

Decision: Members noted the report and agreed the Strategy

7.4 Access and Inclusion Strategy

The Chair of the Learning and Teaching Committee, confirmed that the Strategy had been discussed at the Learning & Teaching Committee meeting on 3rd October, and is remitted to the Board for approval. The Vice Principal, Learning and Skills reported on the strategy, advising that the College was asked by the SFC to provide a detailed strategy.

Decision: Members noted the report and agreed the Strategy

8 Equality and Diversity Framework

The Vice Principal Corporate Services spoke to the report which had been issued, providing an overview of activity in the last year in terms of Equality and Diversity. An Equality and Diversity Framework has been developed, other documents will sit underneath the Framework, which will allow the Board to look at the overarching Framework.

Decisions: The Board approved the Equality and Diversity Framework, and approved to publish the Equality and Diversity Policy on the College Website

9 Marketing Strategy

The Principal spoke to the report which had been issued, following a recommendation from an Internal Audit last year to develop a Marketing Strategy. Audit Committee members approved and recommended the 3-year Marketing Strategy to the Board. The Principal advised that the Marketing Manager has responsibility to deliver and monitor the strategy.

Decision: Members approved the Marketing Strategy

The Chair welcomed the Strategy and thanked all involved and looked forward to seeing implementation of the agreed actions

10 Key Facts Booklet (Draft)

The Principal spoke to the draft Key Facts Booklet, advising that the booklet will be refreshed on an annual basis. The Chair welcomed the information and spoke of the importance of Board Members having key facts about the college in their ambassadorial roles. Members discussed the draft and following suggestions for amendments, it was agreed to bring the updated version back to the Board.

Actions: Members to forward comments to the Chair or the Principal for consideration
Revised version to be brought back to the Board

11 Key Stakeholders Leaflet (Draft)

The Principal spoke to the draft Key Stakeholders Leaflet, advising that the leaflet tabled today replaces the version issued prior to the meeting. Members discussed the draft leaflet and suggestions to be take forward.

Action: Members to forward comments to the Chair or the Principal for consideration
Revised version to be brought back to the Board

12 Five-Year Curriculum Plan 2017-2022 Update

The Vice Principal Learning and Skills spoke to the report which had been issued, advising that the document is work-in-progress and sought views from the Board to take forward. The purpose of the document is based on a long term commitment to 2022, with a 5-year vision. The Vice Principal spoke of the priorities in terms of curriculum areas including challenges with regard to working with the schools and achieving some of our credit targets, for example HNCs, DYW and FA. Care is also highlighted as a priority owing to the demographics of the area.

Following discussions, suggestions included:

- To encompass more entrepreneurial skills for students (S.O 5), as one of the areas businesses want to grow

Following a discussion on the Bridge, the Chair advised that a lot more work is still to be done in terms of Partners within the programme. Moving forward, the Chair and the Principal to progress discussions on how to take forward a strategic focus and inform strategy.

Actions: The Chair to update the Board on discussions regarding The Bridge
The Vice Principal Learning and Skills to progress concerns over inclusion of the College Logo used to promote the Bridge

Members noted the Five-Year Curriculum Plan 2017-2022 in its present form, noting that refinements are to be made

13 Annual Self-Evaluation Report 206-17 (How Good is Your College) Update

The Vice Principal Performance and Planning spoke to the report which had been issued, advising that this is the 'transition' year to the self-evaluation process which replaces the 4-yearly inspection visits by Education Scotland. In order to complete the self-evaluation report, the Vice Principal advised that a number of discussions had taken place with staff and the Executive Management Team. The Vice Principal advised that the version that has been presented to the Board has been amended, following feedback from Education Scotland and the Scottish Funding Council during their formal visit on 26th September. The report is required to be signed by the Principal by 31st October, for review by Education Scotland and the Scottish Funding Council. In terms of monitoring going forward, the Vice Principal advised that this is a function of the Learning and Teaching Committee. The report will be published early in January.

Members noted the report and congratulated all involved in the work undertaken to complete the Self Evaluation.

14 Flexible Workforce Development Fund

The Principal spoke to the report which had been issued, reporting that the college sector worked hard to get the funding which was launched on the 7th September and opened on the 15th September. Clarification is still being sought through Scottish Government and the SFC, around administration. The college must apply for funds before the 15th of December, with a minimum of 20 businesses to be identified and signed up which is being taken forward through the Business Development Team. The Principal advised that the college could lose some of our allocation, if we do not meet the eligibility criteria before the application date. Following discussion on levy payers, the Principal advised that we do not know who the levy payers are across Dumfries and Galloway.

Members noted the report and the difficulties surrounding the Flexible Workforce Development Fund going forward.

15 Strategic Risk Register

The Chair of the Audit Committee, Hugh Carr, spoke to the Strategic Risk Register, advising that the Strategic Risk Register had been approved at the Audit Committee meeting on 29th September, and remitted to the Board for information. Changes following discussion at Executive Management Team meetings are highlighted in red. Following discussion on the lack of strategic certainty on the Bridge, it was agreed to continue with ongoing discussions.

(Barry Graham left the meeting)

16 Stranraer Update

The Principal spoke to the report which had been issued, advising that the detailed report had been shared with Partners in the Council. Following completion of the report which included recommendations on curriculum development for school/college provision for Wigtownshire, the Principal, Head of Education and Colleague Sheelagh Rusby met with Head Teachers at both Douglas Ewart and Stranraer Academy to take this forward and discuss next steps jointly. The Principal and the Vice Principal Corporate Services are finalising the job description for the Stranraer Campus Manager, taking account of the recommendations to have more focus on development. Further discussion surrounded the Innovation Hub idea, which would enable the generation of commercial revenue. Naomi Johnson offered assistance with this in terms of going forward.

Action: The EMT to look at the draft summary, in terms of the Innovation Hub, and bring back to the Board for information. The Principal to discuss further with Naomi Johnson

Members noted progress to date.

17 Regional Chair's Report

The Chair spoke to the report which had been issued, providing members with an overview of recent developments. Following the announcement in the summer, that a South of Scotland Enterprise Agency was to be established, the Chair reported on ongoing meetings involving himself, the Principal and colleagues from Borders College in terms of the skills agenda.

Following the All Staff Session on 24th August, the Chair reported on the positive feedback from staff.

Members noted the report.

18 Principal's Report

The Principal spoke to the report which had been issued, providing an overview of key college activities. The Principal reported on the drop in HE numbers, and advised that although the college has not achieved their target, enrolment numbers are similar to last year. Members noted the ongoing monitoring in terms of Performance against Targets. The Vice Principal Learning and Skills and the Chair to meet to discuss initiatives under DYW and Widening Access. The Principal reported on the Borderlands project, a UK Government Initiative, driven forward by MP David Mundell. The Project is focused on improving economic co-operation and other opportunities among Northumberland, Carlisle, Cumbria, Dumfries and Galloway and the Borders. The Principal advised that a meeting with Borders College and David Mundell MP is to be arranged.

Members noted the report.

19 President of the Student Association Update Report

The President of the Student Association spoke to the report which had been issued, providing an overview on recent activity and developments. She also updated on the Projects undertaken this year, including Health and Sustainability. The President of the SA reported on the positive feedback following recent events, and the engagement with the Charities that the Student Association will focus on. The President of the SA advised that she attends the Stranraer Campus every two weeks, to maintain the cover of the Association across both campuses. Most Class Reps are now appointed, with the focus moving on to recruitment of Curriculum Reps.

Members noted the report.

20 Agenda items for next Board Meeting

The Chair asked members to forward any agenda items for consideration directly to himself. He reported on the joint meeting with Borders on the 20th November, advising that Paul Smart, will be attending to provide an update on Scottish Government priorities.

21 Draft Committee Minutes

21.1 Audit Committee of 19 September 2017

The Chair of the Audit Committee, Hugh Carr reported that the Committee welcomed Naomi Johnston to her first meeting of the Audit Committee. He advised that feedback following the Year End Audit is expected on 30th October.

21.1a Annual Audit Committee report to the Board

Members noted the draft Annual Audit Committee report.

21.2 Finance and General Purposes Committee of 20 September 2017

The Chair of the Finance and General Purposes Committee, John Henderson reported that discussion had taken place on the winding down of the College's Arms Length Foundation, and it was agreed to recommend to the Board to wind down the Dumfries and Galloway College Further Education Foundation.

Decision: The Board approved the winding down of the College's Arms Length Foundation

In terms of the budget, F&GP Committee members approved revisions to the Budget for 2017-18, and recommended the revised budget for 2017-18 to the Board. The Finance Manager had provided the previous budget as a comparison. The Chair of F&GP advised of an underlying break-even position going forward.

Decision: The Board approved the Revised Budget 2017-18

The Chair of the F&GP Committee, John Henderson, noted the excellent work by all Budget-holders in the College.

21.2a Annual Finance and General Purposes Committee Report to the Board

The Chair of the Finance and General Purposes Committee, John Henderson, reported on an excellent attendance of members, with almost 100% attendance throughout the year.

21.3a Board Development Committee of 28 March 2017 and feedback from Pre-Committee Meeting of 19 September 2017

Members noted the Board Development Committee minute of 28th March 2017.

21.4 Remuneration Committee of 25 September 2017

The Chair of the Remuneration Committee, Delia Holland, reported that all members of the Committee have now completed the College Development Network online training module, and recommended the course to other Board Members. This can be accessed online through CDN.

21.4a Principal's Performance Review Process

The Secretary to the Board spoke to the paper issued. She confirmed that the Chair and the Principal have adhered to the process set. The process has worked well and should remain in place for 2017/18 unless the sector provides a standard approach to be followed by all boards. If this should be the case over the coming year, the process will be reviewed.

21.5 Feedback from Learning and Teaching Committee of 3 October 2017

The Chair of the Learning and Teaching Committee, Delia Holland reported that she is attending a CDN Workshop for Learning and Teaching Committee members on 14th March 2018 in Stirling, and encouraged other members to also attend.

Action: Learning and Teaching Committee members to contact the Board Secretary for further details

21.6 Feedback from HR Committee of 10 October 2017

The Chair of the Human Resources Committee, Stuart Martin reported that new member Rob Orr attended his first HR Committee meeting. The Vice Principal Corporate Services had provided a comprehensive annual update, confirming that all staff receive the same Terms and Conditions in college, even those on zero hours contracts. The HR Strategy was discussed at the HR Committee and will be presented to the next Board Meeting.

The Chair of the HR committee complimented the Principal, Vice Principal Corporate Services and her Team for all the hard work, during a difficult year.

22 Crichton Campus Consolidated Outcome Agreement 2017-18

The Principal spoke to the report, advising that this is an Agreement required by the SFC. The information in the document is consistent with the college's own Regional Outcome Agreement.

Members noted the contents of the Crichton Consolidated Outcome Agreement.

23 Approved Committee Minutes

23.1 Audit Committee of 15 May 2017

Members noted Audit Committee minute of 15th May 2017.

(Ros Francis left the meeting)

23.2 Finance and General Purposes Committee of 14 March 2017

23.2a Finance and General Purposes Committee of 23 May 2017

Members noted the Finance and General Purposes Committee minutes of 14th March and 23rd May 2017.

23.3 Board Development Committee of 18 October 2016

Members noted the Board Development Committee minute of 18th October 2016.

23.4 Remuneration Committee of 21 March 2017

Members noted the Remuneration Committee minute of 21st March 2017.

23.5 Learning and Teaching Committee of 30 May 2017

Members noted the Learning and Teaching Committee minute of 30th May 2017.

24 Any other business

24.1 Crichton Foundation St Andrew's Ceilidh

John Henderson invited members to the Crichton Foundation St Andrew's Ceilidh to be held on 17th November. John is an Appointed Trustee of the Crichton Foundation, as a representative of Dumfries and Galloway College, and encouraged members to attend and support the Foundation.

Decision: Board Members to contact John Henderson direct to confirm their attendance

24.2 iPads – AdminNet

Discussion took place on the issues some Members had found using the iPads.

Action: The Board Secretary to invite IS Manager, Andy Cowan, to host a "user" session prior to the next Board Meeting

24.3 Vice Principal Corporate Services

The Vice Principal Corporate Services advised members that she had tendered her resignation from her position in college, to take up a new post. The Chair, on behalf of all Board Members, thanked the Vice Principal for all her hard work and wished her well in her new post.

24.4 Annual Review of Chair

The Vice Chair advised members that forms will be issued for feedback, with regard to the Annual Review of the Chair.

Action: Members to return completed forms to the Board Secretary

24.5 Destinations of Leavers

Robbie Thomas asked about the mechanisms for gathering information with regard to destinations for college leavers. The Principal advised that this is resource intensive but that national statistics are provided by the SFC on an annual basis.

25 Date and time of next meeting

The next meeting of the Board of Management will take place on Tuesday 12th December 2017. Following discussion, the time agreed for the meeting was 1 – 5 pm.

26 Board Development Events

Board Members noted the Joint Board Meeting with Borders College to take place on Monday 20 November 2017, 10 – 3 pm.

The Board Development Event will take place on Tuesday 23 January 2018, 10 – 3 pm.

DRAFT

Board of Management

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2017

1. Purpose of the Report

- 1.1 The purpose of this report is to provide an overview of the Annual Report and Financial Statements for the year ended 31 July 2017.
- 1.2 A copy of the Financial Statements for the period is attached.

2. Format of the accounts

- 2.1 The financial statements have been prepared in accordance with Financial Reporting Standard (FRS) 102 and the revised Statement of Recommended Practice: Accounting for Higher and Further Education 2015 (2015 SORP) for the second year, and the accounting policies on pages 36 to 40 are unchanged from 2016.
- 2.2 The comparative figures relate to the 12-month period 1 August 2015 to 31 July 2016.

3. Scottish Funding Council – Accounts Direction for 2016-17

- 3.1 SFC set out mandatory disclosures for the College financial statements each year, which are usually additional disclosures to the SORP in order to comply with the Government Financial Reporting Manual 2016-17 (FReM).
- 3.2 An additional mandatory disclosures for 2016-17 is a statement at the foot of the Statement of Comprehensive Income (SOCl) and a note to the accounts explaining the impact of the non-cash budget given for depreciation, which restates the SOCl results on a Government accounting basis for the academic year.
- 3.3 The disclosures of the non-cash adjustments in the Performance Report as well as the underlying Operating Position are set out on page 11. In addition, the SOCl includes a footnote referring to the accompanying 'non-cash allocation' table which is on page 44. The disclosures are in line with the template set out in SFC's Accounts Direction.

4. Performance Report

- 4.1 The Performance Report is set out on pages 3 to 13 of the draft financial statements.

Board of Management

- 4.2 The 2016-17 Government Financial Reporting Manual (FReM) requires the College to include a Performance Report in the annual financial statements, which includes a statement from the Principal providing her perspective on the College's performance over the period, a summary of the purposes and activities of the College, and key issues which could impact on the College delivering its objectives.
- 4.3 The Performance Analysis provides more details on how the College measures performance, and an analysis of the performance in 2016-17 compared to 2015-16, including outcomes for student numbers and student achievements, and financial performance indicators.
- 4.4 The additional disclosures required by the Scottish Funding Council are set out at page 11 of the draft Performance Report and include a summary of expenditure from the 'Cash budget for priorities' (depreciation cash) and the Underlying Operating Position, which shows the depreciation cash spend and non-cash pension adjustments.

5. Accountability Report

- 5.1 The Accountability Report is set out on pages 14 to 28 of the draft financial statements, and incorporates statements on Corporate Governance, and the Remuneration and Staff Report.
- 5.2 The Corporate Governance report explains the College's governance structure, and how this supports the achievement of College objectives, as well as statements on compliance with the Code of Good Governance for Scotland's Colleges.
- 5.3 The Remuneration and Staff report includes disclosures required in order to comply with the FReM. The report sets out remuneration and accrued pension benefits of Senior College Executives as well as median remuneration for the College workforce, sickness absence, and a breakdown of staff costs between directly employed and agency staff.

6. Statement of Comprehensive Income

- 6.1 The first part of the Statement of Comprehensive Income shows operating income and expenditure for the year, and includes the actuarial movement on the pension scheme.
- 6.2 The figures show an overall deficit of £1,081,000. The deficit reflects the additional expenditure from depreciation cash funds of £354,000 and total pension adjustments of £747,000.

Board of Management

- 6.3 Total depreciation cash funds of £354,000 were spent during the year. Of the total, £77,000 was used to offset the costs of the pay award for 2015-16, and £277,000 was used to fund the staff Voluntary Severance scheme.
- 6.4 Student Support income and expenditure are summarised at notes 21 and 22 of the financial statements. Total student support of £2,421,000 was received during the year, including Further Education Bursaries, EMA's, Further and Higher Education Discretionary and Childcare funding. Further Education Bursary and childcare funds of £345,000 unspent at 31 July 2017 will be repaid to Scottish Funding Council as part of the in-year redistribution process.

7. Balance Sheet

- 7.1 The Balance Sheet at 31 July 2017 continues to show a net current liability position, which includes deferred government capital grants of £758,000.
- 7.2 Cash and bank balances have decreased by £314,000 during the year, and balances at 31 July 2017 were £1,633,000.
- 7.3 Long term creditor balances for deferred capital grants amounts to £22,619,000, which has decreased over the period by £1,091,000.
- 7.4 Lennartz liabilities reduced by £359,000 during the year. Payments of £287,000 were made, and the update to VAT partial exemption and annual calculations resulted in a decrease in liabilities of £72,000. The remaining balance outstanding at 31 July 2017 amounts to £307,00 and is disclosed within current liabilities.
- 7.5 The sale of the Catherinefield building during the year has released £135,000 from the revaluation reserve.
- 7.6 A portion of the Stranraer heating project has been treated as capital expenditure for accounting purposes, and as the project was completed in August 2017, costs to July 2017 of £131,000 have been treated as 'Assets in the course of construction'.
- 7.7 Net assets and reserves amounted to £3,148,000 at 31 July 2017, and the movement for the year has been summarised on the Statement of Changes in Reserves.

8. Recommendation

Members are asked to approve the financial statements for the year ended 31 July 2017.

Scottish Charity No. SC021189

DUMFRIES AND GALLOWAY COLLEGE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD

1 AUGUST 2016 TO 31 JULY 2017

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The financial statements were approved and authorised for issue on 12 December 2017.

Professional Advisers

External Auditors:

Scott Moncrieff
Chartered Accountants
Exchange Place 3
Semple Street
Edinburgh

Internal Auditors:

RSM Risk Assurance Services LLP,
6th Floor
25 Farringdon Street
London

Bankers:

Royal Bank of Scotland
2nd Floor
62 Hamilton Road
Motherwell

Bank of Scotland
Level 6
110 St Vincent Street
Glasgow

Solicitors:

Grieve, Grierson, Moodie and Walker
14 Castle Street
Dumfries

MacRoberts Solicitors
152 Bath Street
Glasgow

Performance Report

Performance Overview

The purpose of this Overview is to give a short summary, with sufficient information to provide an understanding of Dumfries and Galloway College, its purpose, key risks facing the College in achieving its objectives, and how the College has performed over the period to July 2017.

Principal's Statement on Performance

Dumfries and Galloway College aspires to be an 'outstanding college', and aims to deliver the highest quality learning for our students, to make a positive contribution to the local and national priorities, and to utilise the expertise of our staff to deliver continuous improvements. Improving attainment will be a key priority, particularly in curriculum areas with low performance indicators.

During 2016-17 the College has continued to make good progress towards its vision and aspirations, which are set out in its five-year strategic plan, Vision 2020.

The College achieved its target for student numbers during 2016-17, with 30,338 credits achieved against a target of 30,067. The number of full time students decreased overall, but part-time numbers increased by 8%, which includes a large increase in students studying for part-time Higher Education courses. Student achievements also increased during 2016-17, but as levels of success and retention are below the sector average, the College is developing an action plan to improve this. Learner satisfaction and post-course success are above the sector average, and the College will continue to develop positive partnerships with Universities and community planning partners in order to deliver a broad range of not only articulation routes to Higher Education but also vocational opportunities, work placement, and employment.

Dumfries and Galloway College is committed to efficiency of delivery and corporate functions, which remains very challenging given the economic make-up of the region and the context of constraints of public funding and reclassification of colleges in Scotland as public bodies. The budget for 2016-17 included planned expenditure in order to maximise the use of cash resource, with the aim of achieving an underlying break-even result. These financial statements show an underlying operating surplus of £35,000 before accounting for the disposal of fixed assets, accruing pension liabilities of £646,000 and cash budget for priorities of £354,000, taking the overall net position to a deficit of £980,000.

The College is committed to improving the life chances for young people and adults in the Region by offering a breadth of curriculum at both campus locations that is aligned to relevant regional and national needs. Ongoing developments require to be balanced against other budget priorities.

The Executive and Curriculum Management structure was reviewed during the year, in order to ensure that we continue to be able to respond to a changing environment, improve our service to learners and the sustainability of the College. The new structure was in place for the start of the 2017-18 academic year, and should ensure that we are responsive and effective, with authority, accountability and empowerment placed as close to the learner as possible in order to continue to meet our strategic objectives.

The uncertainty over future pay costs and the full implementation of changes arising from Collective Bargaining agreements for the sector will continue to have an impact on the operating results and cash balances for the College. The College will continue to carry out internal planning and monitoring to assess then impact on future sustainability.

Performance Report (continued)

Purpose and Activities of Dumfries and Galloway College

The Board of Management of Dumfries and Galloway College was established under The Further and Higher Education (Scotland) Act 1992 for the purpose of conducting Dumfries and Galloway College. The College is a registered charity (Scottish Charity Number SC021189) for the purposes of the Charities and Trustee Investment (Scotland) Act 2005, and is exempt from corporation tax and capital gains tax. The College receives no similar exemption in respect of Value Added Tax.

Dumfries and Galloway College is a single college in a single region. Dumfries and Galloway Council is the sole Local Authority for the region. The College is the only general further education college in the region and potential learners and employers are dependent on it to deliver a curriculum which meets their needs. The College delivers further and higher education across a broad range of curriculum areas from access level to SCQF level 8, to approximately 1,600 full-time and 4,800 part-time learners through its campus locations in Dumfries and 75 miles away in Stranraer.

Dumfries and Galloway College is located in the beautiful South West of Scotland. It is 77 miles from Glasgow and 79 miles from Edinburgh to the town of Dumfries, where the College's main campus is located. In particular, the Crichton Campus brings the choice of university learning to a region that in the past people have had to leave to attend university. A smaller campus is located in Stranraer in the west of the region, 75 miles from Dumfries and offers a range of full and part-time programmes.

Due to the characteristics of the Region, the College will remain financially challenged. In particular, the need to duplicate a wide range of curriculum and services in Stranraer affects both financially and course viability. Small learner numbers and demand makes it difficult to sustain some provision and some courses require to be structured differently than those in Dumfries, for example by combining different levels of learner or using mixed delivery methods - for existing and new provision.

The College's approach to learning is a reflection of the rural locality, the local economy and the changing patterns of lifestyles. As a major employer and a dynamic rural learning institution, the 'digital' revolution has been strongly embraced by us and its many forms are fast becoming the basis for the College's operations and delivery.

Although the College has two campuses and many learning partnerships across the region, we are a College without walls - creating flexible learning opportunities to suit everyone. This means learning opportunities are varied and abundant - from full time courses to flexible, part time courses, learning in College and at home, work or elsewhere. The range of learning includes basic skill development to degree level, including articulation links with Universities.

Our Strategic Plan, Vision 2020, sits alongside the College's Regional Outcome Agreement which sets out how we will meet the Scottish Government's expectations and deliver value for money for the public investment we receive.

The Scottish Government's post-16 education reform policies are to improve life chances; support jobs and growth; and ensure sustainable post-16 education, and the intention of developing a world-class vocational educational system. The Scottish Funding Council's strategic aims of High Quality Learning and Teaching - identifies four priority outcomes which are supported by the College's strategic plan.

Strategic Outcomes

The College Strategic Outcomes are:

We will provide opportunities to access and progress through education and training at all levels;

We will deliver education and training that is a route to employment and career development and is aligned to local and national economic need;

We will be the first choice for recruitment, training and development of the workforce;

We will enable communities to grow and develop through local education and training;

We will support more businesses to start-up, grow and diversify;

We will enable people to build their independence and confidence in a supported environment.

Performance Report (continued)

Strategic Outcomes (continued)

We continue to have confidence in achieving our vision, but it is also essential that we are able to demonstrate its relevance and contribution to the achievement of both Scottish Government and SFC priorities. We are committed to regularly monitor progress towards delivery of the strategic outcomes. From 2017-18 the College will implement the new SFC and Education Scotland quality arrangements, which integrates quality arrangements evaluation with outcome agreement evaluation and reporting. We will produce an integrated evaluation report and enhancement plan in October each year.

Key issues and risks affecting Dumfries and Galloway College

The College has an established Risk Management Policy and Risk Assessment Procedure, in order to provide a systematic way of identifying, recording, monitoring and reporting risks to ensure the College is able to meet its objectives. The Risk Management Policy outlines the approach to risk management and defines the key principles, processes and responsibilities for the management of risk across the College.

Risk Management is an integral part of the overall governance arrangements of the College, and as such there are specific responsibilities for people and groups undertaking different roles in the organisation. The Board of Management determines the risk appetite for the College, and considers reports on the operation of Risk Management arrangements through the work of the Audit Committee, The Principal, reporting by auditors and annual accounts. The Audit Committee consider the corporate Risk Register at each committee meeting, as well as any internal and external audit reports involving risk and risk management.

The Executive Management Team has day to day responsibility for the management of the system of internal control including risk management, and the member of the Executive Management Team responsible for planning maintains the College Risk Register, which is updated and considered regularly by the Executive Management Team as well as the Audit Committee. The likelihood and impact of each risk is scored together with mitigating actions, in order to identify the residual risks which require to be monitored on an ongoing basis.

The following risks from the College Risk Register have been identified as key risks:

- **National Pay Bargaining.** The impact of National Pay Bargaining on the College finances and staffing remains uncertain. The threat of future industrial action would be detrimental to learners achieving their qualifications as well as staff moral;

- **Ability to achieve activity targets.** The Executive Management Team carry out a robust planning process in order to establish a Curriculum Plan each year, and an Operational Plan to support the curriculum. The funding received from the Scottish Funding Council is dependent on the College achieving its activity targets each academic year. A number of procedures have been established in order to achieve the target each year, and early warning strategies are being implemented in order to improve early retention. However, environmental pressures may impact on retention and this will continue to be monitored. The impact of full implementation of SFC's simplified funding methodology will continue to be monitored.

- **Ability to achieve attainment targets** - real-time monitoring systems are in place, and strategies have been developed to improve retention and student success, which are monitored at course level and through the Self-Evaluation process. KPI and data analysis will be carried out during 2017-18 and new academic structures have been established to allow closer monitoring.

- **College Reclassification.** The impact on reclassification of the Scottish College sector as public bodies on 1 April 2014 for budgeting and financial reporting has reduced the flexibility of the College to manage financial and estates issues, and meet targets in the Outcome Agreement with the Scottish Funding Council. Internal planning and monitoring processes have been changed in order to minimise the impact of reclassification on learners. The College has been grateful to receive grant support from the Scottish Colleges Foundation to fund estates developments to enhance provision for learners, but the future availability of funds is uncertain. The changes to accounting and budget requirements, and the utilisation of depreciation cash budget and pension revaluation adjustments has had a significant impact on the reported deficit for the year and the College reserves.

Performance Report (continued)

- **Cyber Resilience** - work is ongoing to assess the College cyber security systems, standards and procedures in order to comply with the requirements of the Scottish Public Sector Cyber Resilience Framework. There may be an impact on teaching and learning if new systems are necessary in order to gain accreditation under the framework.

- **Crichton Campus Partners' review of property and provision in Dumfries.** The College has established shared services with the Universities of Glasgow and the West of Scotland including some shared building space and library services as well as articulation agreements for learners. The University of the West of Scotland are currently undertaking a 'Transformational Project' in respect of their services and the College will continue to discuss any potential impact on our shared services and articulation arrangements.

- **Public Sector Funding Cuts.** The continued uncertainty over public sector financial allocations beyond 2017-18 and potential funding cuts will have an impact on the curriculum provision and student services. Scenario planning and budgetary review will be undertaken to minimise the impact on learners and staff;

Performance Summary

The College performed well against its targets during 2016-17. Activity targets were exceeded, with 30,338 credits delivered against a target of 30,067. The underlying operating position, which excludes pension valuation adjustments and planned expenditure from depreciation cash, was a break-even result.

Student Numbers

During academic year 2016-17, the College delivered 30,338 credits against a target of 30,067 (2015-16 - 29,871 delivered against the target of 30,371). Total numbers for student enrolments increased from 6,474 in 2015-16 to 6,827, an increase of 5%. Within these overall numbers full-time student numbers decreased to 1,560 from 1,600, which represents a reduction of 102 full time FE students but an increase of 62 full time HE students. Total numbers for part-time students increased by 5% from 2015-16 levels, with part-time HE students increasing by 437 to 1,185 during 2016-17.

Student Achievements

The overall numbers of full-time students successfully completing their programme of study in 2016-17 was 65%, which shows a 1% improvement on 2015-16. The split between full-time Further Education and Higher Education student achievements was FE - 62% and HE - 71% (2015-16 - 61% and 71%).

Successful completion for part-time students decreased from 76% to 57% for FE students and from 71% to 36% for HE students.

The College has established a short-life working group to review the student attainment and retention strategy and develop an action plan for improvement.

Quality Assurance and Enhancement

Education Scotland carried out their review of Dumfries and Galloway College in April 2016, and reported that the College has in place effective arrangements to maintain and enhance the quality of its provision and outcomes for learners and other stakeholders.

Curriculum Developments

The College's curriculum is increasingly shaped by employer involvement and further engagement of employers and industry boards in the design and support of the delivery of courses is a key objective of all curriculum areas.

The College continues to map its curriculum to key industries and learner need across both campuses.

The College has continued to take action to address gender imbalance in all schools programmes, by promoting choices to both genders and dispel perceptions of stereotypical career choices influenced by gender. The College has offered sessions where pupils can try non-traditional vocational activities, as well as providing guidance, school visits and highlighting role models including college staff, and events such as competitions for schools.

Performance Report (continued)

The College currently delivers on a range of energy, engineering and computing courses, with all Computing and Digital Media now mapped to the Science, Technology, Engineering and Maths (STEM) framework. The College has started to include life skills mathematics in some of its Healthcare and Social care programmes, with biology embedded into Reablement and Skills for Work Healthcare. In addition, a range of STEM courses are now being offered to schools, including Computing Science, Digital Design and Animation, Design Engineering and Construct, and Electrical Engineering.

The College now chairs the Dumfries and Galloway Renewable Energy Partnership Group, which focuses on looking at the economic opportunities in the area and development and the College development of skills and training. The Energy Centre delivers energy courses as well as an energy awareness session to all full-time Construction students, including Sustainability. SOLAR, Biomass, Heat Pumps, and Oil Boiler (OFTEC oil) qualifications are all now being delivered in the Energy Centre, enhancing the qualification of College apprentices to carry onto BPEC certifications for emerging technologies.

The College is committed to implementing the new SFC and Education Scotland quality arrangements 'How Good is our College?', which integrates quality arrangements with Outcome Agreement evaluation and reporting. Comprehensive systems are now in place to review and enhance curriculum quality, planning, retention and outcomes, including self-evaluation by teams. A short-life working group has been established to develop strategies to improve levels of retention and success.

Future Developments

Dumfries and Galloway College aspires to be an 'outstanding college', and aims to deliver the highest quality learning for our students, to make a positive contribution to the local and national priorities, and to utilise the expertise of our staff to deliver continuous improvements. Improving attainment will be a key priority, particularly in curriculum areas with low performance indicators.

Work will continue to identify opportunities to enhance collaboration with other Crichton campus partners, to identify future curriculum delivery, explore joint student association activities and explore further opportunities for co-location.

The College has a well established partnership with Dumfries and Galloway Council, and has been providing pupils in all 16 secondary schools in the region with the opportunity to achieve vocational qualifications at SCQF levels 4 to 7 as an integral part of their senior phase curriculum. The College aims to increase its senior phase programme activity in the next three years, by increasing the number of places we offer.

The College aims to become a STEM Centre of Excellence, and is exploring partnership opportunities with the Scotland's Rural College (SRUC) and the Dumfries Learning Town. The College also plans to develop its engineering facilities in the Stranraer campus.

The College is committed to supporting the Scottish Government's plans for expansion in early learning and childcare. An increase in demand for qualified childcare practitioners will provide an opportunity for the College to provide additional training, up skilling and recognised qualifications for practitioners. The College will work with Dumfries and Galloway Council to establish the impact on the Region's nursery provision, and address the need for workforce expansion by offering HNC Early years/ Childhood Studies to senior phase school pupils as well as increasing work-based learning, including MA and SVQ offerings.

The College will aim to contribute to the reduction in youth unemployment and improving life chances during 2017-18, and to support learners to complete their study and achieve successful outcomes. We will continue to ensure provision is efficiently delivered, is accessible and meets national, regional and local employer needs.

The College will continue to seek opportunities to develop formal articulation routes, including engineering opportunities with Herriot Watt University, the University of Strathclyde and the Open University as well as Edinburgh Napier University.

Performance Report (continued)

Future Developments (continued)

Priority outputs to be delivered in 2017-18 are:

- achieving the increased activity target of 30,336 credits;
- increasing student retention and attainment;
- an increase in the numbers of students entering positive destinations;
- a curriculum which reflects the skills requirements and meets the needs of the region; and
- an increase in non-SFC income as a percentage of total income.

The College has set an ambitious target for both retention and attainment, which take account of the SFC ambitions of sector average student successful outcome of 69% for full time further education programmes. A new Curriculum Management structure has been introduced in order to ensure the College is responsive to the changing environment, and that authority, accountability and empowerment are placed as close the learners as possible.

Performance Analysis

Financial Objectives

The College's financial objectives following reclassification are:

- To operate a balance between operating income and expenditure, and achieve a break-even position;
- To manage the College's annual budget in line with the requirements of the Scottish Public Finance Manual, HM Treasury's Consolidated Budget Guidance and balance the budget in Resource and cash terms each year;
- To maintain cash balances throughout the year at a level that is compatible with the efficient operation of the College.

The College requires to manage its income and expenditure against Scottish Government budget control limits, and maintain broadly the same level of working capital year on year.

The College has been able to apply to the Scottish Colleges Foundation to seek funding for estates and other developments which may not have been affordable from the College's operating budget. A grant of £24,000 was released during the year to 31 July 2017 which met the costs of some further estates developments (2015-16 - £286,000). In addition, £255,000 was received in July 2017 to fund the purchase of engineering equipment. The grant has been deferred and will be utilised in academic year 2017-18.

How we measure performance

The College Outcome Agreement with the Scottish Funding Council (SFC) sets out what the College plans to deliver in return for funding. The Outcome Agreement reflects the College's commitment to responding to the educational and skills needs within the Dumfries and Galloway Region. The 2016-17 SFC Outcome Agreement aligned to the Scottish Funding Council's six national priorities:

Efficient regional structures - to deliver an efficient regional structure to meet the needs of the Dumfries and Galloway Region;

High quality & efficient learning – to ensure that learner journeys are as short, efficient and effective as possible and that learners experience the highest quality of learning and teaching and achieve successful outcomes:

Access for people from widest range of backgrounds - to improve access to further and higher education for people from the widest possible range of backgrounds;

Right learning in the right place – to secure coherent provision of further and higher education in Scotland:

A developed workforce - To ensure students are qualified and prepared for work and to improve and adapt the skills of the region's workforce;

Sustainable institutions - to secure, well managed and financially and environmentally sustainable colleges.

Performance Report (continued)

How we measure performance (continued)

The College Board of Management and Committees regularly measure and monitor progress towards delivery of the targets set out in the outcome agreement through regular reporting of Key Performance Indicators. The Key Performance Indicators which the Board monitors and reviews at each meeting are: Activity; Retention (both early and further); Student Outcomes; and Income and Expenditure. Target and actual performance is measured throughout the year, and actions agreed, with the objective of achieving targets by the end of the academic year.

The College also produces an annual outcome agreement self evaluation report.

A 'Key Indicator Report' is reviewed at each meeting of the Board of Management as a measure of actual performance against target. The following areas are included within the report:

- Activity/ Credits
- Enrolments
- Retention (both early and further)
- Student Outcomes
- Income and expenditure

The Learning & Teaching Committee of the Board also monitors academic performance, including retention, progression and outcomes, including sector comparators. In addition the Human Resources Committee of the Board monitors staffing.

Education Scotland carries out periodic reviews of Scottish Colleges on behalf of the Scottish Funding Council with the aim of providing assurance on the quality of Scottish Education and promote improvement and innovation to enhance learners' experiences.

The College is committed to implementing the new SFC and Education Scotland quality arrangements 'How good is your College?'. This new approach integrates quality arrangements with outcome agreement evaluation and reporting. The College will produce an evaluation report and enhancement plan in October 2017.

Comprehensive systems are in place to review and enhance curriculum quality, planning, retention and outcomes. These systems include self evaluation by teams, as well as a number of management reporting tools which provide information in various formats to enable staff to monitor key areas across the curriculum, including admissions, enrolments, credits, and other performance indicators for specific courses, faculties and across the whole College.

Development and performance during the year

Education Scotland carried out an independent review of the quality of provision in Dumfries and Galloway College in February 2016, and reported their findings in April 2016. The report issued by HM Inspectors concludes that 'Dumfries and Galloway College has in place effective arrangements to maintain and enhance the quality of its provision and outcomes for learners and other stakeholders. This judgement means that, in relation to quality assurance and enhancement, the college is led well, has sufficiently robust arrangements to address any identified minor weaknesses, and is likely to continue to improve the quality of its services for learners and other stakeholders'.

Performance Report (continued)**Development and performance during the year (continued)**

The Scottish Funding Council measure the volume of activity in credits - One credit is equivalent to 40 hours of learning.

	<u>2016-17</u>	<u>2015-16</u>
Credits achieved	30,338	29,871
Credits per FTE staff	141	140
<i>Target Credits</i>	30,067	30,371
Full-time equivalent funded places	2,022	1,991
Enrolments	6,827	6,474
Early Student Retention		
- Full Time Further Education	102	129
- Full Time Higher Education	40	26
Student Retention		
- Full Time Further Education	211	215
- Full Time Higher Education	63	62
Student Outcomes:		
- Full Time Further Education	62%	60%
- Full Time Higher Education	71%	71%
Operating deficit (inclusive of IAS 19 adjustments)	(£980,000)	(£833,000)
Deficit as a % of total income	7.87%	6.69%
Deficit as a % of total expenditure	7.30%	6.27%
Staff costs (excluding fundamental restructuring costs) as a % of total expenditure	65.0%	60.9%
Ratio of current assets to current liabilities	0.73	0.82
Days cash to total expenditure excluding depreciation	49	59
Non SFC income as a % of total expenditure	17.7%	19.0%

Performance Report (continued)**Financial Out-turn for the period**

The College operating results are for a twelve month accounting period, from 1 August 2016 to 31 July 2017. The results for the period show an operating deficit of £980,000, which includes the additional planned expenditure from depreciation cash budgets of £354,000 as well as a net charge of £646,000 included in the Statement of Comprehensive Income to reflect the pension valuation changes for the Local Government Pension Scheme and unfunded pension provisions at 31 July 2017, in accordance with the technical accounting requirements as detailed at Note 19.

The Central Government budgeting rules will require the College to continue to administer its budgets in compliance with the Government Financial Reporting Manual, and aim to meet the Resource Department Expenditure Limits for budget reporting purposes.

The College Balance Sheet at 31 July 2017 shows a decrease in total reserves of £1,081,000 from balances at 31 July 2016, which includes an increase of £742,000 to £8,250,000 in the deficit for the Local Government Pension Scheme as detailed at Note 19. College bank balances shows a decrease during the period which reflects a reduction in funds which were retained to meet Lennartz liabilities as disclosed at Notes 15 and 16.

Cash budget for priorities

As highlighted previously, the impact of ONS reclassification of the Scottish College sector as central government bodies for budgeting and financial reporting has reduced the flexibility of the College to manage financial and estates issues, and meet targets in the College's Regional Outcome Agreement with the Scottish Funding Council.

Following the Scottish College sector reclassification as central government bodies from 1 April 2014, while colleges continue to prepare accounts under the FE/ HE Statement of Recommended Practice, they are also now required to comply with Central Government budgeting rules. This affects, among other things, the way in which non-cash depreciation charges are treated for budgeting purposes and how the colleges spend the cash funds (cash budget for priorities) which were previously ear marked for depreciation.

Spend of the College's cash budget for priorities, and the impact on the operating position, is detailed below.

	2016-17	2015-16
	£000	£000
Revenue		
2015-16 Pay award	77	96
Curriculum developments	-	284
Staff Voluntary Severance Scheme	265	-
Staff Settlement payment	12	-
Total cash budget for priorities spend	354	380

Underlying Operating position

The impact of the above accounting and budgeting requirements on the College's underlying operating position is as follows:

	2016-17	2015-16
	£000	£000
Deficit before other gains and losses	(965)	(833)
Add back:		
- Depreciation (net of deferred grant release)	354	390
- Non-cash pension adjustments	646	464
Underlying operating surplus	35	21

Performance Report (continued)

Review of Resource outturn for the year ended 31 March 2017

Following the reclassification of colleges as public bodies on 1 April 2014, the college has been required to comply with government accounting and budgeting rules on a financial year basis (i.e. to the end of March). The college is given a revenue resource budget (RDEL) and a capital resource budget (CDEL) and must account for this budget on a financial year basis. The resource budgets and final outturn for the 2016-17 budgeting period are outlined below:

	RDEL	CDEL
	£000	£000
Resource budget for year ended 31 March 2017	10,846	0
Expenditure against resource budget	11,098	0
Net underspend/ (overspend) against budget	(252)	0

The outturn reflects the clawback of unspent student support funding for the period to March 2016 and a reduction in SFC funding for the shortfall in 2015-16 credit targets .

In addition, the College received a non-cash budget from the Scottish Government to cover depreciation costs.

Payment Practice Code

The College has implemented the 'Better Payment Practice Code'. As such, we aim to pay suppliers within the agreed credit terms and deal with all disputes and complaints as quickly as possible. The proportion of year-end creditors to the aggregate invoiced amounts during the academic year was 1.6% (2015-16 - 1.53%). The College did not pay any interest on late payments as defined under the Late Payment of Commercial Debts (Interest) Act 1998.

Taxation Status

The College has been entered into the Scottish Charity Register (Reference SC021189) and is entitled, in accordance with section 13(1) of the Charities and Trustee Investment (Scotland) Act 2005, to refer to itself as a Charity registered in Scotland. The College is recognised by HM Revenue & Customs as a charity for the purposes of Section 505, Income and Corporation Taxes Act 1988 and is exempt from corporation tax on its charitable activities. The College receives no similar exemption in respect of Value Added Tax.

Performance Report (continued)**Environmental Considerations and Sustainability Reporting**

Dumfries and Galloway College is committed to improving environmental performance, raising the profile of sustainability education and reducing its impact upon contributing to climate change. The staff, students, campus partners and wider community have the right to expect, that the College as a responsible institution, acts positively to promote behaviour change and reduce the impact upon the environment.

The College has developed a comprehensive 5 year Climate Change Action Plan to achieve reduced emissions. The Climate Change Action Plan 2015-2020 emphasises the College's commitment to reducing carbon dioxide emissions over the short to medium term, and illustrates how savings will be made through efficiencies and improved use of resources in addition to helping meet the wider objectives of the Climate Change (Scotland) Act 2009. The College has set a target to reduce carbon emissions by 20% by 31 December 2019 from the 2014 baseline data measurements, and in December 2016 an update to the College Finance and General Purposes Committee noted a reduction of 9% in overall emissions for calendar year 2015. A copy of our Carbon Management Plan 2015-20 which provides detailed information in respect of our works towards facilitating greater sustainability can be accessed using the following web link:

https://www.dumgal.ac.uk/dumgalcontent/uploads/2016/03/Climate_Change_Action_Plan_Dec2015.pdf

The College confirms that it complies with Scottish Government sustainability reporting in line with the requirements of the Climate Change (Scotland) Act 2009.

Going Concern

The financial statements have been prepared on the going concern basis, which provides that the organisation will continue in operational existence for the foreseeable future. The deficit reported in the Statement of Comprehensive Income includes £354,000 of 'net depreciation cash' expenditure and accounting adjustments for the LGPS pension valuation and other unfunded pension provisions of £646,000. In addition, deferred government capital grants of £23,377,000 have been disclosed as creditors in the financial statements in accordance with FRS 102. The creditors relating to deferred capital grants do not represent future cash outflows for the College. These technical accounting adjustments are not considered to have an impact on the College's ongoing financial sustainability.

Carol Turnbull

12 December 2017

Principal

Accountability Report

Corporate Governance Report

Board of Management

The Regional Board for Dumfries and Galloway College comprises of the Chair, the Principal, two student members, two staff members and eleven non-executive members. The College recognises the important role Board members have in acting as ambassadors for the College as well as providing a governance role.

The College's Regional Board is responsible for bringing independent judgement to bear on issues concerning the College's strategic direction, performance, resources and standards of conduct. In addition the Board is responsible for systems of internal control. The Board reviews its effectiveness on an annual basis through a robust self evaluation process. The members who served on the Board of Management during the year and up to the date of signature of this report are set out on below.

The Board is provided with regular and timely information on the overall financial performance of the College together with other information such as performance against targets, capital expenditure, quality matters and personnel related matters such as health and safety and environmental issues. Agendas, minutes, papers and reports of all meetings are available on the College website: www.dumgal.ac.uk

The Board of Management has a strong and independent non-executive element and no individual or group dominates its decision making process. The Board of Management considers that each of its non-executive members is independent of management and free from any business or other relationship, which could materially interfere with the exercise of their independent judgement.

Dumfries and Galloway College Board of Management met six times during the 2016-17 financial period and conducts its business through a number of committees. All of these committees are formally constituted with terms of reference approved by the Board of Management. The committees comprise non-executive members of the Board of Management and are all chaired by a Member of the Board. These committees include a Human Resources Committee, a Finance and General Purposes Committee, a Board Development Committee (includes appointments), a Remuneration Committee, a Learning and Teaching Committee and Audit Committee. All committees are required to report back to the Board on their activities.

The Chair meets with each member of the Board on an annual basis as part of the Board's process of evaluating the effectiveness of board members. The evaluation of the Board Chair is undertaken by the Vice Chair. The performance of the Board Chair is also evaluated by the Scottish Government, as regional college chairs are appointed by the Scottish Ministers and are personally accountable to them.

There is a clear division of responsibility in that the roles of the Chairman and Principal are separate.

The Board Secretary maintains a register of financial and personal interests of the members of the Board of Management. The register is available for inspection at Bankend Road, Dumfries and on the College website: www.dumgal.ac.uk

All Board Members are able to take independent professional advice in furtherance of their duties at the College's expense and have access to the Board Secretary, who is responsible for ensuring compliance with all applicable procedures and regulations. The appointment, evaluation and removal of the Board Secretary are matters for the Board of Management as a whole.

An external Board Governance Effectiveness Review was undertaken in January 2017. The report in February 2017 concluded that 'the college meets its obligations under the Code of Good Governance and, in a number of areas, promotes highly effective governance'.

Accountability Report (continued)**Corporate Governance Report (continued)**

The undernoted individuals are the current members of the Board of Management:

Janet Brennan
Hugh Carr
Anthony Conlon (Student member)
Ros Francis
Barry Graham
John Henderson
Kenny Henry (Support Staff Member)
Delia Holland (Vice Chair)
Naomi Johnson
Brian Johnstone (Regional College Chair)
Pat Kirby
Stuart Martin
Karen McGahan
Rob Orr
Leah Thomas (Student member)
Carol Turnbull (Principal and Chief Executive)
Ian White (Lecturing Staff Member)

The following individuals were also Board members in the period from August 2016 up to 31 July 2017:

Emma Curtis (Student Member, term of office finished June 2017)
Scott Hardie (Student Member, resigned December 2016)

A short biography of each Board member, together with their Register of Interests, can be accessed on our website using the following link: <http://www.dumgal.ac.uk/dumgalportal/index.php?pageid=BOM-profiles>

Kay Bird acted as Board Secretary for the period August 2016 to February 2017, with Ann Walsh taking over from March 2017.

Executive Management Team

The Board of Management has delegated day to day responsibility for running the College to the Executive Management Team.

The undernoted individuals are the current members of the Executive Management Team:

Carol Turnbull (Principal)
Andrew Glen (Vice Principal Planning and Performance) from May 2017
Helen Pedley (Director of Organisational Development and Facilities)
Andy Wright (Vice Principal Learning and Skills)

In addition, Jannette Brown was Vice Principal Corporate Services and Governance until April 2017.

Committees of the Board of Management

The Board of Management has formally constituted several committee with terms of reference. These committees act with delegated authority. Information on the Board's committees is given below, together with details of membership of key committees at 31 July 2017.

Accountability Report (continued)**Corporate Governance Report (continued)****Key Committees:**

Human Resources Committee

Members - Janet Brennan, Ros Francis, Stuart Martin (Chair), Rob Orr, Carol Turnbull and Ian White

Board Development Committee (Previously Selection and Appointments Committee)

Members - Hugh Carr, Delia Holland, Brian Johnstone (Chair), Stuart Martin and John Henderson

Remuneration Committee

Members - John Henderson, Delia Holland (Chair), Brian Johnstone and Ian White

Audit Committee

Members - Hugh Carr (Chair), Naomi Johnson, Delia Holland, Pat Kirby and Stuart Martin

Finance and General Purposes Committee

Members - Ros Francis, John Henderson (Chair), Kenny Henry, Karen McGahan and Carol Turnbull

Learning and Teaching Committee

Members - Anthony Conlon, Barry Graham, John Henderson, Kenny Henry, Delia Holland (Chair), Naomi Johnson, Rob Orr, Leah Thomas, Carol Turnbull and Ian White.

Appointments to the Board of Management

Following regionalisation of Scottish colleges and their designation as public bodies, Regional Chairs are appointed by the Scottish Minister and are subject to the Public Appointments process.

Any new appointments to the Board of Management are a matter for consideration by the Board as a whole. The Board has a Board Development Committee, which is responsible for the selection and appointment of any new member for the Board's consideration. Any appointment is also now subject to approval by the Cabinet Secretary for Education and Lifelong Learning.

Human Resources Committee

The primary purpose of the Human Resources Committee is to ensure that the College is operating within all legal requirements relating to employment law and other legislation affecting employment. The committee also approves the HR strategy and monitors actual performance against KPI's to include staff welfare, staff establishment, turnover, sickness, and absence. The Committee meets once per year.

Board Development Committee

The Board Development Committee was previously the Selection and Appointments Committee. The remit of this committee was revised and strengthened during 2015-16 to ensure compliance with the Code of Good Governance for Scotland's Colleges and the Board Development Framework. The Board Development Committee now has responsibility for advising the Board of Management on matters relating to members of the Board of Management, including Board Member appointment, balance of skills and experience, induction and training, balance in relation to equality as well as Board evaluation and development. The Committee meets at least once per year.

Remuneration Committee

The Remuneration Committee is responsible for making recommendations to the Board on the remuneration, terms and conditions (and, where appropriate severance payments) of the Principal, members of the Executive Management Team and the Secretary to the Board. The Committee meets at least once per year. Details of the remuneration of senior post-holders for the period ended 31 July 2017 are set out in note 8 to the financial statements.

Accountability Report (continued)**Corporate Governance Report (continued)****Audit Committee**

The Audit Committee comprises a minimum of three members of the Board of Management (excluding the Principal and Chair). The Committee operates in accordance with written terms of reference approved by the Board of Management.

The Audit Committee meets a minimum of four times a year, and provides a forum for reporting by the College's internal, regularity and financial statements auditors. The auditors have access to the Committee for independent discussion, without the presence of College management.

The College's internal auditors monitor the systems of internal control, risk management controls and governance processes in accordance with an agreed plan of input, and report their findings to management and the Audit Committee. Management is responsible for the implementation of agreed audit recommendations and internal auditors undertake periodic follow-up reviews to ensure such recommendations have been implemented.

The Audit Committee also advises the Board of Management on the appointment of internal, regularity and financial statements auditors and their remuneration for both audit and non-audit work.

Finance and General Purposes

The Finance and General Purposes Committee is responsible for ensuring compliance with the Financial Memorandum and Financial Regulations. It recommends the annual budget to the Board and monitors actual performance against budget. The Committee also makes recommendations to the Board on matters relating to the development and management of its property and facilities. The Committee meets four times per year.

Learning and Teaching Committee

The Learning and Teaching Committee has overall responsibility for monitoring the direction and performance of learning and teaching and the quality of the learners experience at the College. The Committee meets four times per year.

Corporate Strategy

The Board of Management adopted the Code of Good Governance for Scotland's Colleges in January 2015. The Selection and Appointments Committee was strengthened during 2015-16, and is now the Board Development Committee. The remit of the Committee includes Board Member induction and training as well as Board Evaluation. An annual self-evaluation process has been established which includes a review of performance over the last 12 months, and an assessment of external and internal changes which are likely to impact on the Board in the next 12 months. Areas for development are identified and a Development Plan produced which is monitored throughout the year. Progress against the Development Plan is assessed as part of the following year's performance review.

A Board Strategic Session is included in the Board calendar each year.

Risk Management and Internal Control***Scope of Responsibility***

The Board of Management is ultimately responsible for the College's system of internal control and for reviewing its effectiveness. However, such a system is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The Board of Management has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for maintaining a sound system of internal control that supports the achievement of the College's policies, aims and objectives, whilst safeguarding the public funds and assets for which she is personally responsible, in accordance with the responsibilities assigned to her in the Financial Memorandum between Dumfries and Galloway College and the SFC. She is also responsible for reporting to the Board of Management any material weaknesses or breakdowns in internal control.

Accountability Report (continued)**Corporate Governance Report (continued)*****Purpose of the system of internal control***

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of College policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Dumfries and Galloway College for the period ended 31 July 2017 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Board of Management has reviewed the key risks to which the College is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Management is of the view that there is a formal ongoing process for identifying, evaluating and managing the College's significant risks that has been in place for the period ending 31 July 2017 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Board of Management.

Risk and control framework

The system of internal control is based on a framework of regular management information, administrative procedures including the segregation of duties, and a system of delegation and accountability. In particular, it includes:

- regular reviews by the governing body of periodic and annual financial reports which indicate financial performance against forecasts;
- setting targets to measure financial and other performance;
- clearly defined capital investment control guidelines;
- the adoption of formal project management disciplines, where appropriate.

The College manages the risks faced by adopting robust management practices. The planning processes, self-evaluation and sector review, and audit processes are designed to identify and manage risks. A detailed risk register is maintained and updated on a regular basis. The risk register is discussed at each meeting of the Audit Committee.

Dumfries and Galloway College has an internal audit service, the work of which is informed by an analysis of the risks to which the College is exposed, and annual internal audit plans are based on this analysis. The analysis of risks and the internal audit plans are endorsed by the Board of Management on the recommendation of the Audit Committee. On an annual basis, a report is provided to the Board of Management detailing internal audit activity in the College. The report includes the internal auditors' independent opinion on the adequacy and effectiveness of the College's system of risk management, controls and governance processes.

Risk Management and Internal Control***Review of effectiveness***

As Accounting Officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. Her review of the effectiveness of the system of internal control is informed by:

- the work of the internal auditors;
- the work of the senior managers within the College who have responsibility for the development and maintenance of the internal control framework;
- comments made by the College's financial statements auditors and the regularity auditors in their management letters and other reports.

Accountability Report (continued)**Corporate Governance Report (continued)**

The Principal has been advised on the implications of the results of her review of the effectiveness of the system of internal control by the Audit Committee, which oversees the work of the internal auditor, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The Executive Management Team receives reports setting out key performance and risk indicators and considers possible control issues brought to their attention by early warning mechanisms, which are embedded within the departments and reinforced by risk awareness training. The Executive Management Team and the Audit Committee also receive regular reports from the internal auditor, which include recommendations for improvement. The Audit Committee's role in this area is confined to a high-level review of the arrangements for internal control. The Board of Management's agenda includes a regular item for consideration of risk and control and receives reports thereon from the Executive Management Team and the Audit Committee. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception. At its December 2017 meeting, the Board of Management carried out the annual assessment for the period ended 31 July 2017 by considering documentation from the Executive Management Team and internal audit, and taking account of events since 31 July 2017.

Estates Strategy

The College has established an Estates Strategy for the period 2015-2020. The strategy provides a basis for developing and managing the estate to its maximum potential, to provide the College with a framework within which it can consider estates priorities in light of the College Strategic Plan and Regional Outcome Agreement.

Through the Estates Strategy the College aims to:

- provide flexible, fit for purpose accommodation to reflect modern curriculum delivery;
- continue to ensure efficient space utilisation;
- identify the need for rationalisation and disposal of assets which are surplus to requirements;
- maximise the value of the estate, looking at existing and alternative uses;
- establish and maintain clear routine, statutory and long term preventative maintenance plans;
- consider opportunities for effectiveness through shared services with our Crichton partners;
- ensure the space is fully accessible, meeting all ability needs;
- continue to reduce carbon emissions in line with the College's Climate Change Action Plan.

This strategy will be updated annually to reflect the development of the estate and to meet the changes in the wider environment.

Human Resources Strategy

The College has developed a five year human resources strategy to support the College's strategic plan Vision 2020. The strategy aims to achieve:

- an engaged, diverse, and high quality workforce;
- adaptable, flexible and innovative staff, teams and organisation;
- excellent leadership and management;
- a safe and healthy working environment.

Accountability Report (continued)**Corporate Governance Report (continued)****Corporate Governance Statement**

Dumfries and Galloway College is committed to exhibiting best practice in all aspects of corporate governance.

The Scottish Government have published a 'Code of Good Governance for Scotland's Colleges' which codifies the principles of good governance that already exist in colleges, and promotes accountability and continuous improvement in how colleges are governed. The Code establishes standards of good governance practice for all college boards and provides the essential foundations for compliance with the legislative framework set out by the further and higher education acts. The Board complies with the sector Board Development and Evaluation Framework.

The Board of Management of Dumfries and Galloway College adopted the 'Code of Conduct for Members' in June 2014. The Board also adopted the code of Good Governance for Scotland's Colleges in January 2015. The Regional Board complied with the 'College Sector Board Appointments: 2014 Ministerial Guidance' when appointing all non-executive board members.

The Board of Management supports the work being done by the College Sector Good Governance Steering Group.

Statement of full compliance with the Code of Good Governance for Scotland's Colleges

In the opinion of the Board of Management, the College complies with all the provisions of the Code of Good Governance for Scotland's Colleges, and it complied throughout the period ended 31 July 2017.

Following its self evaluation the Board has identified a number of areas for development. Key areas include:

- To ensure the Board has overarching leadership of performance monitoring
- To build on existing partnerships and collaboration by identifying and focusing new efforts on 'hard to reach' strategic stakeholders
- To ensure to make use of student members
- To harness skills of Board members and own contacts more
- To make staff more aware of Board e.g. presentation to staff
- To recruit members from vocational backgrounds
- To review the Board Member induction process

Going Concern

After making appropriate enquiries, the Board of Management considers that the College has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

Conclusion

The Audit Committee's opinion is that the College has an appropriate framework of internal control, and provides reasonable assurance regarding the effective and efficient deployment of resources to achieve the College aims.

Approved by order of the members of the Board on 12 December 2017 and signed on its behalf by:

Brian Johnstone
Chairman

Carol Turnbull
Principal

Statement of the Board of Management's Responsibilities

The Board of Management is required to present audited financial statements for each year.

In accordance with the Further and Higher Education (Scotland) Act 1992, the Board of Management is responsible for the administration and management of the College's affairs, including ensuring an effective system of internal control, and is required to present audited financial statements for each financial year.

The Board of Management is responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the College and enable it to ensure that the financial statements are prepared in accordance with the Further and Higher Education (Scotland) Act 1992, the 2015 Statement of Recommended Practice Accounting for further and higher education, the 2015-16 Government Financial Reporting Manual (FReM) issued by the Scottish Government, and other relevant accounting standards. In addition, within the terms and conditions of a Financial Memorandum agreed between the Scottish Funding Council and the College's Board of Management, the Board of Management, through its designated office holder, is required to prepare financial statements for each financial year which give a true and fair view of the College's state of affairs and of the surplus or deficit and cash flows for that year.

In preparing the financial statements, the Board of Management has ensured that:

- Suitable accounting policies are selected and applied consistently;
- Judgements and estimates are made that are reasonable and prudent;
- Applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Financial statements are prepared on the going concern basis unless it is inappropriate to presume that the College will continue in operation. The Board of Management is satisfied that it has adequate resources to continue in operation for the foreseeable future and for this reason the going concern basis continues to be adopted in the preparation of the financial statements.

The Board of Management has taken reasonable steps to:

- Ensure that funds from the Scottish Funding Council are used only for the purposes for which they have been given and in accordance with the Financial Memorandum with the Funding Council and any other conditions which the Funding Council may from time to time prescribe;
- Ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources;
- Safeguard the assets of the College and prevent and detect fraud;
- Secure the economical, efficient and effective management of the College's resources and expenditure.

Statement of the Board of Management's Responsibilities (continued)

The key elements of the College's system of internal financial control, which is designed to discharge the responsibilities set out above, include the following:

- Clear definitions of the responsibilities of, and the authority delegated to, heads of academic and administrative departments;
- A comprehensive medium and short-term planning process, supplemented by detailed annual income, expenditure, capital and cash flow budgets;
- Regular reviews of key performance indicators and business risks and quarterly reviews of financial results involving variance reporting and updates of forecast outturns;
- Clearly defined and formalised requirements for approval and control of expenditure, with investment decisions involving capital or revenue expenditure being subject to formal detailed appraisal and review according to approval levels set by the Board of Management;
- Comprehensive Financial Regulations, detailing financial controls and procedures, approved by the Audit Committee and the Finance and General Purposes Committee;
- Professional internal audit team whose annual programme is approved by the Audit Committee and endorsed by the Board of Management and whose head provides the Board of Management with a report on internal audit activity within the College and an opinion on the adequacy and effectiveness of the College's system of internal control, including internal financial control.

Any system of internal financial control can, however, only provide reasonable, but not absolute, assurance against material misstatement or loss.

Data Security

There were no data security related incidents during 2016-17.

Approved by order of the members of the Board on 12 December 2017 and signed on its behalf by:

Brian Johnstone
Chairman

Remuneration and Staff Report

Introduction

The College is required to prepare and publish within its financial statements an annual Remuneration Report under the 2016-17 Government Financial Reporting Manual (FReM) issued by the Scottish Government, which is relevant for the financial period ending 31 July 2017.

The report sets out the remuneration and accrued pension benefits of the Senior College Executives, which comprises the Chairman of the Regional Board, College Principal and Executive Management Team. The Chairman of the Regional Board and College Principal are the only two members of the Regional Board who receive remuneration in respect of their post, and as Board members have responsibility for directing the major activities of the College during the period in accordance with the FReM.

The report also provides information on the number of College employees, including Executive Management Team members, whose total actual remuneration was £60,000 or more, this information being disclosed in salary bandings of £5,000 above £60,000. The following report has been prepared in accordance with the aforementioned Regulations.

The College's External Auditor is required to audit certain parts of the remuneration report and give a separate opinion in his report on the Statement of Accounts as to whether the Remuneration Report has been properly prepared in accordance with the Regulations. All the tables in this report are subject to audit except those relating to Staff Members Allowances and Expenses.

Remuneration Policy

The remuneration of the Regional College Chair is set by the Scottish Government, and is a non-pensionable post.

The Remuneration Committee is responsible for making recommendations to the Board on the remuneration, terms and conditions (and, where appropriate severance payments) of the Principal, members of the Executive Management Team and the Secretary to the Board. The Committee meets at least once per year. Details of the remuneration of senior post-holders for the period ended 31 July 2017 are set out in note 8 to the financial statements.

Remuneration including salary entitlements

Remuneration of the Executive Management Team is set out in note 8 of the financial statements.

The College's employees receiving more than £60,000 remuneration during the period covered by the financial statements are shown below. This information is disclosed in salary bandings of £5,000 above £60,000 or more.

	12 Month period ended 31 July 2017		12 Month period ended 31 July 2016	
	Number senior post- holders	Number other staff	Number senior post-holders	Number other staff
£60,001 to £65,000	0	0	3	0
£65,001 to £70,000	1	0	0	0
£70,001 to £75,000	0	0	0	0
£75,001 to £80,000	0	0	0	0
£80,001 to £85,000	0	0	0	0
£85,001 to £90,000	0	0	0	0
£90,001 to £95,000	0	0	1	0
£95,001 to £100,000	1	0	0	0
£100,001 to £105,000	0	0	0	0
£105,001 to £110,000	0	0	0	0
£110,001 to £115,000	0	0	0	0
£115,001 to £120,000	0	0	0	0
£120,001 to £125,000	0	0	0	0
	2	0	4	0

Remuneration and Staff Report (continued)

During the period, the College made no non-cash benefits available to staff (2015-16 - none).

Median Remuneration

Based on the 12 month figures above, the banded remuneration of the highest paid official in the organisation during the financial year 2016-17 was £95,000. (2015-16 - £95,000). This was 3.8 times (2015-16 - 4 times) the median remuneration of the workforce which was £25,000 (2015-16 £24,000).

Salary entitlements

The following table provides detail of the remuneration and pension interests of Senior Executives.

Name	12 months ended 31 July 2017			12 months ended 31 July 2016		
	Actual			Actual		
	Salary	Pension benefit *	Total	Salary	Pension benefit	Total
	£'000	£'000	£'000	£'000	£'000	£'000
B. Johnstone	20-25	0	20-25	15-20	0	15-20
C. Turnbull	90-95	45-50	140-145	90-95	45-50	140-145
J. Brown (1)	45-50	50-55	100-105	60-65	25-30	85-90
A. Glen (2)	10-15	0-5	10-15	0	0	0
H. Pedley	65-70	60-65	125-130	60-65	25-30	85-90
S.A. Wright	55-60	10-15	70-75	60-65	50-55	115-120

** Pension Benefits are calculated as real increase in pension multiplied by 20 plus the real increase in any lump sum less the contributions made by the individual.*

(1) J Brown left the Executive Management Team on 12.04.17. Her full time equivalent salary was in the £60k-£65k band.

(2) A Glen joined the Executive Management team on 29.05.17. His full-time equivalent salary was in the £60k-£65k band.

The salary and pension benefits above are shown in bands of £5,000 in accordance with the 2016-17 Government Financial Reporting Manual.

Pension benefits for all College employees are provided through the Scottish Teacher's Superannuation Scheme (STSS), a defined benefit scheme which is externally funded and contracted-out of State Earnings-Related Pension Scheme and the Local Government Pension Scheme (LGPS) Dumfries and Galloway Pension Fund.

The Pension Benefits noted above include benefits from the Local Government Pension Scheme for four Senior Executives, and the Scottish Teachers Superannuation Scheme for one Senior Executive.

Contribution rates for both pension schemes are set annually for all employees, as set out at note 19.

Remuneration and Staff Report (continued)**Changes to the Local Government Pension Scheme**

Changes were made to the LGPS scheme from 1 April 2015. The pension after that date for members will be calculated on a career average basis, and the pension age will align with the state retirement age.

Scheme members will be able to choose to leave the scheme and draw their pension from state retirement age, or choose to work longer. Pension benefits would be reduced if the member retires before the state retirement age, and increased if they choose to work longer.

There is no automatic entitlement to a lump sum for LGPS scheme members. Members may opt to give up (commute) a pension for lump sum up to the limit set up by the Finance Act 2004. The actual rate guarantees a pension based on the pensionable salary and years of pensionable service.

Pension benefits built up by members in the scheme up to 31 March 2015 are protected, and will still be based on their final salary on leaving and the state retirement age in the current scheme. Member benefits build up in the new way from April 2015.

Senior Executives Pension

Pension benefits are provided to Senior Executives on the same basis as all other staff. The accrued pension benefits for senior officials are set out in the table below, together with pension contributions made by the College.

Name	Accrued pension at pension age at 31 July 2017 £'000	Accrued lump sum at pension age at 31 July 2017 £'000	Real increase in pension 1 August 2016 to 31 July 2017 £'000	Real increase in lump sum 1 August 2016 to 31 July 2017 £'000	CETV at 31 July 2017 £'000	CETV at 31 July 2016 £'000	Real increase in CETV £'000
B. Johnstone	0	0	0	0	0	0	0
C. Turnbull	35-40	70-75	2.5-5	0-2.5	829	742	87
J. Brown (1) - see above	25-30	60-65	2.5-5	2.5-5	649	570	79
A. Glen (2) - see above	0-5	0	0-2.5	0	2	0	2
H. Pedley	25-30	55-60	2.5-5	2.5-5	461	390	71
S.A. Wright	20-25	70-75	0-2.5	0-2.5	486	449	37

Cash Equivalent Transfer Value

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time.

The value of the accrued pension benefits has been calculated on the basis of the age at which the person will first become entitled to receive a pension on retirement without reduction on account of its payment at that age; without exercising any option to commute pension entitlement into a lump sum; and without any adjustment for the effects of future inflation. The pension figures shown relate to the benefits that the person has accrued as a consequence of their total service and not just their current appointment.

In considering the accrued pension benefits figures the following contextual information should be taken into account:

- The figures for pension and lump sum are illustrative only in light of the assumptions set out above and do not necessarily reflect the actual benefits that any individual may receive upon retirement:
- The accrued benefits figures are reflective of the pension contributions that both the employer and scheme member have made over a period of time.

Real increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Remuneration and Staff Report (continued)**Compensation for loss of office**

14 employees left under voluntary exit/ early retirement terms during the year. The table below summarises the exit packages for those staff. It includes payments made to staff and the accrued pension cost of added years.

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
< £10,000	0	4	4
£10,000-£25,000	0	7	7
£25,000-£50,000	0	3	3
Total number of exit packages	0	14	14
Total cost (£)	0	£264,741	£264,741

Exit packages

No Board member or senior manager left under voluntary or compulsory exit schemes in 2016-17 (2015-16 - none)

Staff Report

The Staff Report contains information relating to staff costs and staff numbers.

Staff Costs

Staff costs for the year were as follows:

	Directly employed staff £'000	Seconded and agency staff £'000	2016-17 Total £'000	Directly employed staff £'000	Seconded and agency staff £'000	2015-16 Total £'000
Wages and salaries	6,372	40	6,412	6,140	46	6,186
Social security costs	561	0	561	457	0	457
Other pension costs	1,595	0	1,595	1,372	0	1,372
Total	8,528	40	8,568	7,969	46	8,015

Average number of FTE	215	1.5	216.5	213	1.5	214.5
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The College employed 198 females and 120 males as at 31 July 2017. Of the four College Senior Executives at July 2017, two are male and two are female.

Sickness Absence

The total number of days lost per full-time equivalent (FTE) to sickness absence during 2016-17 was 8 days, which has increased from 6.4 days in 2015-16.

Equality, Diversity and Inclusion

Dumfries and Galloway College is committed to the provision of equal opportunities in all aspects of College life. We welcome students and staff from all backgrounds and aim to provide equal services to all our students and staff, and believe in human rights for all connected with the organisation and all members of the community. We are committed to the fulfilment of all agreements and acts, which may have implications for our role in training and education.

All individuals within Dumfries and Galloway College have a responsibility for compliance with legislation and for a positive attitude towards equal opportunities. All external persons connected to Dumfries and Galloway College will be encouraged to hold the same responsibilities and commitment.

The College actively seek to advance equality of opportunity, foster good relations and eliminate discrimination, harassment and victimisation because of the protected characteristics of: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation and marriage & civil partnership.

Remuneration and Staff Report (continued)**Equality, Diversity and Inclusion (continued)**

Under the Equality Act (2010) and the Public Sector Equality Duty, the College, in the exercise of its functions, has a general duty to have regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010;
- Advance equality of opportunity between people of different groups; and
- Foster good relations between people from different groups, tackling prejudice and promoting understanding between people from different groups.

In addition to the general duty, the College has a specific duty to:

- Report progress on mainstreaming the public sector duty;
- Publish equality outcomes and report progress;
- Assess and review policies and practices (impact assessment);
- Gather and use employee information;
- Publish statements on equal pay;
- Consider award criteria and conditions in relation to public procurement; and
- Publish in a manner which is accessible.

The above reports are available on the College website.

The College has reviewed the initial equality outcomes, which centred on culture and embedding equality and diversity across the College, including the Board of Management and the College Leadership Team and throughout the College. An Access and Inclusion Strategy has been produced, which supports Vision 2020 and the Regional Outcome Agreement. Training for staff will continue with the introduction of a revised e-learning module, and all Board members have Equality and Diversity training as part of their induction.

A number of other measures taken include equality data monitoring, devising a suite of equality reports for learners and monitoring through learner voices', and gender imbalance events across courses in the College.

New outcomes have been devised for 2017-21. The outcomes are aligned to key strategic documents and national priorities including the Outcome Agreement with SFC, the College Strategic Plan, Education Scotland and the Public Sector Equality Duty:

Equality Outcome 1

The College's gender pay gap will be reduced by addressing the causes of gender inequality to create a more equal and balanced workforce with both men and women being more equally represented at all levels of the organisation.

Equality Outcome 2

Opportunities will be created in targeted curriculum areas to address gender imbalance and stereotyping. The College will aim to eliminate barriers to subject choice and therefore enable learners to maximise their education and employment opportunities.

Equality Outcome 3

Learners' successful completion regardless of protected characteristics is increased.

Remuneration and Staff Report (continued)

Equality, Diversity and Inclusion (continued)

Equality Outcome 4

The College designs and delivers programmes and services to meet the needs of learners from all backgrounds and circumstances.

The College is establishing an Equality and Diversity Committee, which will lead on taking forward the Outcomes and devising action plans to support them. A report detailing progress in achieving the outcomes will be published in 2019 and 2021.

Approved by order of the members of the Board on 12 December 2017 and signed on its behalf by:

Brian Johnstone
Chairman

Carol Turnbull
Principal

DRAFT Independent auditor's report to the members of the Board of Management of Dumfries and Galloway College the Auditor General for Scotland and the Scottish Parliament

This report is made solely to the parties to whom it is addressed in accordance with the Public Finance and Accountability (Scotland) Act 2000 and for no other purpose. In accordance with paragraph 120 of the Code of Audit Practice approved by the Auditor General for Scotland, we do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Report on the audit of the financial statements

Opinion on financial statements

We have audited the financial statements in the annual report and accounts of Dumfries and Galloway College for the year ended 31 July 2017 under the Further and Higher Education (Scotland) Act 1992 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. The financial statements comprise the Statement of Comprehensive Income, Statement of Changes in Reserves, Balance Sheet, and Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the accompanying financial statements:

- give a true and fair view in accordance with the Further and Higher Education (Scotland) Act 1992 and directions made thereunder by the Scottish Funding Council of the state of the college's affairs as at 31 July 2017 and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Further and Higher Education (Scotland) Act 1992 and directions made thereunder by the Scottish Funding Council, the Charities and Trustee Investment (Scotland) Act 2005, and regulation 14 of The Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis of opinion

We conducted our audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the college in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the college has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about its ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Responsibilities of the Board of Management for the financial statements

As explained more fully in the Statement of the Board of Management's Responsibilities, the Board of Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Board of Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Management is responsible for assessing the college's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless deemed inappropriate.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to achieve reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other information in the annual report and accounts

The Board of Management is responsible for the other information in the annual report and accounts. The other information comprises the information other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon except on matters prescribed by the Auditor General for Scotland to the extent explicitly stated later in this report.

In connection with our audit of the financial statements in accordance with ISAs (UK), our responsibility is to read all the other information in the annual report and accounts and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Report on regularity of expenditure and income

Opinion on regularity

In our opinion in all material respects the expenditure and income in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers.

Responsibilities for regularity

The Board of Management is responsible for ensuring the regularity of expenditure and income. We are responsible for expressing an opinion on the regularity of expenditure and income in accordance with the Public Finance and Accountability (Scotland) Act 2000.

Report on other requirements

Opinion on other prescribed matters

We are required by the Auditor General for Scotland to express an opinion on the following matters.

In our opinion, the audited part of the Remuneration and Staff Report has been properly prepared in accordance with the Further and Higher Education (Scotland) Act 1992 and directions made thereunder by the Scottish Funding Council.

In our opinion, based on the work undertaken in the course of the audit

- the information given in the Performance Report for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Further and Higher Education (Scotland) Act 1992 and directions made thereunder by the Scottish Funding Council; and
- the information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Further and Higher Education (Scotland) Act 1992 and directions made thereunder by the Scottish Funding Council.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the college and its environment obtained in the course of the audit, we have not identified material misstatements in the Performance Report or Governance Statement.

We are required by The Charities Accounts (Scotland) Regulations 2006 to report to you if, in our opinion

- adequate accounting records have not been kept; or
- the financial statements and the audited part of the Remuneration and Staff Report are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

David Eardley, (for and on behalf of Scott Moncrieff)

Exchange Place 3
Semple Street
Edinburgh
EH3 8BL

David Eardley is eligible to act as an auditor in terms of section 21 of the Public Finance and Accountability (Scotland) Act 2000

Statement of Comprehensive Income

	Note	Year ended 31 July 2017 £000	Year ended 31 July 2016 £000
INCOME			
SFC grants	2	10,074	9,909
Tuition fees and education contracts	3	1,808	1,719
Other grant income	4	142	395
Other operating income	5	422	422
Endowment and investment income	6	4	11
Total Income		12,450	12,456
EXPENDITURE			
Staff costs excluding exceptional costs	7	8,718	7,969
Fundamental restructuring costs		265	0
Other operating expenses	9	3,051	3,930
Depreciation	12	1,195	1,197
Interest and other finance costs	10	186	193
Total Expenditure		13,415	13,289
(Deficit)/ Surplus before other gains and losses		(965)	(833)
(Loss) on disposal of fixed assets		(15)	0
(Deficit)/ Surplus for the year		(980)	(833)
Actuarial (loss) in respect of pension schemes	19	(101)	(1,825)
Total comprehensive income for the year		(1,081)	(2,658)
Represented by:			
Unrestricted comprehensive income for the year		(1,081)	(2,658)

All items of income and expenditure relate to continuing activities.

The Statement of Comprehensive Income is prepared under the FE/ HE SORP. Colleges are also subject to Central Government accounting rules but the FE/ HE SORP does not permit colleges to include Government non-cash allocations for depreciation in the Statement of Comprehensive Income. Note 9 provides details of the adjusted operating position on a Central Government accounting basis.

The adjusted operating position on a Central Government accounting basis, after taking account of the non-cash pension adjustments, is a small surplus.

Statement of Changes in Reserves for the year ended 31 July 2017

	Income and expenditure reserve	Revaluation reserve	Total
	£000	£000	£000
Balance at 1 August 2015	2,322	4,565	6,887
Surplus/ (Deficit) from the income and expenditure statement	(833)	0	(833)
Other comprehensive income	(1,825)	0	(1,825)
Transfers between revaluation and income and expenditure reserve	144	(144)	0
Release of restricted capital funds spent in period	0	0	0
	<u>(2,514)</u>	<u>(144)</u>	<u>(2,658)</u>
Balance at 1 August 2016	(192)	4,421	4,229
Surplus/ (Deficit) from the income and expenditure statement	(980)	0	(980)
Other comprehensive income	(101)	0	(101)
Transfers between revaluation and income and expenditure reserve	277	(277)	0
	<u>(804)</u>	<u>(277)</u>	<u>(1,081)</u>
Total comprehensive income for the year	(804)	(277)	(1,081)
	<u>(996)</u>	<u>4,144</u>	<u>3,148</u>
Balance at 31 July 2017	(996)	4,144	3,148

Balance Sheet as at 31 July 2017

	Note	Year ended 31 July 2017 £000	Year ended 31 July 2016 £000
Non-current assets			
Fixed assets	12	<u>35,557</u>	<u>36,756</u>
Current Assets			
Trade and other receivables	13	422	511
Cash and cash equivalents	14	<u>1,633</u>	<u>1,947</u>
Total current assets		2,055	2,458
Less: Creditors - amounts falling due within one year	15	<u>(2,807)</u>	<u>(2,984)</u>
Net Current Assets/ (Liabilities)		<u>(752)</u>	<u>(526)</u>
Total Assets less Current Liabilities		34,805	36,230
Less: Creditors - amounts falling due after more than one year	16	(22,619)	(23,710)
Provisions			
Pension provisions	17	<u>(9,038)</u>	<u>(8,291)</u>
Total net assets		<u><u>3,148</u></u>	<u><u>4,229</u></u>
Unrestricted Reserves			
Income and expenditure reserve - unrestricted		(996)	(192)
Revaluation reserve		4,144	4,421
Total reserves		<u><u>3,148</u></u>	<u><u>4,229</u></u>

The financial statements on pages 32 to 55 were approved by the Board of Management on 12 December 2017 and were signed on its behalf by:

Brian Johnstone
Chairman

Carol Turnbull
Principal

Statement of Cash Flows for the year ended 31 July 2017

	Note	Year ended 31 July 2017	Year ended 31 July 2016
		£000	£000
Cash flow from operating activities			
(Deficit)/ Surplus for the period		(980)	(833)
Adjustment for non-cash items			
Depreciation		1,195	1,197
Decrease/ (increase) in debtors		115	(214)
(Decrease)/ increase in creditors		(1,264)	(817)
Increase/ (decrease) in pension provision		641	460
Increase/ (decrease) in other provisions		0	(9)
Adjustment for investing or financing activities			
Investment income		5	0
(Loss)/ Profit on sale of fixed assets		(15)	0
Net cash (Outflow)/ Inflow from operating activities		(303)	(216)
Cash flows from investing activities			
Proceeds from sales of fixed assets		120	0
Investment income		0	0
Payments to acquire fixed assets		(131)	0
		(11)	0
Cash flows from financing activities			
Interest paid		0	0
Repayments of amounts borrowed		0	0
		0	0
(Decrease)/ increase in cash and cash equivalents in the period		(314)	(216)
Cash and cash equivalents at beginning of the period		1,947	2,163
Cash and cash equivalents at end of the period		1,633	1,947

Notes to the Financial Statements**1. Statement of Accounting Policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

1.1 Basis of preparation

These financial statements have been prepared in accordance with the Statement of Recommended Accounting Practice (SORP) 2015: 'Accounting in Further and Higher Education'; the Financial Reporting Standards FRS 102 and the 2016-17 Government Financial Reporting Model (FReM) issued by the Scottish Government and in accordance with applicable Accounting Standards. They conform to the Accounts Direction and other guidance issued by the Scottish Funding Council.

The College is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS 102.

The financial statements are prepared under the historical cost convention, modified by the revaluation of certain fixed assets.

The accounting policies contained in the FReM apply International Reporting Standards as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the College for the purposes of giving a true and fair view has been selected. The particular policies adopted by the College in dealing with items that are considered material to the financial statements are set out below.

1.2 Recognition of income

Income from the sale of goods or services is credited to the Statement of Comprehensive Income and Expenditure when the goods or services are supplied to the external customers or the terms of the contract have been satisfied.

Fee income is stated gross of any expenditure which is not a discount and credited to the Statement of Comprehensive Income and Expenditure over the period in which students are studying. Where the amount of the tuition fee is reduced, by a discount for prompt payment, income receivable is shown net of the discount.

All income from short-term deposits and investment income is credited to the statement of income and expenditure on a receivable basis.

The College acts as paying agent on behalf of two funding bodies - the Scottish Funding Council and the Student Awards Agency for Scotland - in the collection and payment of certain Student Support Funds. Where the College is exposed to minimal risk or enjoys minimal economic benefit related to the transaction, those funds are excluded from the income and expenditure of the College.

Where the College has more discretion in the manner in which specific funds are disbursed, and those funds do not meet the definition of agency funds, those funds are shown as College income and expenditure.

Grant funding

Government revenue grants including the recurrent grants from the Scottish Funding Council (SFC) are recognised in income over the periods in which the College recognises the related costs for which the grant is intended to compensate. Where part of a government grant is deferred it is recognised as deferred income within creditors and allocated between creditors due within one year and due after more than one year as appropriate.

Grants from non government sources are recognised in income when the College is entitled to the income and performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the balance sheet and released to income as the conditions are met.

Notes to the Financial Statements (continued)**1. Statement of Accounting Policies (continued)****1.2 Recognition of income (continued)*****Donations and endowments***

Non exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor imposed restrictions are recognised in income when the College is entitled to the funds. Income is retained within the restricted reserve until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

Donations with no restrictions are recognised in income when the College is entitled to the funds.

Investment income and appreciation of endowments is recorded in income in the year in which it arises and as either restricted or unrestricted income according to the terms of the restriction applied to the individual endowment fund.

Four main types of donations and endowments are identified within reserves:

1. Restricted donations - the donor has specified that the donation must be used for a particular objective.
2. Unrestricted permanent endowments - the donor has specified that the fund is to be permanently invested to generate an income stream for the general benefit of the College.
3. Restricted expendable endowments - the donor has specified a particular objective other than the purchase or construction of tangible fixed assets, and the College has the power to use the capital.
4. Restricted permanent endowments - the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

Capital grants

Government capital grants are recognised in income over the expected useful life of the asset. Other capital grants are recognised in income when the College is entitled to the funds subject to any performance related conditions being met.

1.3 Fixed assets

In line with FReM all tangible assets must be carried at fair value. Where parts of a fixed asset have different useful lives, they are accounted for as separate items of fixed assets.

Land and buildings

Land and buildings are measured using the revaluation model. Under the revaluation model, assets are revalued to fair value. Where appropriate Depreciated Replacement cost has been used as a measure of fair value for land and buildings otherwise Market Value will be used. The College has a policy of ensuring a full revaluation takes place at least every 5 years such that the fair value is not materially different to the current value. Depreciation and impairment losses are subsequently charged on the revalued amount.

Finance costs, which are directly attributable to the construction of land and buildings, are not capitalised as part of the cost of those assets.

Costs incurred in relation to land and buildings after initial purchase or construction, and prior to valuation, are capitalised to the extent that they increase the expected future benefits to the College.

If a building is brought into use mid-way through a year the depreciation charge in the first year will be pro-rated to reflect the number of months that the asset was in use.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying amount of any fixed asset may not be recoverable.

Notes to the Financial Statements (continued)**1. Statement of Accounting Policies (continued)****1.3 Fixed assets (continued)**

Assets under construction are accounted for at cost, based on the value of architects' certificates and other direct costs, incurred to 31 July 2017. They are not depreciated until they are brought into use.

Freehold land is not depreciated as it is considered to have an indefinite useful life. Freehold buildings are depreciated on a straight line basis over their expected useful lives.

The expected useful life of buildings can vary from 10 to 50 years as determined by professional opinion and valuation.

Equipment

Equipment, including computers and software, costing less than £10,000 per individual item and motor vehicles costing less than £5,000 are recognised as expenditure. All other equipment is capitalised and depreciated in accordance with the depreciation policy.

Capitalised equipment is depreciated over its useful economic life as follows:

Buildings	10 to 50 years
Fixtures and fittings	10 years
Computer equipment	3 years
Other equipment	5 years
Motor vehicles	5 years

Where equipment is brought into use mid-way through a year the depreciation charge in the first year will be prorated to reflect the number of months that the asset was in use.

Depreciation methods, useful lives and residual values are reviewed at the date of preparation of each Balance Sheet.

Borrowing costs

Borrowing costs are recognised as expenditure in the period in which they are incurred.

1.4 Finance leases

Leases in which the College assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. Leased assets acquired by way of finance lease and the corresponding lease liabilities are initially recognised at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

1.5 Operating leases

Costs in respect of operating leases are charged on a straight-line basis over the lease term. Any lease premiums or incentives are spread over the minimum lease term.

1.6 Cash and cash equivalents

Cash includes cash in hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are in practice available within 24 hours without penalty.

Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

Notes to the Financial Statements (continued)**1. Statement of Accounting Policies (continued)****1.7 Taxation**

The College is an exempt charity within the meaning of the Trustee Investment and Charities (Scotland) Act 2005 and as such, is a charity within the meaning of Section 506 (1) of the Income and Corporation Taxes Act 1988. The College is recognised as a charity by HM Revenue and Customs and is recorded on the index of charities maintained by the Office of Scottish Charity Regulator. It is therefore a charity within the meaning of Para 1 of schedule 6 to the Finance Act 2010 and accordingly, the College is potentially exempt from taxation in respect of income or capital gains received within categories covered by section 478-488 of the Corporation Tax Act 2010 (CTA 2010) or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied to exclusively charitable purposes.

The College receives no similar exemption in respect of Value Added Tax (VAT). Irrecoverable VAT on inputs is included in costs of such inputs. Any irrecoverable VAT allocated to fixed assets is included in their cost.

1.8 Accounting for retirement benefits

All new College employees have the option of joining a pension scheme. The schemes currently open to new members are the Scottish Teachers' Superannuation Scheme and the Dumfries and Galloway Council Pension Fund. Both of the schemes are defined benefit schemes, which are externally funded and contracted out of the State Second Pension (S2P).

Scottish Teachers' Superannuation Scheme

The Scottish Teachers' Superannuation Scheme (STSS) pension scheme provides benefits based on career average salaries. The assets of the scheme are held separately from those of the College. The STSS is a multi-employer scheme for which it is not possible to identify the assets and liabilities to College members due to the mutual nature of the scheme and therefore this scheme is accounted for as a defined contribution retirement benefit scheme.

Dumfries and Galloway Council Pension Fund

The Dumfries and Galloway Council Pension Fund is a pension scheme providing benefits based on career average salaries. The assets and liabilities of the scheme are held separately from those of the College.

Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement in the periods during which services are rendered by employees.

Defined Benefit Plan

Defined benefit plans are post-employment benefit plans other than defined contribution plans. Under defined benefit plans, the College's obligation is to provide the agreed benefits to current and former employees, and actuarial risk (that benefits will cost more or less than expected) and investment risk (that returns on assets set aside to fund the benefits will differ from expectations) are borne, in substance, by the College. The College should recognise a liability for its obligations under defined benefit plans net of plan assets. This net defined benefit liability is measured as the estimated amount of benefit that employees have earned in return for their service in the current and prior periods, discounted to determine its present value, less the fair value (at bid price) of plan assets. The calculation is performed by a qualified actuary using the projected unit credit method. Where the calculation results in a net asset, recognition of the asset is limited to the extent to which the College is able to recover the surplus either through reduced contributions in the future or through refunds to the extent to which the College is able to recover the surplus either through reduced contributions in the future or through refunds.

Notes to the Financial Statements (continued)**1. Statement of Accounting Policies (continued)****1.9 Employment benefits**

Short term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employees render service to the College. Any unused benefits are accrued and measured as the additional amount the College expects to pay as a result of the unused entitlement.

1.10 Financial Instruments

The College does not hold any complex financial instruments. The only financial instruments included in the financial statements are financial assets in the form of cash and cash equivalents as well as trade receivables and other current assets and financial liabilities in the form of trade receivables and other current liabilities.

All material amounts of trade receivables and other current assets due at 31 July 2017 have been brought into the Statement of Comprehensive Income irrespective of when actual payments were received.

All material amounts of trade payables and other current liabilities outstanding at 31 July 2017 have been brought into the Statement of Comprehensive Income irrespective of when actual payments were made.

1.11 Provisions, contingent liabilities and contingent assets

Provisions are recognised in the financial statements when:

- (a) the College has a present obligation (legal or constructive) as a result of a past event;
- (b) it is probable that an outflow of economic benefits will be required to settle the obligation; and
- (c) a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

A contingent liability arises from a past event that gives the College a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the College. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

A contingent asset arises where an event has taken place that gives the College a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the College.

Contingent assets and liabilities are not recognised in the Balance Sheet but are disclosed in the notes.

1.12 Reserves

Reserves are classified as restricted or unrestricted. Restricted endowment reserves include balances which, through endowment to the College, are held as a permanently restricted fund which the college must hold in perpetuity.

Other restricted reserves include balances where the donor has designated a specific purpose and therefore the college is restricted in the use of these funds.

Notes to the Financial Statements (continued)

	Year ended 31 July	Year ended 31 July
	2017	2016
	£000	£000
2 SFC Grants		
FE recurrent grant (including fee waiver)	8,620	8,327
FE and HE childcare funds	259	279
Release of deferred capital grants	671	672
Infrastructure grant	459	379
Other SFC grants	65	252
Total	10,074	9,909
3 Tuition Fees and education contracts		
FE fees - UK	428	411
HE fees	742	749
SDS contracts	301	333
Education contracts	0	0
Other contracts	337	226
Total	1,808	1,719
4 Other grant income		
European funds	0	0
Release of deferred capital grants	87	87
Scottish Colleges Foundation grant (Note 9)	24	286
Other grants	31	22
Total	142	395
5 Other operating income		
Residences and catering	373	375
Other income-generating activities	16	19
Other income	33	28
Total	422	422

Notes to the Financial Statements (continued)

	Year ended 31 July	Year ended 31 July
	2017	2016
	£000	£000
6 Endowment and investment income		
Bank interest	<u>4</u>	<u>11</u>
7 Staff costs		
Wages and salaries	6,372	6,140
Social security costs	561	457
Other pension costs (including IAS 19 adjustments of £455k (2016 - £271k) note 19)	<u>1,595</u>	<u>1,372</u>
Total pay costs	8,528	7,969
Other employee related non-pay costs	<u>190</u>	<u>130</u>
Total staff costs excluding exceptional costs	8,718	8,099
Exceptional costs - severance costs	<u>265</u>	<u>0</u>
Staff costs including exceptional costs	<u><u>8,983</u></u>	<u><u>8,099</u></u>
Academic/ Teaching departments	4,338	4,055
Academic/ Teaching services	1,017	929
Administration and central services	2,874	2,510
Premises	420	363
Other expenditure	144	112
Catering and residences	0	0
Other employee related non-pay costs	<u>190</u>	<u>130</u>
Total	<u><u>8,983</u></u>	<u><u>8,099</u></u>

The average number of full-time equivalent employees, including higher paid employees, during the year was:

	No.	No.
Academic/ Teaching departments	88	86
Academic/ Teaching services	21	21
Administration and central services	89	89
Premises	14	14
Other expenditure	3	3
Catering and residences	<u>0</u>	<u>0</u>
Total	<u><u>215</u></u>	<u><u>213</u></u>

Notes to the Financial Statements (continued)

7 Staff costs (continued)

The number of staff, including senior post-holders and the Principal, who received total annual emoluments (excluding pension contributions and compensation for loss of office) in the following ranges were:

	Year ended 31 July 2017		Year ended 31 July 2016	
	Number senior post-holders	Number other staff	Number senior post-holders	Number other staff
£60,001 to £70,000 per annum	1	0	3	0
£70,001 to £80,000 per annum	0	0	0	0
£80,001 to £90,000 per annum	0	0	0	0
£90,001 to £100,000 per annum	1	0	1	0
	2	0	4	0

8 Senior post-holders' emoluments

The number of senior post-holders, including the Principal was:

2017 No.	2016 No.
4	4

Senior post-holders' emoluments are made up as follows:

	Year ended 31 July 2017	Year ended 31 July 2016
	£	£
Salaries	278,494	278,845
Pension contributions	54,174	54,622
Total emoluments	332,668	333,467

The above emoluments include amounts payable to the Principal, who is also the highest paid senior post-holder, of:

	£	£
Salary (including holiday pay)	95,000	93,785
Pension contributions	19,285	19,038

The Principal and two other senior post-holder were members of the Local Government Pension Scheme and one senior post-holder was a member of the Scottish Teachers' Superannuation Scheme. All pension contributions were paid at the same rate as for other members of staff.

The members of the Board of Management, other than the Principal, Regional Chairman, and staff members, did not receive any payment from the College other than the reimbursement of travel and subsistence expenses incurred in the course of their duties. Travel expenses reimbursed to six members of the Board of Management during the year amounted to £1,184.

Notes to the Financial Statements (continued)

	Year ended 31 July 2017	Year ended 31 July 2016
9 Other operating expenses	£000	£000
Teaching departments	872	1,003
Administration and central services	1,041	1,087
Premises costs (including additional Lennartz credit £72,000. 2016 - £170,000, note 16)	489	572
Planned maintenance	231	713
Agency Staff Costs	39	46
Residences and catering	379	379
Overspend on student support funds	0	0
	3,051	3,800
Transfer to Arms Length Foundation	0	0
Total	3,051	3,800
Other operating costs include:		
Auditors' remuneration		
- external audit of these financial statements	16	15
- internal audit services *	20	14
- other services	0	5
Hire of plant and machinery - operating leases	76	84

* Two different professional firms provide External Audit and Internal Audit services.

Non-cash allocation

Following reclassification, colleges received additional non-cash budget to cover depreciation but this additional budget is not recognised under the FE/ HE SORP accounting rules. As a result, colleges show a deficit equivalent to net depreciation (where funds are spend on revenue items) in order to meet Government accounting rules and the requirement to spend the entire cash allocation.

Under the FE/ HE SORP, the College recorded an operating deficit of £980,000 for the year ended 31 July 2017. After taking account of the Government non-cash budget and non-cash pension adjustments, the College shows an 'adjusted' surplus of £35,000 on a Central Government accounting basis. This demonstrates that the College is operating sustainably within its funding allocation.

The adjusted operating position on a Central Government accounting basis is as follows:

	Year ended 31 July 2017	Year ended 31 July 2016
	£000	£000
(Deficit) before other gains and losses (FE/ HE SORP basis)	(965)	(833)
Add Back:		
- non-cash allocation for depreciation (net of deferred capital grant)	354	390
- Non-cash pension adjustments	646	464
Operating surplus on Central Government accounting basis	35	21

Notes to the Financial Statements (continued)

	Year ended 31 July 2017 £000	Year ended 31 July 2016 £000
10 Interest payable		
Net interest cost on pension liability (note 19)	<u>186</u>	<u>193</u>

11 Taxation

The Board does not consider that the College was liable for any corporation tax arising out of its activities during the year.

12 Tangible Fixed Assets

	Land and Buildings £000	Fittings and Equipment £000	Motor Vehicles £000	Assets in the Course of Construction £000	Total £000
Cost or valuation					
At 1 August 2016	38,209	337	253	0	38,799
Additions	0	0	0	131	131
Disposals	(140)	0	0	0	(140)
At 31 July 2017	<u>38,069</u>	<u>337</u>	<u>253</u>	<u>131</u>	<u>38,790</u>
Depreciation					
At 1 August 2016	1,557	300	186	0	2,043
Provided during period	1,162	14	19	0	1,195
On disposals	(5)		0	0	(5)
At 31 July 2017	<u>2,714</u>	<u>314</u>	<u>205</u>	<u>0</u>	<u>3,233</u>
NBV at 1 August 2016	<u>36,652</u>	<u>37</u>	<u>67</u>	<u>0</u>	<u>36,756</u>
NBV at 31 July 2017	<u>35,355</u>	<u>23</u>	<u>48</u>	<u>131</u>	<u>35,557</u>
Inherited	3,685	0	0	0	3,685
Financed by capital grant	31,670	23	48	0	31,741
Other	0	0	0	131	131
At 31 July 2017	<u>35,355</u>	<u>23</u>	<u>48</u>	<u>131</u>	<u>35,557</u>

Land and buildings were revalued at 31st July 2015 by DM Hall, Chartered Surveyors in the capacity of independent valuer. The basis of valuation adopted was depreciated replacement cost for all but the Catherinefield Nursery which was valued at Market Value, and the valuation was made in accordance with the Royal Institution of Chartered Surveyors' Appraisal and Valuation Manual.

Inherited Land and Buildings with a net book value of £35,355,000 have been partially financed by exchequer funds. Should these assets be sold, the College may be liable, under the terms of the Financial Memorandum with the Council, to surrender the proceeds.

Notes to the Financial Statements (continued)

12 Tangible Fixed Assets (continued)

If inherited land and buildings had not been revalued they would have been included at the following amounts:

	£000
Cost	0
Aggregate depreciation based on cost	0
	<u>0</u>

13 Debtors: Amounts falling due within one year

	Year ended 31 July 2017 £000	Year ended 31 July 2016 £000
Trade debtors - net of provision for doubtful debts	36	50
Prepayments and accrued income	386	461
	<u>422</u>	<u>511</u>

14 Cash and cash equivalents

	31 July 2017 £000	31 July 2016 £000
Cash and cash equivalents	<u>1,633</u>	<u>1,947</u>

The College receives certain Scottish Funding Council grants on an agency basis. The funds are available solely for students and the College acts only as paying agent. The funds held in trust are reflected on the balance sheet as both cash and a current liability.

Agency funds of £363,000 are included in the cash and cash equivalents at the year end.

15 Creditors: Amounts falling due within one year

	Year ended 31 July 2017 £000	Year ended 31 July 2016 £000
Trade creditors	75	73
VAT	79	86
HMRC Lennartz Scheme	307	333
Other taxation and social security	151	141
Pension	135	130
Contract retentions	-	131
Accruals and deferred income	842	969
Deferred capital grants	758	758
Bursaries and Access funds for future disbursement (note 14)	460	363
	<u>2,807</u>	<u>2,984</u>

Deferred capital grants to be released within one year are included within current creditors, and the balance of deferred capital grants within long term creditors at note 16 in accordance with the requirements of FRS 102 and the 2015 SORP.

Notes to the Financial Statements (continued)

16 Creditors: Amounts falling due after more than one year

	Year ended 31 July 2017	Period ended 31 March 2016
	£000	£000
HMRC Lennartz Scheme	0	333
Deferred capital grants	22,619	23,377
	<u>22,619</u>	<u>23,710</u>

The estimated future liability under the Lennartz agreement was recalculated during the period, and showed a net decrease of £75,000 which has been credited to premises costs (note 9).

Deferred capital grants to be released within one year are included within current creditors, and the balance of deferred capital grants within long term creditors at note 16 in accordance with the requirements of FRS 102 and the 2015 SORP.

17 Provisions for liabilities and charges

	Early Retirement pension costs	Defined Pension obligations (Note 19)	2016-17 Total	2016-16 Total
At 1 August 2016	783	7,508	8,291	6,015
Expenditure in the period	(48)	(612)	(660)	(639)
Additional provision required in period	49	1,067	1,116	889
Revaluation adjustment	0	101	101	1,825
Interest charged	4	186	190	201
At 31 July 2017	<u>788</u>	<u>8,250</u>	<u>9,038</u>	<u>8,291</u>

The Early Retirement pension costs provision has been revalued using actuarial tables supplied by the Scottish Funding Council. The net interest rate applied was 0.0%.

18 Lease obligations

	Year ended 31 July 2017 £000	2016 £000
Total rentals under operating leases for equipment are as follows:		
Payable during the period	<u>55</u>	<u>53</u>
Future minimum lease payments due:		
- Not later than 1 year	4	4
- Later than 1 year and not later than 5 years	<u>206</u>	<u>248</u>
Total lease payments due	<u>210</u>	<u>252</u>

Notes to the Financial Statements (continued)

19 Pensions and similar obligations

The College's employees belong to two principal pension schemes, the Scottish Teachers Superannuation Scheme (STSS) which is administered by the Scottish Public Pensions Agency and the Local Government Pension Scheme (LGPS) - The Dumfries and Galloway Council Pension Fund.

The total pension costs for the institution was :

	12 months to July 2017 £000	12 months to July 2016 £000
Contribution to STSS	523	513
Contribution to LGPS	613	557
Pension costs as a result of implementing FRS 102	641	464
Total pension cost	1,777	1,534

Employer contribution rates during the period were:

STSS - 17.2% from September 2015

LGPS - 20.3% plus a monetary payment as noted below

The Scottish Teachers Superannuation Scheme

College lecturing staff are entitled to become members of the Scottish Teachers' Superannuation Scheme. The latest actuarial valuation of this scheme was carried out as at 31 March 2005.

The assumptions which have the most significant effect on the valuation and other relevant data are as follows:

Rate of return on investments in excess of rate of increase in salaries	2%	2.0%
Rate of return on investments in excess of rate of increase in pensions	3.50%	3.5%
Market value of the assets as at 31 March 2005	£18.474m	£18,474m

The actuarial value of the STSS scheme at 31 March 2005 showed a deficiency of £836m, which requires a supplementary provision by all members of 3.15% per annum for a period of 15 years.

The College is unable to identify its share of the underlying assets and liabilities in the STSS scheme on a consistent and reasonable basis and therefore, as required by FRS 102 (28), the College accounts for contributions to this scheme as if it were a defined contribution scheme.

The Local Government Pension Scheme (LGPS)

The LGPS is a defined benefit scheme, with the assets held in separate trustee administered funds.

The triennial valuation of the Dumfries and Galloway Council Pension Fund was carried out as at 31 March 2014 by Hymans Robertson LLP. The valuation for Dumfries and Galloway College's participation in the Dumfries and Galloway Council Pension Fund was updated by Hymans Robertson as at 31 July 2016.

Following the revaluation of the Dumfries and Galloway Council pension fund at 31 March 2014, the actuary determined that the funding level for Dumfries and Galloway College's element of the fund has decreased from 102% at 31 March 2011 to 98% at 31 March 2014, and the College element of the fund is in deficit. The future service rate for Dumfries and Galloway College has been calculated at 20.3% of pensionable pay, and the deficit to the fund is being met from a monetary payment rather than an adjustment to the contribution rate. The actuary has set employer contribution rates for three years at the future service rate plus a monetary payment, and total employer contributions to be applied for three years from 1 April 2015 are as follows:

2015/16 - 20.3% of pensionable pay plus £23,000
 2016/17 - 20.3% of pensionable pay plus £24,000
 2017/18 - 20.3% of pensionable pay plus £25,000

Notes to the Financial Statements (continued)

19 Pensions and similar obligations (continued)

Assumptions

Principal actuarial assumptions (expressed as weighted averages) at the year end were as follows:

	As at 31/07/17	As at 31/07/16
	%	%
Discount rate	2.70%	2.40%
Expected rate of return on plan assets	2.70%	2.40%
Future salary increases	4.50%	3.90%
Inflation/ pension rate increase	2.50%	1.90%

Life expectancy is based on the Fund's Vita Curves with improvements in line with the CMI 2012 model assuming current rates of improvement have peaked and will converge to a long term rate of 1.25% p.a. based on these assumptions, the average life expectancies at age 65 are summarised below.

- Current pensioner aged 65: 22.7 years (male), 24 years (female).
- Future retiree upon reaching 65: 24.5 years (male), 26.7 years (female).

An allowance is included for future retirements to elect to take 50% of the maximum additional tax-free cash up to HMRC limits for pre-April 2009 service and 75% of the maximum tax-free cash for post-April 2009 service.

Scheme assets and expected rate of return for LGPS

The overall expected rate of return is calculated by weighting the individual rates in accordance with the anticipated balance in the plan's investment portfolio.

The fair value of the plan assets and return on those assets were as follows:

	Year ended 31 July 2017	Year ended 31 July 2016	Period ended 31 July 2015
	Fair value	Fair value	Fair value
	£000	£000	£000
Equities	15,369	13,016	12,143
Corporate bonds	3,033	3,031	2,429
Property	1,820	1,783	1,619
Other	0	0	0
	<u>20,222</u>	<u>17,830</u>	<u>16,191</u>
Actual return on plan assets	<u>1,748</u>	<u>809</u>	<u>1524</u>

Notes to the Financial Statements (continued)

19 Pensions and similar obligations (continued)

Analysis of amount shown in the Balance Sheet for LGPS pensions:

	Year ended 31 July 2017	Year ended 31 July 2016
	£000	£000
Scheme assets	20,222	17,830
Scheme liabilities	(28,448)	(25,314)
	(8,226)	(7,484)
Present value of unfunded defined benefit obligations	(24)	(24)
Deficit in the scheme - net pension liability	(8,250)	(7,508)
Current service cost	(1,067)	(853)
Total operating charge	(1,067)	(853)

Analysis of the amount charged to interest payable/ credited to other finance income for LGPS pensions:

Interest cost	(616)	(780)
Expected return on assets	430	587
Interest on net deficit	0	0
Net charge to other finance income	(186)	(193)
Total income and expenditure charge before deduction for tax	(1,253)	(1,046)

Analysis of other comprehensive income for LGPS pensions:

Gain on assets	1,748	809
Experience loss on liabilities	(1,849)	(2,634)
Total other comprehensive income before deduction for tax	(101)	(1,825)

Notes to the Financial Statements (continued)

19 Pensions and similar obligations (continued)

	Year ended 31 July 2017	Year ended 31 July 2016
Analysis of movement in surplus/ (deficit) for LGPS pensions		
Deficit at the beginning of the period	(7,508)	(5,219)
Contributions paid by the College	612	582
Current service cost	(1,067)	(853)
Other finance charge	(186)	(193)
(Loss) recognised in other comprehensive income	(101)	(1,825)
Deficit at the end of the period	(8,250)	(7,508)
 Movement in the present value of the fair value of pension plan assets		
Present value of assets at the start of the period	17,830	16,191
Interest income	430	587
Participants contributions	172	163
College contributions	612	582
Benefits paid	(570)	(502)
Return on assets	1,748	809
Present value of assets at the end of the period	20,222	17,830
 Movement in the present value of pension liabilities		
Present value of obligations at the start of the period	(25,338)	(21,410)
Current service costs (net of member contributions)	(1,067)	(853)
Interest cost	(616)	(780)
Participants contributions	(172)	(163)
Benefits paid	570	502
Change in financial assumptions and other experience	(1,849)	(2,634)
Present value of obligations at the end of the period	(28,472)	(25,338)

The Actuarial report has highlighted that the 2017-18 charge is higher than 2016-17 due to a lower net discount rate leading to a higher service cost.

Notes to the Financial Statements (continued)**20 Related Party Transactions**

The Board of Management of Dumfries and Galloway College is a body incorporated under the Further and Higher Education (Scotland) Act 1992 and is funded by the Scottish Funding Council (SFC).

SFC and the Scottish Executive Enterprise and Lifelong Learning Department (SEELLD) are regarded as related parties. During the year Dumfries and Galloway College had various material transactions with these bodies and with other entities for which they are either the Funding Council or are regarded as the sponsor Department, e.g. Student Awards Agency for Scotland, and a number of other colleges and higher education institutions.

Due to the nature of the College's operations and the composition of its Board of Management being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Board of Management may have an interest. All transactions involving organisations in which a member of the Board of Management may have a material interest are conducted at arm's length and in accordance with normal project and procurement procedures.

During the year under review, the College had no transactions with non-public bodies in which a member of the Board of Management has an interest and which, in aggregate, exceeded £5,000 except as disclosed below.

The College had transactions during the year, or worked in partnership with, the following publicly funded or representative bodies in which members of the Board of Management hold, or held, official positions.

Member	Organisation	Position
J. Henderson	Crichton Foundation	Appointed Trustee (Representative of Dumfries and Galloway College)
H. Carr	Dumfries and Galloway Housing Partnership	Director of Finance
K. McGahan	William Waugh & Sons (Builders) Ltd	Joint Managing Director

The Crichton Foundation has previously provided grant funding towards the Henry Duncan building, which forms part of the Crichton Campus. The Crichton Foundation provided grant funding of £10,000 for student support in July 2016 which was fully disbursed to students by the College during 2016-17. In addition, £1,000 was invoiced to Crichton Foundation in respect of prizes for the annual College Award Ceremony. £1,000 was outstanding at 31 July 2017.

The College provided training courses to Dumfries and Galloway Housing Partnership during the year ended 31 July 2017. Invoices to Dumfries and Galloway Housing Partnership amounted to £85,165. No balances were due to the College from Dumfries and Galloway Housing Partnership at 31 July 2017.

The College has engaged William Waugh & Sons (Builders) Ltd for various maintenance works during the period, following tender exercises in line with standard College procurement procedures. Invoices from William Waugh & Sons during the period amounted to £13,436. No balances were due to William Waugh by the College at 31 July 2017.

The members of the Board of Management, other than the Principal, Regional College Chair, and staff members, did not receive any payment from the College other than the reimbursement of travel and subsistence expenses incurred in the course of their duties. Travel expenses reimbursed to six members of the Board of Management during the year amounted to £1,184.

Remuneration of the Executive Management Team is set out in note 8.

Notes to the Financial Statements (continued)

21 FE Bursaries and other Student Support Funds

	FE Bursary £000	EMA's £000	Other £000	Year ended 31 July 2017 £000	Year ended 31 July 2016 £000
Balance brought forward	349	0	0	349	239
Allocation received in year (including interest)	1,728	247	159	2,134	2,218
	2,077	247	159	2,483	2,457
Expenditure	(1,401)	(247)	(173)	(1,821)	(1,997)
Repayable to Funding Council as Clawback	(246)	0		(246)	(133)
College Contribution to funds	0	0	0	0	1
Virements between FE and HE Childcare and FE Discretionary funds	0	0	14	14	21
Balance Carried forward	430	0	0	430	349
Represented by:					
Repayable to Funding Council as Clawback	327	0	0	327	243
Retained by College for Students	103	0	0	103	106
	430	0	0	430	349

The student support grants detailed above are available solely for students, the College acting only as paying agent. The grants and related disbursements are therefore excluded from the Income and Expenditure Account.

22 FE and HE Childcare Funds

	Year ended 31 July 2017 £000	Year ended 31 July 2016 £000
Balance brought forward	3	0
Allocation received in year	287	303
	290	303
Expenditure	(260)	(279)
Virements to FE Discretionary funds	(14)	(21)
Balance Carried forward	16	3
Represented by:		
Repayable to Funding Council as Clawback	16	3
Retained by College for Students	0	0
	16	3

Childcare Fund transactions are included within the College Income & Expenditure account in accordance with accounts direction from SFC, as the College has more discretion in the manner in which these funds are disbursed.

23 Capital Commitments

Provision has not been made for the following capital commitments at 31 July 2017:

	Year ended 31 July 2017 £000	Year ended 31 July 2016 £000
Commitments contracted for	6	24

Notes to the Financial Statements (continued)

24 Post Balance Sheet Events

There are no post balance sheet events.

25 Contingent Liabilities

The College had no contingent liabilities at 31 July 2017 and 31 July 2016.

2016-17 Accounts direction for Scotland's colleges and universities

- 1 It is the Scottish Funding Council's direction that colleges comply with the 2015 *Statement of Recommended Practice: Accounting for Further and Higher Education* (SORP) in preparing their annual report and accounts.
- 2 Colleges must comply with the accounts direction in the preparation of their annual report and accounts in accordance with the Financial Memorandum with the Scottish Funding Council (SFC) or the Regional Strategic Body (for assigned colleges).
- 3 Incorporated colleges are also required to comply with the Government Financial Reporting Manual 2016-17 (FReM) where applicable.
- 4 Incorporated colleges are reminded that they must send two copies of their annual report and accounts to the Auditor General for Scotland by 31 December 2017.
- 5 The annual report and accounts should be signed by the chief executive officer and by the chair, or one other member of the governing body.
- 6 Incorporated colleges should reproduce this Direction as an appendix to the annual report and accounts.

Scottish Funding Council
30 June 2017

Board of Management

Curriculum Development Plan 2018/19

1 Purpose of the report

The purpose of this report is to advise the Board of Management of the course provision for the Curriculum Development Plan for 2018/19.

2 The Report

Dumfries and Galloway College is moving into an exciting stage of its development, building on successes of the past and driving forward our aspiration to be an “outstanding” college. We aim to deliver the highest quality learning for our students to make a positive contribution to the local and national economies and to utilise the expertise of our staff to deliver continuous improvement. “Vision 20/20” sets out our vision, inspiring our people, businesses and communities to be successful. Our mission is “One College, One Team” where learners come first, the changing needs of the economy are met, and innovation, collaboration, and creativity are core to what we do.

A planning meeting recently took place with Heads of Curriculum, Curriculum Managers and the Business and Development Manager to review the course provision in line with national and local need using a variety of information.

This information included:

- Self-evaluation reviews
- Data related to retention and attainment
- Trends in terms of numbers and demand
- Employer feedback from curriculum areas
- DYW Scotland’s Youth Employment Strategy
- SDS Regional Skills Assessment
- Woods summary report
- Dumfries and Galloway Outcome Agreement
- Vision 20/20
- Dumfries and Galloway Skills Assessment

This plan is in line with both the College’s Mission Statement and Strategic Outcomes for the region including:

1. We will provide opportunities to access and progress through education and training at all levels
2. We will deliver education and training that is a route to employment and career development and is aligned to local and national economic need
3. We will be first choice for recruitment, training and development of the workforce
4. We will enable communities to grow and develop through local education and training
5. We will support more business to start up, grow, and diversify

Board of Management

6. We will enable people to build their independence and confidence in a supportive environment

This Curriculum Development Plan will also support Dumfries and Galloway College's submission to the Scottish Funding Council in terms of its Outcome Agreement and key aims and objectives.

Priority outputs include:

- Achieve College activity target of 30,067 credits. (credit target still to be agreed by SFC)
- Improve retention and attainment both FE and HE
- Increase the number of learners with positive destinations
- Ensure the curriculum reflects the skills needed both locally and nationally.
- Increase the amount of income from non-SFC funding sources.

Some Key Challenges

The College continues to face some key challenges through its curriculum delivery to support key objectives over the next few years.

Including:

- Addressing gender balance
- Ensuring learners benefit from high quality work placements or other work experiences
- Progressing with Science Technology Engineering and Maths (STEM) programme to support learners
- Improving retention and attainment issues particularly related to fulltime learners on FE programmes
- Supporting further developments in Senior Phase and DYW pathways.
- Increasing employer engagement
- Further developing articulation with advanced standing
- Achieving credit targets
- Substantially increase the number of part-time learners in accordance with demographics

The College has work placement coordinators in almost all areas supporting the implementation of the College's Work Placement Action Plan. Learners at the college will experience the world of work and develop their skills for employment by:

- Working in simulated environments
- Developing entrepreneurial skills
- Engaging in volunteering or social enterprise opportunities
- Employer engagement
- Career management skills
- Involvement in competitions

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The College continues to face key challenges in addressing gender balance for some areas and will continue to implement and support key targets related to its gender action plan in 2018/19. Working with key partners across the region, to develop a pipeline model that will address gender balance from primary through to the Senior Phase and ensuring STEM is used as a vehicle for delivering approaches to gender balance.

Key areas in the College will also include:

- Males into Childcare, Care, Hair and Beauty courses
- Females into Construction, Engineering, Computing and Motor Vehicle Courses

3 Plan Summary 18/19 Credits

College Target 18/19	30,067
Planned Activity 18/19	31,998
Surplus Target	1931

Planned Activity Breakdown.

Full time	26,394	(less retention 90%)
CTS	4390	
Part Time /Schools	3853	
Grand Total	31,998	

4 New Courses Proposed

Strategic Aims, 1, 2,3,5,6

The College Curriculum continues to work with key principals in terms of details related to provision and meeting targets in the college outcome agreement. These include strategic themes discussed in the first part of this report and the following specific areas.

- Increase STEM provision across the college.
- Widen Access and Inclusion
- Develop more part time provision.
- Target key groups
- Increase Articulation opportunities
- Support better transition with schools
- Address gender balance

Board of Management

- Improve retention and Attainment
- Improve employer engagement
- Develop enterprise as skills to develop learners.

Full-time

A new HND in Electrical Engineering has been proposed. The curriculum team are following up further in terms of demand. This is to establish the most suitable design for delivery for full time or part time learners.

5 School Provision for 18/19

Strategic Aims, 1, 2, 3, 4, 6

School programmes were discussed and a new protocol is to be agreed ensuring all Schools Link classes attain a minimum number of 12, with any shortfall being met with additional income from the Local Authority. School curriculum will be offered at the same credit levels as the previous year, with a focus on key sectors for the region. A new School Link brochure is under development and will be circulated to all schools across the region to support in communicating the offer to school pupils.

5.1 Foundation Apprenticeships 18/19

Two new pathways will be introduced on a day release basis for S5 Learners in the Senior Phase. These new pathways are supported through successful funding bids. These pathways support regional developments and national skills requirements. After the two years, these programmes will then be established as core funded college programmes. The new pathways are **Business Skills and Social Services working with Children and Young people**. As well as this new provision, the College will deliver the second year programme for the **Engineering pathway**.

5.2 Senior Phase

Along with these programmes, options will again be offered for some HNC programmes. The HNC in Electrical Engineering will continue to be delivered. A new HNC in Childhood Practice will be offered as part of the continued partnership work. Senior Phase other choices will include: -

- HNC Business (infill)
- HNC Computing Science (infill)
- HND Computing Science (infill)
- HNC Electrical Engineering
- HNC Childhood Practice.

Board of Management

- HNC Accounting (infill)
- HNC Visual Communication (infill)
- HNC Photography (infill)
- HNC Art & Design (infill)

5.3 Other School Provision

The college will continue to support the following areas:

- Construction
- Computing Science and Networks
- Sport and Recreation
- Early Education and Childcare
- Hairdressing
- Psychology
- Motor Vehicle
- Hospitality
- Activity Tourism
- Sustainability Bronze Award Crest
- Design Engineer and Construct (DEC)
- Energy
- Accounting
- Creative Industries
- Care /Reablement
- Cyber Security

6 Part time provision

Strategic Aims, 1, 2,3,5,6.

A new part time course is proposed, to address the demographics for the region, for a PDA Level 8 in Children and Young People's Health and Wellbeing as part of the Education Studies curriculum area for 2018/19 and would be delivered concurrently with the SVQ 4 in Care Management. These will feed directly into the proposed PDA in Childhood Practice at SCQF Level 9 to be rolled out across the region for 2019/20 as part of upskilling in the Early Education and Care Sectors.

As part of achieving the overall credit target for the college two more Princes Trust Teams will be offered. One additional programme would be offered at both campuses. This is dependent on a successful funding bid currently to Holywood Trust. (Due in March)

Each team will work closely with CTS in terms of developing a part time portfolio that will address key issues related to ageing demographics for the region and potential reduction in

Board of Management

full time numbers. This will be through a range of flexible learning provision and will support allocation of the 4500 credits for CTS delivery. This provision will start to embed the community learning development plan and support college targets in the outcome agreement related to hard to reach learners from the 10% deprived postcode areas. This will be developed and agreed by teams prior to the end of this academic year through Heads of Curriculum.

7 Retention and Attainment

Retention and attainment performance will continue to be analysed. A particular focus will be on for gender imbalance, deprived postcodes zones and additional support needs and care experienced and deemed to be at highest risk of withdrawal. Another key strategic development is in the sharing of learner information from schools to college to support transition arrangements.

Curriculum Mangers have agreed to a new approach for SCQF level 4 programmes for 18/19 to improve both retention and attainment.

The new approaches to SCQF Level 4 programmes will have three key phases as well as continuing to attain qualifications, which support progression:

- **Phase One**
This first phase will focus on essential skills and appropriate contextualisation of core skills (with the emphasis on early certification)
- **Phase Two**
This phase will focus on vocational skills and developing independence in learning.
- **Phase Three**
This phase will include a project which as well as supporting learning will form a key part of the Celebration of Success.

A full review has also taken place in terms of Access Programmes entry criteria, and teams are looking for learners to clearly demonstrate a commitment to the area of study through a serious of new interventions, including a brief report of why they are interested in a particular programme and a range of initial essential skills developments. If learners are found not be at the right level a referral will be made to the Access to FE passport programme, or the Princes Trust teams.

Educational support teams are also key to learner attainment and retention the teams will continue to offer support in class, dealing with assistive technologies, needs assessments, advice to academic staff on dealing with specific support needs and emotional support. The learning zones will also be taking forward bite sized information days to support learner's in key retention areas to support core and essential skills development.

The college will develop an enhanced strategy to support leavers from schools in terms of providing information to the college on a range of learners deemed at high risk. Support for

Board of Management

Cares and Care Leavers is being progressed so a more structured approach is taken for learners.

8 Recommendation

Members are invited to note and discuss the contents of this report identify other key priority areas to be progressed in terms of the Developments for 2018/19.

Andy Wright

Vice Principal Learning and Skills

10 November 2017

Board of Management

South of Scotland Enterprise Agency

1 Purpose of the Report

To provide members with an update on progress with arrangements for the South of Scotland Enterprise Agency

2. The Report

2.1 Background

The Enterprise and Skills Review Phase 1 Report recognised there was a need to do things differently in the South of Scotland to improve the area's productivity and make a step-change in its growth. It stated: *"We will recognise the unique challenges faced in the South of Scotland and create a new vehicle to meet the enterprise and skills needs of the region."*

2.2 Vision

The vision is for a new organisation operating in the South of Scotland that will drive inclusive growth, increase competitiveness and tackle inequality in the area through:

- Maximising the area's contribution to Scotland's inclusive growth, supporting a diverse and resilient economy.
- Sustaining and growing communities - building and strengthening communities with joined up economic and community support.
- Capitalising on people and resources - developing skills, promoting assets and resources and maximising the impact of investment in the area.

It will ensure an approach tailored to the area's challenges and opportunities, recognising its distinctiveness but not distancing it from national support. Its success will require a long term commitment from partners to work together to address the deep rooted challenges of the area and to ensure that all can meet their potential.

2.3 Current Position

As the legislative process required to establish the South of Scotland Enterprise Agency will not be complete until 2020, the Implementation Board established by Scottish Government agreed that the interim arrangements in the South of Scotland should take the form of an economic partnership. On 13 September 2017, the Cabinet Secretary for Economy, Jobs and Fair Work also confirmed that the interim South of Scotland Economic Partnership will be in place by the end of 2017. The actual launch date for the partnership is still to be confirmed.

2.4 Partnership Structure

To ensure a fresh approach to economic development delivery in the South, Ministers want to ensure the private sector is deeply involved in the way services are shaped and delivered. The partnership will bring together the key organisations already supporting economic development in the South of

Board of Management

Scotland with an advisory group drawn from business and other non-public sector players to agree the Partnerships' strategic plan and help it deliver activities to support that plan.

The following diagram captures the structure:

CHAIR OF THE PARTNERSHIP Private sector	
ADVISORY GROUP (private and non-public sector)	PUBLIC SECTOR ORGANISATIONS
<i>Setting strategic direction and co-producing responses</i>	

LEAD INDIVIDUAL accountable to the SG
EXECUTIVE TEAM Nominated by each public sector organisation
STAFF AND RESOURCES FROM MEMBER ORGANISATIONS to deliver work programme
<i>Delivering partnership priorities</i>

2.5 The following public sector bodies will be invited to be members of the partnership: Scottish Enterprise; Highlands and Islands Enterprise; Skills Development Scotland; Scottish Funding Council; VisitScotland; Scottish Borders Council and Dumfries and Galloway Council. They will support the partnership with staff and resources.

2.6 Ministers will appoint a private sector chair of the partnership, with knowledge of economic development in the South of Scotland and the challenges facing the area, bringing both seniority and credibility to the role. It is expected that the chair of the partnership will be a member of the Strategic Board.

2.7 Ministers will also appoint an advisory group, predominantly drawn from the private sector as well as those with experience of the Further and Higher Education sectors and of the third sector. The advisory group needs to have a mixture of skills and experiences to ensure the Partnership is effective in the interim shaping a new approach. Key will be knowledge of the challenges facing the area, recent experience of the enterprise and skills system and an ability to challenge the current approach. Ministers will assess candidates against the overall skills set to ensure that the group has a strong and appropriate mixture of skills.

Board of Management

Appointments to the advisory group will be time-limited to the interim period. Board appointments for the new agency will be covered by the public appointments process.

2.8 *Lead individual and executive team*

Scottish Government report that good progress is being made to second a lead individual to the Scottish Government to co-ordinate the partnership during the interim period. This will be a time limited post with the lead individual accountable to the Scottish Government. The secondment will start with the establishment of the economic partnership. For the new agency, the chief executive appointment will be made in line with the approach taken to chief executive approaches more generally.

The Implementation Board agreed that the lead individual role would best be filled by a senior official familiar with both the public sector and enterprise and skills systems in the South of Scotland. Other approaches explored as part of the implementation phase, included: appointing a civil servant; seconding someone from the wider public service in Scotland; or open advertising to test the market.

The lead individual will be supported by an Executive Team and organisations have been asked to nominate members of the Team. Organisations will also be expected to support the delivery of the work programme with staff and with resources. Discussions to establish the input in each case are on-going.

The private sector will also be invited to consider what resources it can bring to deliver the priorities of the Partnership with, for example, scope to involve representatives of the business organisations in the Executive Team if there is an appetite to do so.

2.9 *Timeline*

- Chair Person – Professor Russel Griggs appointment announced November 2017
- Advisory Group- - announcement to be made early December 2017
- Lead Individual Secondment – Rob Dickson announced November 2017
- Establishment of Partnership – to be finalised by early December 2017
- Executive Team – Discussions have commenced and names will be confirmed as part of overall announcement in early December 2017
- Draft Work Programme to be developed ready for December 2017 announcement
- South of Scotland Enterprise Agency to be established in 2020.

3 *What about the Colleges?*

Regional Chairs and Principals from both Colleges have been involved in workshops and direct discussions with representatives from Scottish Government, regarding the importance of skills and the contribution Colleges can make to the partnership. It has been agreed that representatives from FE/HE will be included on the Advisory Group but further detail is not available at this time. Both Colleges are in early discussion with Skills Development Scotland and Scottish Funding Council (both

Board of Management

agencies will be core members of the Partnership Board) to develop a Regional Skills Strategy that will sit alongside and support the Economic Partnership work plan.

It is important that we continue to highlight the importance of the colleges in delivering a bold economic vision and that we are able to influence the strategy as it is developed.

4 Recommendation

Members are asked to note the update on South of Scotland Enterprise Agency.

Carol Turnbull

Principal

December 2017

Board of Management

Board of Management

Intensification of Regional Outcome Agreements

1 Purpose of the Report

To provide members with an update on intended 'intensification' of Regional Outcome Agreements by Scottish Government.

2. The Report

2.1 Background

In March 2017, Shirley-Anne Somerville, Minister for Further Education, Higher Education and Science wrote to the Scottish Funding Council setting out her expectations and strategic priorities for the Scottish Funding Council.

On 18 October 2017, the Minister wrote to the SFC setting out expectations and ambitions for 2018-19 Outcome Agreements highlighting those areas where she expects to see a particular focus and an 'intensification of the Outcome Agreement process'. This involves setting more ambitious targets for key priorities, to secure greater support and commitment to Outcome Agreements and to develop robust reports on performance. SFC have also been asked to ensure a 'clear line of sight' through Outcome Agreements between investment and impact.

On 26 October 2017 Scottish Funding Council published its guidance for the development of College Outcome Agreements 2018-19 and stated that it is seeking intensification of agreements in the areas of:

- Widening access
- Articulation
- Attainment and Retention
- Gender Balance
- Developing the Young Workforce
- Skills
- Innovation
- Apprenticeships

To achieve intensification SFC expect the setting of more ambitious and challenging targets in 2018-19; greater focus and evidence of engagement with external stakeholders (such as local authorities in relation to DYW) and evidence that the actions in the outcome agreement meet their needs. There will be closer scrutiny of performance by SFC and where there are high variances between delivery v targets, there may be clawback of funding.

Timelines

- ROA Guidance issued on 26 October 2017
- Initial meeting with Regional Outcome Agreement Manager and College on 28 November 2017
- 'Robust' draft ROA to be submitted to Scottish Funding Council by 15 December 2017
- Feedback from SFC to College by 31 January at the latest
- Consultation with external stakeholders (eg Local Authority) January – March 2018

Board of Management

- Indicative letter of grant to be issued to College in February 2018
- College will receive Confirmation of grant funding (sometime between February and April 2018)
- Regional Outcome Agreement to be signed by Regional Chair and Principal and submitted to SFC by April 2018 (date to be confirmed).

2.2 Current Position

A meeting between Dumfries and Galloway College Regional Outcome Agreement Manager, Vice Principal Performance & Planning, and the Principal was held on 28 November 2017, where format and layout of the ROA was agreed, along with some discussion regarding key priority areas and targets. SFC has requested that the ROA is no longer than 15 pages max.

Work on the draft ROA is now ongoing – meeting with college teams, analysis of base line figures for measure tables (in order to set ambitious but realistic targets).

A presentation will be given to the Board at its Strategic Session on 23 January 2018 to provide the opportunity for members to discuss and contribute to development of the ROA.

4 Recommendation

Members are asked to note the update on Intensification of Regional Outcome Agreements.

Supplementary Information:

Letter of Guidance to SFC 2017-18

http://www.sfc.ac.uk/web/FILES/AboutUs/SFC_Letter_of_Guidance_2017-18.pdf

Outcome Agreement Guidance Letter (October 2017)

http://www.sfc.ac.uk/web/FILES/AboutUs/Outcome_Agreement_Guidance_Letter_2018-19.pdf

College Outcome Agreement Guidance:

<http://www.sfc.ac.uk/publications-statistics/guidance/guidance-2017/SFCGD212017.aspx>

Carol Turnbull

Principal

December 2017

Board of Management

General Data Protection Regulations (GDPR) & Cyber Resilience

1 Purpose of the Report

The Purpose of the Report is to inform the Board of Management of the background and implications of the General Data Protection Regulations (GDPR) and Cyber Resilience.

2 Introduction

The new General Data Protection Regulations come into effect on 25 May 2018 and puts the subject rights at the forefront. These regulations emphasise that data subjects continue to 'own' data. The regulations apply to the processing of data in the EU, whether the data subject is an EU citizen or not, and also to data concerning an EU citizen processed outwith the EU. This means that any institution working with any EU based organisation or who has EU staff or students will require to comply and be able to demonstrate that they meet the requirements. Furthermore, under GDPR, the definition of personal data has been expanded to include IP address, biometric data, mobile device ID and genetic data, if they can be linked back to an identifiable individual. This report aims to give Board members an indication of the steps required for the College to become fully compliant with the new GDPR legislation and also to highlight the implementation of the Scottish Governments Cyber Resilience strategy, which will complement the College's compliance with the GDPR legislation.

3 General Data Protection Regulations (GDPR)

Preparing for the GDPR will involve reviewing the data the College currently holds, analysing how the College collects and processes that data and who the College shares that data with. In addition to this we will review the College procedures for complying with requests from individuals regarding their own data, basically the data the College holds on them, and also the College procedure for investigating and reporting data breaches.

This audit will ensure the way the College collects and processes data complies with the GDPR in terms of lawful justification, privacy notices, seeking consent and new laws regarding data held on children. This applies to all personal data held by the College in any format, including online systems and paper files. It will also apply to data shared with any other organisations, e.g. SQA.

The GDPR enhances the rights that all individuals have regarding the data the College holds on them and amends timeframes for compliance with requests under these existing rights. The College will need to assess and review the procedures for existing requests to ensure that any request for information can be fulfilled within the new timeframes as well as preparing new procedures to comply with requests submitted after the 25th of May 2018 by any individual under the new rights.

The College will also need to review its procedures for notifying the Information Commissioners Office (ICO) of any data breach to ensure that we continue to fully comply with the relevant aspects of the GDPR and that these can be carried out within the new time lines defined by the GDPR.

As part of the GDPR, Privacy Impact Assessments (PIA) will be required for any new project or process where data processing is likely to result in high risk to individuals. The College will need to incorporate PIAs into its planning process across the College at all management levels.

Board of Management

The College will have to formally designate Data Protection Officer (DPO), as per the guidance and criteria set out under the GDPR. This DPO cannot have any operational responsibilities within the College and must have a reporting line to the Principal. It is expected that this could be provided to the College by a Shared Service. The College is supportive of this approach as it appears to be the most efficient use of resources to comply with the GDPR. This is currently being progressed nationally and 0.2 FTE equivalent will cost around £11,500 per annum. At this point it is difficult to estimate how much time will be required to invest for us to become fully compliant.

There is a project plan for the work requiring to be done prior to the 25th of May and it is hoped that the specialists recruited by the colleges participating in the shared service programme will be able to give expertise and guidance on the work undertaken and also on any unknown gaps that may exist. I would hope that one of the first tasks done is to audit what is in place against the new and additional requirements placed on the College by the GDPR.

It should be noted that regulators within the GDPR field have not yet produced formal guidance for all organisations on the GDPR, but this should be available early in the New Year. Guidance given to all Colleges has been to prepare what you can, but also be prepared for guidance to change and in some cases be contradictory. It is also been advised to colleges that the change to comply with GDPR will extend well after the 25th May 2018.

4 Cyber Resilience

In terms of GDPR the topic of Cyber Resilience is one key to the College adhering to the GDPR legislation. The Scottish Government has developed a strategy for all public bodies to adhere to. The Public Sector Action Plan was developed in partnership by the Scottish Government and the National Cyber Resilience Leaders' Board (NCRLB). It sets out the key actions that the Scottish Government, public bodies and key partners will take up to the end of 2018 to further enhance cyber resilience in Scotland's public sector. Whilst the College already has strong foundations in place, the aim of this strategy is to ensure that all of Scotland's public bodies work towards becoming exemplars in respect of cyber resilience, and are well on their way to achieving this by the end of 2018.

The action plan focuses on all public bodies. Delivery of the action plan will be coordinated and led by the Scottish Government's Cyber Resilience Unit, working in partnership with the NCRLB and Scottish public bodies. The ultimate aim is to have an aligned approach to work upon cyber resilience for all public bodies.

The College currently balances the benefits of using technology against the risk of a security breach. This is exemplified in our corporate risk register. Recent DDOS attacks have been successfully fended off. But this does indicate that College is a target and also that we currently have good IT cover, systems and processes in place.

As a college we signed up in 2015 as part of a Universities and Colleges Shared Services group to facilitate access to an Information Security Officer for the sector. The Information officer proved invaluable in sanitising the college's policies and procedures before our successful cyber security review and is in regular contact regarding security issues that may affect the college. The Information Security Officers expertise and knowledge will be vital whilst gaining the Cyber accreditation the college will need as part of the new Scottish government standards. This coupled with continuing investment from the college in network security systems and software will hold us in good stead to meet any new cyber security standards.

Board of Management

There are a number of Key Actions that we will be required to implement prior to the end of 2018. Members should be aware of these requirements, but should also be assured in the early progress the IT team here at the College have undertaken to put the College in a position where we will be able to meet the requirements of the strategy.

We are, at the moment, well placed on the compliance timeline. The working level and senior management contacts have been communicated to the Scottish government resilience unit. After finalising some details the required CiSP membership will be in place by early December 2017.

Areas of concern at this stage are focused in the first instance in the lack of information around the finer points of compliance with the cyber essentials framework. This includes what systems we may have to put in place and what level of training has to be given to students and staff. These factors are coupled with IT staff training on security, asset management, internal and external vulnerability testing and embedding cyber security into our policies and procedures.

At this early stage it is clear that there will be additional costs associated with complying with this strategy, but as some of the finer detail is yet to be agreed, it is not possible to give an accurate figure of what the additional cost of compliance will be.

5 Recommendation

Members are invited to note the report and subsequent actions by the college.

Additional information on the GDPR and Cyber Resilience can be found using the following links:

<https://ico.org.uk/media/1624219/preparing-for-the-gdpr-12-steps.pdf>

<http://www.gov.scot/Publications/2017/11/6231/0>

Andy Glen
Vice Principal Performance and Planning
December 2017

Board of Management

Strategic Risk Register

1 Introduction

- 1.1 The purpose of this paper is to provide the Board of Management with the opportunity to review the College's Strategic Risk Register.

2 The Report

- 2.1 In accordance with the College's Risk Management Policy any risk with an inherent rating of 12 or above must have mitigating controls in place and where the residual rating remains above 12 should be reviewed at least quarterly in order to identify if any further actions could be taken to reduce the residual rating to below 12. For completeness all risks are included in the attached register, in order of high to low ratings.
- 2.2 The Principal and Executive Management Team routinely review the Strategic Risk Register to reflect the risks the College is facing and the mitigation that will be applied to each risk. There are currently 8 strategic risks, four of which are rated 12 or above.
- 2.3 No new risks have been added but changes have been made to the following:
- Risk No 6 – 'Public Sector funding cuts – forecast for session 2017/18'. No change to the risk factor, however updated to reflect that the current budget for 2017-18 is forecasting a break-even position
 - Risk No 4 – 'Unable to achieve credit (activity) target'. No change to the risk factor, however updated to reflect the ongoing work to monitor progress against targets

3 Recommendation

- 3.1 It is recommended that the Board of Management consider and, if so minded, approve the Strategic Risk Register.

Carol Turnbull
Principal
December 2017

Strategic Plan 2017-2018 Risk Register

Risk No.	Risk Description	Inherent Risk			Controls in Place	Assurances	Internal/ External	Residual risk			Further Action	Risk Owner
		Likelihood	Impact	Total				Likelihood	Impact	Total		
1	National Pay Bargaining	4	4	16	1. Detailed financial planning undertaken and approved by Finance and General Purposes Committee to ensure "affordability" of any offer. 2. National negotiation processes in place with recognised unions. 3. Government public sector pay guidance for 2017-18 is for maximum 1%, College budget will reflect this.	1. Feedback to EMT and the Board 2. Included in budget which is monitored and reported through F&GP and Board 3. Sound internal planning and monitoring to ensure service continuity in event of industrial action	Internal/ External	3	4	12	Likely dispute with EIS re 2017-18 pay award and national bargaining. EIS strikes currently suspended pending final agreement.	EMT
6	Failure to achieve attainment targets	4	4	16	1. Real time monitoring systems in place 2. Strategies in place to improve retention. 2. Strategies in place to improve student success 3. Poorly performing programmes removed from the curriculum.	1. Monitored at course level and review by Vice Principal (Learning and Skills) 2. Monitored through self evaluation process and reported to ET and L&T committee	Internal/ External	3	4	12	Moving forward achieving attainment targets agreed with the SFC in the Regional Outcome may be a condition of grant. Low attainment can also be detrimental to college reputation. August 2017 - Initial analysis for 2016-17 show little or no improvement on 2015-16 figures. For 2017-18 changes been made to Induction, ongoing monitoring of KPIs and data analysis. New Academic structure allows for closer monitoring. Moving towards pro-active flagging of vulnerable students for close monitoring.	EMT
3	Governance issues: Reclassification and other changes to governance reduce the flexibility of the College to manage financial and estates issues and meet targets in the Outcome Agreement.	4	4	16	1. Executive Management Team and Finance Manager representation at relevant briefings and ongoing monitoring of changes 2. External audit advice	1. Appropriate and robust internal planning and monitoring arrangements 2. Regular liaison with Scottish Funding Council	Internal/ External	3	4	12	The Board of Management and EMT continue to monitor the situation.	EMT
5	University of West Of Scotland - Review of property and provision in Dumfries.	4	3	12	1. Principal continue to discuss with Senior Management of UWS. 2. Principal and Vice Principal on the Joint Academic Strategy Group. 3. Regular reporting and discussion at EMT as information becomes available.		Internal/ External	2	3	6	Continue dialogue with UWS. Keep SFC informed of potential loss of contribution to college overheads from UWS for shared accommodation. Also potential loss of articulation opportunities for College students if UWS provision if reduced. Recent discussion indicate UWS not near making a decision at this point in time.	EMT
2	Public sector funding cuts - forecast for session 2017-18	4	4	16	1. Scenario planning undertaken and measures to offset reduction identified which is then used to inform curriculum planning. 2. Annual review of provision undertaken through planning and budgetary process to ensure match of income and expenditure.	1. Curriculum plans approved by EMT and L&T 2. Budget approved by the Board	Internal	1	4	4	Indicative funding received Feb 2017. Slight increase in funding but insufficient to meet increase in pay costs. Continue to look for opportunities to increase non SFC income. Final Funding received May 2017. College Budget currently shows deficit but under continuous monitoring. Updated budget to F&GP Committee September 2017. November 2017 - Current Budget for 2017-18 forecast break-even position.	EMT

Strategic Plan 2017-2018 Risk Register

Risk No.	Risk Description	Inherent Risk			Controls in Place	Assurances	Internal/ External	Residual risk			Further Action	Risk Owner
		Likelihood	Impact	Total				Likelihood	Impact	Total		
13	Cyber attack	3	4	12	1. Janet network (via JISC) provides secure connectivity. 2. Regular reporting at ET. 3. Constant scanning to identify potential attacks/network vulnerabilities. 4. VP CS&G and IT Manager meets regularly with JISC account Manager	1. Janet secure network provides a high speed, highly reliable and secure, world-class network, enabling national and international communication and collaboration to the UK research and education community. 2. Regular updates from JISC on potential attacks/network vulnerabilities 3. EMT meetings/minutes 4. Internal Audit 2016/17	External/ Internal	1	4	4	Jisc's Security Operations centre is responsible for monitoring and resolving any security incidents (detect, report, investigate) that occur on the network. They also provide an enhanced service for the detection and mitigation of Denial of Service (DoS) attacks that occur across the network.	EMT
4	Unable to achieve credit (activity) target	3	4	12	1. Real time monitoring system. 2. Contingency plans in place to offer additional provision as required. 3. Annual review of staffing and provision to rebalance areas of growth with areas of decline. 4. Annual review carried out by internal audit	1. Reviewed by EMT on a weekly basis 2. Curriculum areas looking to run additional courses to address shortfall. 3. KPI reported and discussed at each board meeting 4. Provision made in accounts for clawback 5. Marketing strategies for 17/18 recruitment	Internal / External	3	4	12	Early warning strategies to be implemented to improve early retention. From 2017-18 18yrs to received bursary rather than EMA. August 2017 - Current forecast is lower than expected, with lower enrolment numbers. Not forecasting to achieve credit target for 2017-18. November 2017 - work is ongoing to monitor and progress against targets.	EMT
9	Prevent Duty – disruption due to threat of extremism / risk of external influences	3	4	12	1. Vice Principal attendance at local multi-agency CONTEST group 2. Regular reporting of Prevent issues at EMT. 3. Constant scanning to identify new potential threats.	1. College Prevent Action Plan 2. CONTEST meetings/minutes 3. EMT meetings/minutes 4. 80% staff trained by Sept '17	External/ Internal	1	2	2	Vice Principal leading on Prevent Action Plan, any issues would be identified through regular reporting at EMT. Immediate concerns to be raised with contact within Police Scotland. Review of evacuation procedures in relation to 'stay safe' has taken place. The College is kept updated through SOCCT Group and appropriate action taken	EMT

Board of Management

Report to the Board by the Regional Chair

1 Introduction

The purpose of this report is to update the Board of Management on recent developments in the Further Education sector, the Region, as well as feedback from various meetings, and to encourage further discussion.

2 Colleges Scotland/Sector/Regional Chair's Group

2.1 I have attended a number of Colleges Scotland and CDN Board and Audit Committee meetings over the last 2 months. Much of the business has related to dealing with administrative matters, including year-end Accounts, Staffing and Committee Activity. The Policy Drivers have been Enterprise and Skills Review, Learner Journey, Retention, and DYW.

CDN is moving to attractive new premises in the Stirling University Campus, Airthrey Castle which I visited last week.

2.2 I attended the CDN National College Award Ceremony in Glasgow on 23rd November.

2.3 I attended a Regional Chairs Meeting with Colleagues and Scottish Government on 30th November. Topics included Board Diversity, Functions and Re-appointment of Regional Chairs, and opportunities to meet and work together as a group. The importance of creating a "Narrative" for the college sector was discussed.

3 Regional Business

3.1 As Colleagues know we hosted a successful Joint Board meeting with Borders College. This was attended by Paul Smart from Scottish Government. This was followed up by a meeting of the 2 Chairs and Principals where we drafted a summary of the main points raised and discussed for onward transmission to Paul Smart. I will share this with you.

3.2 The local DYW Regional Board and Group continue to be busy. Staff have attended various meetings in the college. Leah Thomas is attending our next Board Meeting with a view to joining the DYW Regional Board.

3.3 I have continued to hold one to one meetings with Board Colleagues. These have been informative and encouraging. I will report on these at our next Board Development Event.

3.4 I attended the College Open Evening on 28th November. This was an exciting, very well attended event which brought together students, parents, school pupils, college staff and employers.

3.5 I have attended two meetings of CCLG. One of which was a presentation from Lorne Crerar, the Chair of H&IE.

4 Recommendation

It is recommended that the Board note the contents of this report, and members are invited to comment and discuss.

Brian Johnstone
Regional Chair
December 2017

Board of Management

Principal and Chief Executive Report: October – December 2017

1 Purpose of the Report

To provide members with an update on key college activities.

2 The Report

2.1 *Four Nations FE Forum*

The Principal was invited to participate in a Four Nations FE Forum held in Belfast Metropolitan College, Belfast. Discussions centred around Brexit, the impact of ONS classification as a public body (Wales, Scotland, N Ireland) v incorporated colleges (England) and structures for FE delivery. It was felt that there was benefit in sharing current practice and could be opportunities for joint working in the future. Another forum is being arranged (in Edinburgh) for the Spring of 2018.

2.2 *National Bargaining Update*

Lecturing Staff – Discussions are ongoing between EIS and Management representatives to reach agreement on some outstanding items relating to Terms and Conditions.

Support Staff – Job Evaluation is the main agenda item for discussion at NJNC meetings. Tenders have been received for the job evaluation scheme and a panel is being established to consider these.

Discussions are taking place regarding how the scheme will be implemented (National v Local evaluation) and will be on the agenda at the next Employers Association meeting.

2.3 *CPEG*

Up until October 2017, the Principal represented the College on the Community Planning Executive Group but has subsequently been advised that going forward, membership will be restricted to the 5 statutory bodies – Local Authority, Scottish Fire Service, Scottish Police Service, NHS and 3rd Sector. Skills Development Scotland and the College will no longer have representation on this group.

2.4 *EMT Strategic Session*

The Principal recently organised a Strategic Away Day for Executive Management Team at Ayrshire College, Kilmarnock Campus. The aim of the session was to identify key Scottish Government and SFC policy initiatives and consider how these will impact on the College. Part of the day involved a joint session with the Principal and VP Strategy & Skills from Ayrshire College where a range of topics were discussed including:

- Overview of Ayrshire college
- Overview from Heather Dunk, Principal, on sector leadership
- Challenges facing the Sector
- The new Regional Improvement Collaboratives
- Regional Outcome Agreements
- Executive Management Structure, Roles and Responsibilities

The day finished with a tour of the new Kilmarnock campus, which opened in October 2016.

Board of Management

2.5 Dumfries Learning Town

Following a meeting between the Chair, Principal and Pat Shearer who is leading on developing the strategy and Governance structure for The Bridge, a further meeting was arranged for staff involved in the Bridge development to meet senior College Curriculum staff to discuss and agree courses the college could offer in the Bridge from October 2018. The proposal still needs to be finalised and details will be included in the College-School Link brochure currently being developed. Courses in Care, Childcare and Computing are likely to be the primary offering for the first year.

2.6 Joint Academic Strategy Group

The Principal of Borders College and lead Executive from Heriot-Watt University (Borders Campus) were invited to the JASG meeting to explore how the academic partners across the two regions can work together in preparation for SOSEA. A presentation on developing a Skills Strategy for the South of Scotland was received from Chris Brodie, Skills Development Scotland and it was agreed that Entrepreneurship (focussing on students) was an area of common interest. A proposal was made to hold a student conference in each region, focussing on Enterprise. Carol and Dave Roberts, SRUC agreed to take this forward and a meeting with E-Spark has been arranged to discuss how they might support this.

2.7 Staffing

HR Manager - Michael Youd has been appointed HR Manager and will take up post early January 2018. Michael currently works with North Ayrshire Council, has a strong HR background and significant experience of working in the public sector.

Stranraer Campus Manager – We were unsuccessful in appointing to the Stranraer Campus Development Manager post, so have put alternative arrangements in place including increased visits from the Estates Manager and extension of CTS Coordinator (Eva Milroy) post to include Stranraer (on average 2 days per week), commencing January 2018. As Eva undertook the initial research, she is very well placed to move forward with these developments.

3 Recommendation

Members are asked to note the update on key College activities.

Carol Turnbull

Principal

December 2017

Board of Management

Report to the Board of Management by the President of the Students' Association

1 Introduction

The purpose of this report is to update the Board of Management on projects and ongoing work in the Students' Association.

2 Halloween

Dumfries and Galloway Students Association (DGSA) was giving away free sweets to students at both campuses on Halloween to get them actively engaging with myself and the DGSA.

During lunchtime on Halloween we had the recruiting agency Stafforce in the college, Business students were down at the Student Association selling cupcakes for charity, and we had the Blood Bikes in with one of their bikes promoting the charity, collecting donations and looking for volunteers to work with them.

3 Student Association Constitution

The constitution has now been amended from the Board of Management meeting on 10/10/2017 and is now fit for purpose and is awaiting signing by myself and Brian Johnstone.

4 Lunchtime activities and Sports Events

Sports activities have now started over lunchtimes for students and staff to attend. These activities are every Monday and Wednesday lunchtime and include a range of different activities to get involved with.

Both campuses now have a Football team and have attended a friendly match at Palmerston on 22/11/2017. Sports events will be ongoing throughout the year.

5 Class Rep Training and Curriculum Reps

Class reps have now been trained and are awaiting their first meeting which will be with the Principal. Class Rep details are below;

- 164 class reps have been elected
- There have been 18 training sessions
- An extra training session will be taking place in Dumfries on 28/11/2017 and one in Stranraer in January
- 122 class reps have attended training (74%)
- 42 class reps still need to attend training (26%)
- 20 classes are still to elect class reps
- The first class rep meeting will be on 15/12/2017

Potential Curriculum Reps are now being contacted and training for them will commence within the next two weeks.

Board of Management

6 Charities

The Blood Bikes have been in the college a few times now and they will be returning on the Open Evening.

Class Reps in Stranraer visited the Wigtownshire Foodbank and discussed with them how they can get involved over the year, the class reps have gone back to have discussions with their classes.

7 Recommendation

It is recommended that Board Members note the contents of this report

Leah Thomas
President Students' Association

Date: 27/11/2017

Board of Management

ANNUAL REPORT OF THE AUDIT COMMITTEE 2016-17

1 PURPOSE OF REPORT

- 1.1 To advise the Board of Management of the activities and decisions of the Audit Committee during Financial Period 2016-17 and to provide opinions on matters specified by the Code of Audit Practice.

2 BACKGROUND TO REPORT

- 2.1 It is a requirement of the Code of Audit Practice and the College's Standing Orders and Financial Regulations that the Audit Committee provides the Board with an Annual Report so that all members of the Board can be fully informed of, amongst other things, aspects of the system of Internal Control.

3 ADMINISTRATIVE MATTERS

- 3.1 The period covered by this report is the twelve month period 1 August 2016 to 31 July 2017.

- 3.2 The membership of the Committee during the period was:

Hugh Carr, Chair
Delia Holland
Pat Kirby
Stuart Martin

- 3.3 Other attendees at Audit Committee meetings include:

Brian Johnstone, Chair of the Board of Management
Carol Turnbull, Principal
Jannette Brown, Vice Principal Corporate Services and Governance
Kay Bird, Secretary to the Board until February 2017
Ann Walsh, Secretary to the Board from March 2017
Karen Hunter, Finance Manager
Representative from RSM, Internal Auditors
Representative from Grant Thornton, External Auditors (until December 2016)
Representative from Scott Moncrieff, External Auditors (from January 2017)

Board of Management

3.4 During the relevant period, the Committee's formal meetings were as follows:

Date of Meeting:	Board members present:
20 September 2016	Hugh Carr Delia Holland
21 November 2016	Hugh Carr Pat Kirby Stuart Martin
21 February 2017	Hugh Carr Pat Kirby Stuart Martin
10 May 2016	Hugh Carr Pat Kirby Stuart Martin

There was an average attendance of 2.75 members (69%).

4 INTERNAL AUDIT

4.1 RSM acted as internal auditors throughout the year.

4.2 RSM have provided their Annual Audit Report for 2016-17. The opinion for the 12 months ended 31 July 2017 was as follows:

'Head of internal audit opinion 2016-17

The College has an adequate and effective framework for risk management, governance and internal control.

However, our work has identified further enhancements to the framework for risk management, governance and internal control to ensure that it remains adequate and effective.'

A copy of the full report is detailed in RSM's Annual Internal Audit Report - Year ended 31st July 2017.

Board of Management

- 4.3 A summary of the internal audit undertaken, and the resulting opinions, is provided below:

Assignment	Assurance level	Actions agreed		
		H	M	L
Income Generation	Reasonable assurance	0	4	1
Follow of Previous Internal Audit Recommendations	Reasonable progress	1	2	1
IT Cyber Security	Reasonable assurance	0	2	3
Estates Management – Reactive Maintenance	Reasonable assurance	0	5	2
Student Support Fund	Substantial assurance	0	1	0
Student Activity Data	Substantial assurance	0	0	0
Safeguarding including the Prevent Agenda	Substantial Assurance	0	1	2
Marketing and Communication	Partial Assurance	2	2	2
Total (2016/17)		3	17	11
Total (2015/16)		1	9	13

- 4.4 The recommendations are categorised by the auditors according to the level of priority – High, Medium and Low, and are prioritised to reflect the auditors' assessment of risk associated with the control weaknesses.

In addition, Suggestions may be included as part of the Action Plan reported. These are not formal recommendations that impact the overall audit opinion, but used to highlight a suggestion or idea that management may want to consider.

17 of the recommendations made during the year were categorised as Medium Priority, with 11 categorised as Low Priority.

Three High Priority management actions were made during the year.

- 4.5 Where a recommendation is not accepted this is documented in the individual audit reports considered by the Audit Committee. In general, recommendations may not be accepted where it is considered that the benefits of implementation are outweighed by the costs.

Board of Management

4.6 Assurance on the adequacy of internal controls within the College arises only from the results of reviews that have been completed during the period in accordance with the programme approved by the Audit Committee. In this context it is important to note that:

- It is management's responsibility to maintain internal controls on an ongoing basis;
- The internal audit function forms part of the overall internal control structure of the Board; and
- Whilst the Internal Auditors have planned their work so that they have a reasonable expectation of detecting significant control weakness, internal audit procedures do not guarantee that fraud will be detected.

It is the responsibility of internal audit to assess the adequacy of the internal control arrangements put in place by management and to perform testing to ensure that these controls were operating for the period under review.

5 EXTERNAL AUDITORS

- 5.1 The external auditors for the period to 31 July 2016 were Grant Thornton UK LLP, 7 Exchange Crescent, Edinburgh EH3 8AN, which was the final year of their appointment.
- 5.2 Audit Scotland appointed Scott Moncrieff as external auditors for the five year period 2016-17 to 2020-21.
- 5.3 The fundamental objective of the planning, approach and execution of the audit is to enable the auditors to express an opinion on whether or not the financial statements, as a whole, give a true and fair view of the activities of the College since the last audit and of its state of affairs as at the Balance Sheet date.
- 5.4 We confirm that the external auditors have been approved by the Auditor General in accordance with the Code of Audit Practice and the letter from the Auditor General dated 20 April 2000 for provision of external audit services for the financial period 2015-16.
- 5.5 The external audit of the financial statements for the period ended 31st July 2017 commenced in September 2017, and Scott Moncrieff issued their report 'Dumfries and Galloway College 2016-17 Annual Audit Report to the Board of Management and the Auditor General for Scotland' in November.

Board of Management

6 THE FINANCIAL STATEMENTS

- 6.1 The External Auditors, Scott Moncrieff, have issued their 2016/17 Annual Audit Report to the Board of Management and the Auditor General for Scotland.
- 6.2 Scott Moncrieff have set out their Key Messages in their 2016/17 Annual Audit Report. The report notes that the College's annual report and accounts for the year ended 31 July 2017 are due to be approved by the Board on 12 December 2017 and they intend to report unqualified opinions on the annual accounts, the regularity of transactions and on other prescribed matters and that there are no matters which they are required to report by exception.
- 6.3 The conclusions in the report are as follows:

Financial sustainability

- *The College has arrangements in place for long term financial planning in line with SFC guidance for compiling Financial Forecast Returns.*
- *The College faces a recurring deficit position from 2018/19, with no clear plans on how to bridge the financial gap'.*

'Governance statement

- *We are satisfied that the Governance Statement complies with the Scottish Funding Council guidance and that the content is consistent with the financial statements and the results of our audit work.*
 - *The College has adequate systems in place to record, process, summarise and report financial and other relevant data. We have not identified any significant issues which would require to be disclosed in the governance statement.*
- 6.4 The report sets out three issues and recommendations arising from the external audit work. The recommendations have been given a grading between 1 and 5 to help the College assess their significance and prioritise the actions required, with Grade 5 being Very high risk exposure. The Action Plan points raised are Settlement agreements used for future severance packages (Grade 4), Annual updates to Registers of interests (Grade 3), and timely reconciliations between the payroll system and general ledger (Grade 2). All of the recommendations have now been implemented by College Management.
- 6.5 A copy of the External Auditor's full report is detailed in Scott Moncrieff's 2016/17 Annual Audit Report to the Board of Management and the Auditor General for Scotland.

Board of Management

7 VALUE FOR MONEY PROGRAMME (VFM)

- 7.1 RSM did not perform a specific value for money review at the College, but considered the value for money arrangements as part of the Income Generation and Estates Management – Reactive Maintenance reviews.
- 7.2 Both reviews resulted in reasonable assurance opinions and management actions were raised to improve the control framework.

8 OTHER MATTERS

- 8.1 There are no matters arising from trusts, joint ventures, subsidiary or associated companies.
- 8.2 There were no issues of alleged fraud/irregularity investigated during the audit period.
- 8.3 There are no foreseeable events that will affect the work of the Audit Committee.

9 GOOD GOVERNANCE

- 9.1 In line with the 'Code of Good Governance for Scotland's Colleges' the College Internal and External Auditors have access to the Audit Committee members to discuss any issues without College staff being present.
- 9.2 At the Audit Committee meeting held on 20 September 2016, the Chair asked members of the Executive Management Team and Finance Manager to withdraw from the meeting in order for the Committee to meet privately with internal and external auditors. The Chair sought feedback from internal and external auditors on any matters they wished to raise without staff present. Both advised there was no issues with the college and everything was in order with a good risk management policy imbedded

10 OPINION

- 10.1 The Audit Committee's opinion will be reported for the final report following completion of the Financial Statements audit, when the External Auditors' reports are available.

11 RECOMMENDATION

- 11.1 It is recommended that the Board take note of the work of the Committee for the period August 2016 to July 2017.

KEY FACTS 2017

STRUCTURE

Board of Management	<ul style="list-style-type: none"> Brian Johnstone <i>Regional Chair</i> Delia Holland <i>Vice Chair</i> Carol Turnbull <i>Principal</i> Barry Graham Stuart Martin Pat Kirby 	<ul style="list-style-type: none"> John Henderson Hugh Carr Ian White Kenny Henry Leah Thomas Tony Conlon Dr. Janet Brennan Karen McGahan Ros Francis 	<ul style="list-style-type: none"> Naomi Johnson Rob Orr Robbie Thomas
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Executive Team

Carol Turnbull <i>Principal</i>	Andrew Glen <i>Vice Principal Planning & Performance</i>
Helen Pedley <i>Vice Principal Corporate Services</i>	Andy Wright <i>Vice Principal Learning & Skills</i>

Curriculum

Janet Weir <i>Head of Curriculum</i>	June Holland <i>Head of Curriculum</i>	
Julia MacDonald <i>Health & Social Services & Prince's Trust Manager</i>	Laura Webster <i>Hospitality & Sport Manager</i>	Alan McKie <i>Built Environment Manager</i>
Yeolande Davies <i>Early Years & Supported Programmes Manager</i>	Gillian Rose <i>Business, Accounting & Computing Manager</i>	Billy McRobert <i>Engineering & Automotive Manager</i>
Joyce Litster <i>Hair & Beauty Manager</i>	Henrietta Veys-Crocker <i>Creative Industries Manager</i>	

Support

Elizabeth McDonald <i>Quality Manager</i>	Angela Wells <i>Student Records Manager</i>	Shona Scott <i>Student Guidance & Support Manager</i>
Eric Dunbar <i>ICT Manager</i>	Karen Hunter <i>Finance Manager</i>	William Currie <i>Facilities Manager</i>
Alison Jardine <i>Business Development Manager</i>	Sandra Norris <i>Marketing & Admissions Manager</i>	
Andy Cowan <i>Information Services Manager</i>		

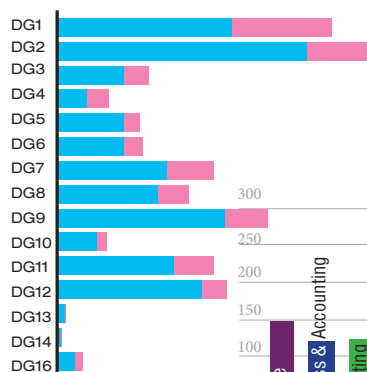
STAFF

TOTAL EMPLOYEES	292, FTE 205.6
TEACHING	84.56 FTE
SUPPORT	120.95 FTE
FULL TIME	103
PART TIME	189



STUDENTS

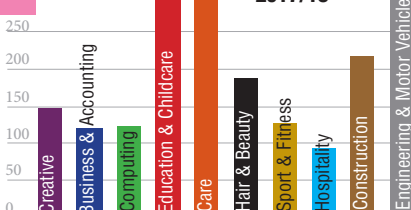
Enrolment by Postcode



Modern Apprenticeships

100	SDS Contract
53	New Contract
104	CITB
33	SECTT
18	SNIPEF

Course Enrolments 2017/18



FULL TIME HE	501 13.3%
PART TIME HE	421 11.2%
FULL TIME FE	1,040 27.6%
PART TIME FE	1,810 48%



SUCCESSSES 2016-17

- College Development Network Marketing Awards 'Events Category' - Gold Award
- College Development Network Marketing Awards 'Events Category' - Grand Prix Award
- Zest Eat Safe Award - Promoting Excellence in Food Hygiene Award
- Prince's Trust Celebrate Success Awards-Community Impact Category - Runner Up - Team 25
- The Prince's Trust Scottish Delivery Partner Awards
- Electro-technical Modern Apprenticeship Competition (eMac) - 1st place - Steven Harper
- SkilleLECTRIC Scottish Heat - 1st Place - Steven Harper
- AHT Regional Heats 'Body Art' - 2nd place - Karen Hughes
- Dumfries American Football Team - The Dumfries Hunters Logo and Branding Competition - Winner - Reece Whyld
- SECTT Dumfries and Galloway Apprentice of the Year (2nd Year) - Liam Kelly
- SECTT Dumfries and Galloway Apprentice of the Year (1st Year) - Liam Downie
- The Scottish Timber Trade Teachers Competition - First Place - Kieran Patterson
- National Skill Build Finals - Bronze Prize - Kieran Patterson
- World Skills UK Olympic Team - Selection - Kieran Patterson
- Nithsdale Disability Sports Personality of the Year - David Denholm

FUNDING

Funding for Achievement of Activity Target of 30,336 credits

Core Teaching Funding	£8,920,605
Capital & Maintenance Funding	£373,918
Core Student Support Funding	£2,039,137

PROGRAMMES

School Partnerships - 2015-16

341 Senior phase pupils enrolled on school-college vocational programmes with the College during 2015-16

University Articulation - 2015-16

92 Dumfries & Galloway College students were offered places in undergraduate programmes through UCAS in 2015

50 Approx 50 students gained advanced entry to university study, either at year two or three level

24 Associate articulation places were offered to Dumfries and Galloway College students (guaranteed entry mainly through 1+3 routes)

Successful Course Completion - 2016/17

Creative Industries 78%	Business & Accounting 68%	Computing 63%	Education & Childcare 61%	Hospitality 65%
Care 66%	Construction 78%	Engineering, Electrical & Motor Vehicle 63%	Hairdressing & Beauty 58%	Sport & Fitness 61%

Stakeholders 2017



SCQF 3	SCQF 4	SCQF 5	SCQF 6	SCQF 7	SCQF 8	SCQF 9 Articulation
	HEALTH SOCIAL AND CHILD CARE SFW @ SCQF LEVEL 4 (N4CS)		SOCIAL SCIENCES HIGHER @ SCQF LEVEL 6 (UHED)	SOCIAL SCIENCES HNC @ SCQF LEVEL 7 (HSSO)	HNC Students can articulate to SCQF level 7 or to SCQF level 8 with an 'A' in their Graded Unit or to the BA in Health & Social Policy at the University of Glasgow on the Crichton Site, BA (Hons) Health and Social Sciences or BA (Hons) Open at The Open University	
		HEALTH AND SOCIAL CARE NATIONAL AWARD @ SCQF LEVEL 5 (NSCA)	HEALTH AND SOCIAL CARE NPA @ SCQF LEVEL 6 (SVCA)	SOCIAL SERVICES HNC @ SCQF LEVEL 7 (HSSS)	HNC Students can articulate to SCQF level 7 or to SCQF level 8 with an 'A' in their Graded Unit or to the BA in Health & Social Policy at the University of Glasgow on the Crichton Site. HNC Social Care learners who get an A in their graded unit and attend the required summer school can enter the 2nd year Social Work degree on the Crichton site; BA (Hons) Social Work (Scotland), BA (Hons) Health and Social Care or BA (Hons) Open at The Open University	
		SOCIAL SCIENCES NATIONAL AWARD @ SCQF LEVEL 5 (N5ED)	NPA - PROMOTING REABLEMENT (NREA)			
	THE PRINCE'S TRUST TEAM PROGRAMME (SPRI)		NURSING (SWAP) NPA @ SCQF LEVEL 6 (SNUR)			
PERSONAL ACHIEVEMENT SKILLS @ SCQF LEVEL 1 (NKEY)				Articulate to Health Skills Academy at QMU		
PERSONAL DEVELOPMENT SKILLS @ SCQF LEVEL 1 (NLST)		CHILD, HEALTH AND SOCIAL CARE SFW @ SCQF LEVEL 5 (JNSCS)	PSYCHOLOGY HIGHER (SHPS)			
LIFESKILLS @ SCQF LEVEL 2 (NSK1)		PLAYWORK AND CHILDCARE NPA @ SCQF LEVEL 5 (NSEC)	HIGHER CHILDCARE AND DEVELOPMENT (SHCD)			
LIFESKILLS @ SCQF LEVEL 3 (NSK2)		SFW EARLY EDUCATION AND CHILDCARE - NATIONAL 5 (KSEC)	EARLY EDUCATION AND CHILDCARE NC @ SCQF LEVEL 6 (NEEC)	CHILDHOOD PRACTICE HNC @ SCQF LEVEL 7 (HCHP)	HNC students can articulate at SCQF level 8 or to the BA in Childhood Studies at the University of West of Scotland on the Crichton Site	
PROJECT SEARCH @ SCQF LEVEL 3 (SPRO)	SFW EARLY EDUCATION AND CHILDCARE - NATIONAL 4 (K4EC)					
				Students can articulate at SCQF level 7 to the BA in Adult Nursing or Mental Health at the University of West of Scotland on the Crichton Site; Dip HE Healthcare Practice or BSc (Hons) Mental Health Nursing at The Open University (only with employer sponsorship)		
		ADMINISTRATION AND IT NATIONAL AWARD @ SCQF LEVEL 5 (JNSAD)	ADMINISTRATION AND IT HIGHER @ SCQF LEVEL 6 (JUHAD)	BUSINESS HNC @ SCQF LEVEL 7 (HBUA)	BUSINESS HND @ SCQF LEVEL 8 (DBUA)	HND students can articulate to: BA Business Management with University of West of Scotland on Crichton site; BA (Hons) in Business Management or BA (Hons) Open with The Open University
			BUSINESS NC @ SCQF LEVEL 6 (NBIT)	ACCOUNTING HNC @ SCQF LEVEL 7 (HACC)	ACCOUNTING HND @ SCF LEVEL 8 (DACC)	HND students can articulate to: BA Accounting with University of West of Scotland; BA Honours in Accounting with The Open University
		COMPUTER NETWORKS AND SYSTEMS NPA @ SCQF LEVEL 5 (NNET)				
		COMPUTING SCIENCE NPA @ SCQF LEVEL 5 (NCMP)				
	COMPUTING WITH DIGITAL MEDIA NC @ LEVEL 4 (SCCP)		ADVANCED CERTIFICATE IN COMPUTING NATIONAL AWARD @ SCQF LEVEL 6 (NAMP)	COMPUTING HNC @ SCQF LEVEL 7 (HCOM)	COMPUTING: TECHNICAL SUPPORT HND @ SCQF LEVEL 8 (DCOS)	HND students can articulate to: BSc in Networking degree with Glasgow Caledonian University; BA in IT degree at the University of West of Scotland on the Crichton Site; BSc (Hons) Open with The Open University
				COMPUTER SCIENCE HNC @ SCQF LEVEL 7 (HCSC)	COMPUTER SCIENCE HND @ SCQF LEVEL 8 (DCSC)	HND students can gain direct entry into the second year of a related BSc Computing degree course at university; BSc (Hons) Open with The Open University.
		SCHOOLS - PHOTOGRAPHY AND DIGITAL IMAGING				
			ART & DESIGN NC @ SCQF LEVEL 6 (CART)	ART & DESIGN HNC @ SCQF LEVEL 7 (HART)	ART & DESIGN HND @ SCQF LEVEL 8 (DART)	HND students can articulate to BA Art & Design courses at various universities; or BA (Hons) Open with The Open University
			PHOTOGRAPHY NC @ SCQF LEVEL 6 (CPHO)	PHOTOGRAPHY HNC @ SCQF LEVEL 7 (HPHO)	PHOTOGRAPHY HND @ SCQF AT LEVEL 8 (DPHO)	HND students can articulate to BA Photography courses at various universities; or BA (Hons) Open with The Open University
		SFW SPORT AND RECREATION - NATIONAL 5 (N5SP)	VISUAL COMMUNICATION (DIGITAL MEDIA) NPA @ SCQF LEVEL 6 (CVIC)	VISUAL COMMUNICATION HNC @ SCQF LEVEL 7 (HVIC)	VISUAL COMMUNICATION HND @ SCQF LEVEL 8 (DVIC)	HND students can articulate to BA Graphic Design courses at various universities; or BA (Hons) Open with The Open University
	SPORT AND FITNESS NATIONAL AWARD @ SCQF LEVEL 4 (NSFA)	SPORT AND FITNESS NC @ SCQF LEVEL 5 (NSFI)				
PASSPORT TO COLLEGE SFW @ SCQF LEVEL 3 (NPTC)			SPORT AND FITNESS NPA @ SCQF LEVEL 6 (NSFH)	FITNESS, HEALTH AND EXERCISE HNC @ SCQF LEVEL 7 (HSPO)	FITNESS, HEALTH AND EXERCISE HND @ SCQF LEVEL 8 (DSPO)	HND students can articulate to BSc (Hons) degree in Sports, Fitness and Coaching with The Open University or UWS BSc Sports Coaching or BSc Sports Development or BSc Sport and Exercise Science
				COACHING AND DEVELOPING SPORT HNC @ SCQF LEVEL 7 (HSCD)	COACHING AND DEVELOPING SPORT HND @ SCQF LEVEL 8 (DSCD)	HND students can articulate to BSc (Hons) degree in Sports, Fitness and Coaching with The Open University or UWS BSc Sports Coaching or BSc Sports Development

SCQF 3	SCQF 4	SCQF 5	SCQF 6	SCQF 7	SCQF 8	SCQF 9 Articulation
		INTRODUCTION TO HAIRDRESSING (S2HA) BEAUTY CARE AND MAKE UP NPA @ SCQF LEVEL 5 (N2MA)				
	HAIR AND BEAUTY NPA @ SCQF LEVEL 4 (SIHB)	HAIRDRESSING NC @ SCQF LEVEL 5 (S2HR)	BEAUTY CARE NC @ SCQF LEVEL 6 (NBEC)	BEAUTY THERAPY HNC @ SCQF LEVEL 7 (HBEA)	BEAUTY THERAPY HND @ SCQF LEVEL 8 (DBEA)	HND students can articulate to BA or BSc (Hons) Open at The Open University
			HAIRDRESSING NC @ SCQF LEVEL 6 (SHHR)			
		PROFESSIONAL COOKERY @ SCQF LEVEL 5 (C & G) (C2PC) (Students given the opportunity to achieve SCQF level 5 allowing entry to the Hospitality - Intermediate)				
	PROFESSIONAL COOKERY @ SCQF LEVEL 4 (C & G) (C1PC)	HOSPITALITY NC @ SCQF LEVEL 5 (NHOS)(Students given opportunity to achieve SCQF level 6 allowing entry to the HNC Hospitality)		HOSPITALITY HNC @ SCQF LEVEL 7 (HHOS)	BA or BSc (Hons) Open at The Open University	Future plans to develop an HND where HND students can articulate to BA or BSc (Hons) Open at The Open University
		HOSPITALITY: PRACTICAL COOKERY - NATIONAL 5 (SSH0)				
	HOSPITALITY: PRACTICAL COOKERY - NATIONAL 4 (S4HO)					
	INTRODUCTION TO MOTOR VEHICLE AND INDUSTRY TECHNOLOGIES (CIMT)	LIGHT VEHICLE MAINTENANCE AND REPAIR PRINCIPLES @ SCQF LEVEL 5 (IMI) (CDLV)				
IMI AWARD FOR THE INTRODUCTION OF MOTOR VEHICLE AND INDUSTRY TECHNOLOGIES (CAMT)	TRANSPORT MAINTENANCE @ SCQF LEVEL 4 (IMI) (CCVM)					
	ENGINEERING, ELECTRICAL AND AUTOMOTIVE SKILLS (SIEP)		ELECTRICAL ENGINEERING NC @ SCQF LEVEL 6 (NEEG)	ELECTRICAL ENGINEERING HNC @ SCQF LEVEL 7 (HELE)	Currently discussing articulation arrangements with University of Strathclyde and Edinburgh Napier University; BSc (Hons) Open at The Open University	
		FOUNDATION ENGINEERING SKILLS SVQ (W2PE)		ELECTRICAL ENGINEERING HNC @ SCQF LEVEL 7		
		ELECTRICAL ENGINEERING NC @ SCQF LEVEL 5 (NEEL)	WIND TURBINE TECHNICIAN @ SCQF LEVEL 6 (C&G) (CWTT)			
		FABRICATION & WELDING ENGINEERING NC @ SCQF LEVEL 5 (NEFW)		ELECTRICAL INSTALLATION SVQ @ SCQF LEVEL 7 (CELI)		
		BRICKWORK @ SCQF LEVEL 4				
		CONSTRUCTION - CARPENTRY AND JOINERY NPA @ SCQF LEVEL 5 (NJOI)	SCHOOLS - NATIONAL 5 CONSTRUCTION			
	CONSTRUCTION CRAFTS (BTEC) (C1CS)		CARPENTRY & JOINERY APPRENTICESHIP - CITB SVQ @ SCQF LEVEL 6 (CJOI)			
SUSTAINABLE BRONZE CREST AWARD (SBRO)	DESIGN ENGINEERING AND CONSTRUCT (SECO)	CONSTRUCTION - PAINTING AND DECORATING NPA @ SCQF LEVEL 5 (NPAI)	BRICKLAYING APPRENTICESHIP - CITB SVQ @ SCQF LEVEL 6 (CBRI)			
		PLUMBING @ SCQF LEVEL 5 (NPLU)	PAINTING & DECORATING APPRENTICESHIP - CITB SVQ @ SCQF LEVEL 6 (CPAI)			
		MULTI CRAFT CONSTRUCTION @ SCQF LEVEL 5 (C & G) (CMUL)		DOMESTIC PLUMBING AND HEATING SVQ @ SCQF LEVEL 7		
CODE						
School Programmes						
Health and Social Services, Project Search and Prince's Trust						
Early Education and Learning and Skills Plus						
Business and Accounting						
Computing						
Creative Industries						
Sport						
Hair and Beauty						
Hospitality						
Motor Vehicle						
Engineering						
Construction						

Board of Management-Audit Committee

Minute of the Meeting of the Audit Committee of the Board of Management of Dumfries and Galloway College held on 19 September 2017 at 2 pm in Room 2009

Present: Hugh Carr (Chair) Pat Kirby
Stuart Martin Naomi Johnson
Delia Holland

In attendance: Carol Turnbull, Principal Karen Hunter, Finance Manager
Philip Church (RSM) Brian Johnstone (Board Chair)
Helen Pedley, VP Corporate Services
Ann Walsh (Board Secretary)

Minute Taker Heather Tinning, (Executive Team Assistant),

1 Apologies

The Chair welcomed members to the meeting, in particular Naomi Johnson as a new member of the Audit Committee. The Secretary to the Board confirmed the meeting was quorate with enough members present to allow decisions to be made.

2 Declaration of Interest

Members agreed to indicate declarations of interest as appropriate throughout the meeting.

3 Minute of Meeting of 15th May 2017

The Minute of the meeting of 15th May 2017 was approved.

4 Matters Arising

4.1 General Data Protection Regulation (GDPR)

Following previous discussion at the last Committee meeting, the Principal advised that she had discussed the changes to the framework, with the Student Records Manager, in terms of the Data Protection Rules for 2017-18. The Vice Principal Performance and Planning and Student Records Manager are attending national meetings with regard to the changes. The Principal advised that the Committee would be updated of any implications that are non-operational.

4.2 Income Generation

Following discussion at the last Committee meeting, with regard to setting targets for Commercial, (non-SFC) Income the Principal reported on two targets that had been set, including:

- Credit Target achieved 4,082 for 2016-17
 - Proposed increased target of 4,500 for 2017-18

The Principal also reported on targets set for Surplus:

- The income for 2015-16 was £672,188
- The income for 2016-17 was £732,529
 - Proposed increased target of £750,000 for 2017-18

The Principal explained the Income target figure includes direct expenditure, but no overhead costs. Members agreed that the CTS Income is a valuable contribution to the income of the college. The Principal advised that a report will be presented to the Board of Management that includes details of Income and Expenditure for the last two years.

Decision: The Committee accepted the decision to increase the non-SFC Surplus and activity targets to £750,000 and 4,500 credits as recommended.

5 Internal Audit Reports

5.1 Estates Management – Reactive Maintenance 8.16/17

Phillip Church spoke to the Final Estates Management – Reactive Maintenance Internal Audit Report, reporting on a review of Estates Management including how works are raised, prioritised and given to members of the Estates Team. The report confirms that reasonable assurance has been provided for the Board that controls are in place. The Vice Principal of Corporate Services provided an update on completing the actions agreed, advising that the Facilities Manager has been working very closely with the Estates Team. Moving forward, the Facilities Manager is also working on a Guidance for the TSRs (Technical Support Requisitions) which are requests submitted by staff, and KPIs for the Estates Team.

Action: Following discussion, it was agreed to remove the names recorded in all Audit Reports moving forward and include only job titles

Members were re-assured that action has been taken in terms of all points raised in the Audit.

5.2 Internal Audit Annual Report 2016-17

Philip Church spoke to the Annual Internal Audit Report up to 31 July 2017, approved by the Audit Committee in May 2017. In terms of Governance, the report confirms that an appropriate Governance Structure is in place. The Internal Audit opinion confirms that an adequate and effective framework for Risk Management and Governance is in place. Philip reported on the three specific reviews that have been undertaken in terms of Risk Management, providing substantial assurances.

Decision: Members recommend the Internal Audit Annual Report 2016-17 to the Board of Management

6 Audit Scotland Reports

Audit Scotland Reports were provided to the Committee for information, allowing members the opportunity to view other Colleges' reports, including:

- 2015-16 Audit of Edinburgh College
- 2015-16 Audit of Lews Castle College
- 2015-16 Audit of Moray College
- Scotland's Colleges 2017

Members noted the content and some of the similar challenges faced on activity credit targets.

7 2015-16 Draft Audit Committee Annual Report

The Chair spoke to the Annual Report, which provides an overview of the Committee's work for the year and also reporting to the Board governance issues. The report summarises internal audits during the year and assurances gained. Feedback from External Audits undertaken in the next year will be presented with 2016-17 accounts at the next Audit Committee.

Decision: Members recommend the Draft Audit Annual Report 2015-16 to the Board of Management

Members noted the report.

8 Draft Marketing Strategy

The Principal spoke to the Draft Marketing Strategy, advising that the Strategy has been presented to Audit Committee members in order to give assurance that an action point from an Internal Audit report has been dealt with. The Principal advised that the Draft Marketing Strategy will now be presented to the Board of Management.

Decision: Members approved and recommended to present the Draft Marketing Strategy to the Board of Management for approval on 10th October 2017

9 Scottish Funding Council Financial Memorandum

The Finance Manager reported on the SFC Financial Memorandum, advising that following the move to the RBS/ Government Bank Account the college is now fully compliant with the Financial Memorandum, including cash management and banking requirements.

10 Strategic Risk Register

The Principal spoke to the Strategic Risk Register, highlighting recent changes and revised ratings.

With regard to the Cyber Attack, the principal assured members that the Fire Walls and Preventions in place were sufficient measures to prevent any attack.

In terms of achieving activity target, the Principal advised on the shortfall of planned enrolments, amounting to 150 full-time, advising that the situation will be monitored throughout the year.

The Principal reported on the risk referring to the Student Support Funds, Bursaries and Funds, advising that in the last three years the college has paid back some grant income, owing to surplus, advising that this is required on an annual basis and surplus cannot be accumulated.

Decision: Members approved the Strategic Risk Register

11 Any other business

None.

12 Date and time of Next Meeting

The next meeting of the committee is to take place on Tuesday 21 November 2017, at 2 pm.

13 Good Governance

The Good Governance Annual Discussion with the Internal Auditors took place after the Audit Committee Meeting allowing the Committee to meet privately with the internal auditors, in accordance with the Code of Good Governance for Scotland's Colleges.

Philip Church advised that there are no issues or criticism of the college from internal audit, and that good risk management was being undertaken.

Discussions took place regarding:

i) GDPR and what future requirements may be required both of the college and of the Board with regard to what records are kept and where.

Action: The Chair of the Board to discuss GDPR with the Principal.

ii) Internal Audit reports and whether these should be confidential to the college. The proposal is for the annual Audit Committee Report, annual Internal Audit report and External Audit reports being provided on the website as now, but not individual internal audits.

Action: The Secretary to the Board to investigate further regarding internal audit reports and get a view from RSM.

Board of Management Board Development Committee

Minute of the Meeting of the Board of Management of Dumfries and Galloway College at its Board Development Committee held on 28 March 2017 at 2 pm in 1074b

Present: Brian Johnstone (Chair) Delia Holland (Vice Chair)
John Henderson Stuart Martin
Hugh Carr

In attendance: Jannette Brown, Secretary to the Board and
Vice Principal Corporate Services and Governance
Ann Walsh, (New) Secretary to the Board

Note: For this meeting Jannette Brown was Secretary to the Board and Ann Walsh was attending as part of her induction

Minute Taker: Heather Tinning, Executive Team Assistant

1 Welcome and Apologies

The Chair welcomed all to the meeting, in particular Ann Walsh, recently appointed Secretary to the Board. The Secretary to the Board confirmed that the meeting was quorate with enough members present to allow decisions to be made.

2 Declaration of Interest

Members agreed to indicate declarations of interest as appropriate throughout the meeting.

3 Minute of Meeting of 18th October 2016

The Minute of the Meeting of the Board Development Committee on 18th October 2016 was approved.

3.1 Board Evaluation and Development Process

The Chair advised that his annual one to one assessment by Scottish Ministers, in his role as Regional Chair, had not taken place as yet.

4 Matters Arising

4.1 Board Member term in office extension

The Chair advised that Janet Brennan's Term in Office expires on 31st July 2017, and sought members' views and approval on an extension. He advised that Janet is an asset to the Board with her knowledge of higher education and awareness and involvement in other Bodies, including the Arts, Heritage and Culture.

Action: Members of the Board Development Committee approved the extension, for a four year term. The Secretary to the Board will arrange for a letter, including evidence to be sent to the Scottish Government for final approval.

4.2 Development/Social events/Dinner

Following discussion at the last meeting, the Chair sought members' views on a Social Event to allow Board Members to meet outwith Board and Committee meetings, particularly following the recently appointed new

Board Members. The Chair suggested an Evening Dinner to take place in the College's Zest Restaurant, and asked that the Secretary to the Board confirm availability in May, avoiding students taking their exams. This evening is for Board Members only.

The Chair spoke of inviting Stakeholders to a future Dinner, also in the Zest Restaurant, as an opportunity to showcase Zest.

Action: The Board Secretary to take forward the Board Members Evening Dinner, with the Principal initially and circulate dates to Board Members

5 Review of Actions from Board Development Event

5.1 Minute of Meeting of 24th January 2017

Members asked for item 6 of the minute to be amended to 'Emma Curtis, Vice President of the Student Association. The Minute of the Board Development Event held on 24th January 2017 was then approved.

5.2 Key Facts Booklet on the College

The Chair reported that the Principal was currently compiling the information for the Key Facts Booklet on the College, to include data on staff and student numbers, course information and an outline of the college. The Chair advised that as Ambassadors of the college, the information included in the Key Facts Booklet would be particularly useful for Board Members. Stuart Martin suggested that it would also be advantageous to issue this to MPs and MSPs.

Action: The Key Facts Booklet on the College to be completed by the Principal, and issued to Members on completion

5.3 Stakeholder List

The Chair advised that the Principal was currently compiling the Stakeholder List for issue to members.

Action: The Stakeholder List to be completed by the Principal, and to be issued to Members on completion

6 Board Effectiveness – Documents for Publication

6.1 Board Evaluation 2016-17

The Secretary to the Board advised that the Board Effectiveness documents will be sent to the Scottish Funding Council and posted on the college website by Friday 31st March 2017. She advised that the documents have previously been to the Board of Management and that this is now the opportunity for the Board Development Committee to make final comment. Following discussion, the Secretary to the Board advised that final grammar checks will be completed before the documents are published.

Decision: Following a final check of the wording, the Board Development Committee approved the Board Effectiveness documents for publication:

- Board Evaluation Report 2015-16
- Board Development Plan 2016-17
- External Review of Board Effectiveness, February 2017

6.2 Board Development Plan 2016-17

The Chair updated members on the developments in the Board Development Plan for 2016-17, advising that this is work in progress. He advised that the Principal's interim review had taken place on 14th March 2017. The Chair also advised that following discussion at the Board, a sub group will be set up to look at Student Engagement. The Secretary to the Board reported on the pilot of Wallace Hall Primary Pupils working with the College Students, advising that the Schools Liaison Officer is taking forward the pilot. The Chair advised that

following the recent appointments of new Curriculum Managers, a Board Engagement Event will be arranged to meet the College Management Team.

In terms of the Student Association, the Secretary to the Board advised that the election process has now commenced, with three candidates so far. The votes are to be counted on Friday 31st March 2017. It is hoped that the Constitution, Partnership Agreement, Development Plan and Evaluation Plan will be presented at the first Learning and Teaching Committee meeting of the new session, before going to the Board of Management. The Vice Principal advised that although a lot of work has been put into the documents, there has been a slight delay in completing the documents, owing to the changes in the Student Association Executive Team, who are required to ratify the documents. The Quality Officer, two Admin Support Officers and the Engagement Officer will provide support and guidance to the new Student Association Executive Team once they are in post.

6.3 External Review of Board Effectiveness

The Chair spoke to the External Review of Board Effectiveness, which was presented at the last Board of Management meeting. He advised that Jan Polley refers to parts of the report at other colleges, which Members agreed, was a very good recognition of our good practice. Following discussion on Key Performance Indicators, the Secretary to the Board advised that the Board and Committee remits show the range of responsibilities that the Committees are expected to monitor.

7 Board Recruitment

7.1 New Member

The Chair advised that following the recent appointment of two new Board Members, a telephone interview had initially taken place with another candidate, followed by a face to face interview. The Chair and Stuart Martin, who were involved in the interviews, described the candidate as a good asset to the Board with a mix of diverse skills. The Chair sought Member's approval to appoint, with the endorsement of himself and Stuart Martin.

Following a discussion on staggering new Board Member's appointments, the Secretary to the Board advised that there was no advantage in staggering the appointments, but suggested members consider the Term of Office for any new appointments. The Secretary to the Board provided an overview of Member's Term in Office end dates.

The Chair reminded Members that his Term of Office ends in March 2018 and he understands that appraisals by Scottish Government are currently being arranged.

Decision: Members agreed to recommend recruitment of Mr Thomas to the full Board

8 Board Evaluation and Development Process

8.1 Board Evaluation 2016-17

The Secretary to the Board advised that it is time for the Board to consider the Board Evaluation process for 2016/17, to look back and assess performance of last year. Following completion of the Board Development Plan by the Board Development Committee, the Plan is then presented to the Board. Discussion took place on how to take forward the Actions and populate the Development Plan for 2017-18, to link into the External Review of Board Effectiveness.

Action: The Board Secretary to confirm a date for Members to meet, a half day should suffice. Members to complete their Self Evaluations prior to the meeting

Following discussion regarding how much evidence is provided during formal feedback within one-one assessments, the Secretary to the Board suggested that Members should be mindful of the fact that it is their Self Evaluation. Each individual Board Member completes a Pro-forma, which is their own assessment. She also advised that the Minute of each Board and Committee meeting provides evidence of how the Chair conducts his or her business.

8.2 Development Plan 2017-18

The Secretary to the Board advised that the Development Plan for 2017-18 will be populated from the Board Evaluation 2016-17. The Chair referred to the External Review of Board Effectiveness document, and provided an update on the Governance Development Actions agreed for 2017-18.

8.3 Discussion on Frequency and Length of Board Meetings and Board Committee Meetings

The Chair sought Members' views on the frequency and length of Board and Board Committee meetings, including more focus on college business, length of the agendas, in particular the Board meeting not allowing enough time for full discussion on all agenda items. Following discussion, it was agreed to maintain the frequency and timing of the meetings. Discipline, in terms of the Chair, along with the change in the structure of the Board of Management meeting agenda, should improve timeliness and effectiveness.

Action: Members to e-mail the Chair with any other concerns

9 Any other business

9.1 New Committee Members

The Secretary to the Board updated Members on new Committee Members:

- Learning and Teaching Committee – Rob Orr and Naomi Johnson
- Audit Committee – Naomi Johnson
- Human Resources Committee – Rob Orr
- Grievance and Appeals Committee – Ros Francis

The Secretary to the Board advised that in light of the re-structure, the Staff Membership on the Learning and Teaching Committee may need to be reviewed.

The Secretary to the Board advised that Committee remits are available for Board Members in the Code of Good Governance Manual and key documents on Admin Control.

9.2 Thank You

The Chair thanked the Vice Principal Corporate Services & Governance for all the hard work and commitment that she has shown to the Board, as both Secretary to the Board and Vice Principal, and wished her well in her future plans.

10 Date and time of next Meeting

The next meeting of the Board Development Committee is to be held on Tuesday 19th September at 12:45 pm.

Board of Management Finance and General Purposes Committee

Minute of the Meeting of the Finance and General Purposes Committee of the Board of Management of Dumfries and Galloway College, held on Wednesday 20 September 2017 at 12 noon in Room 2009, Dumfries Campus.

Present: John Henderson (Chair) Ros Francis
Karen McGahan Carol Turnbull
Kenny Henry

In attendance: Karen Hunter, Finance Manager
Helen Pedley, Vice Principal Corporate Services

Minute Taker: Heather Tinning, Executive Team Assistant

1 Welcome and Apologies for Absence

The Chair welcomed members to the meeting. Apologies were intimated on behalf of Ann Walsh, Secretary to the Board.

The Executive Team Assistant confirmed the meeting was quorate with enough members present to allow decisions to be made.

2 Declaration of Interest

Members agreed to indicate declarations of interest as appropriate throughout the meeting.

3 Minute of Previous Meeting

The Minute of the Finance and General Purposes Committee held on 23 May 2017 was approved.

4 Matters Arising

None.

5 Draft Annual F&GP Committee Report 2016-17

The Finance Manager spoke to the report which had been issued, reporting of activities and decisions of the F&GP Committee during the Financial Period of 2016-17. In relation to the Annual Financial Statements, the Finance Manager advised that she was analysing the figures that had just been received and will update the report in terms of the Pension Evaluation.

Decision: The F&GP Committee approved the Draft Annual Report 2016-17 to the Board of Management

The Chair thanked the Finance Manager for the report.

6 Estates Update

The Vice Principal, Corporate Services spoke to the Facilities report, providing an overview of activity last year. In terms of the flood claim, the Vice Principal confirmed that the claim had not incurred any increase in the insurance premium. With regard to the Health and Safety Audits undertaken the Vice Principal advised that nothing major was raised. The Facilities Manager and the Facilities Administrator have now completed their NEBOSH Health & Safety at Work, and are

Board of Management Finance and General Purposes Committee

sharing the duties of the Health and Safety Officer, following his voluntary severance. A report will be brought to the next F&GP Committee providing an update on progress with the College's Climate Change Plan. The purchase of Engineering Equipment has commenced with the intention to be fully installed by the end of the Academic Year. Funding was sought, in two stages, from ALF, with the outstanding amount to be drawn down in April.

Members noted the report.

7 National Bargaining Update

The Vice Principal, Corporate Services provided an update on National Bargaining, advising of a Support Staff pay increase of £425 per FTE, together with an increase in Annual Leave with all Support Staff receiving 44 days, pro-rata, inclusive of Public Holidays. There is no longer an accrual of leave after 5 years and all staff receive the same entitlement. The Vice Principal indicated that the support staff unions will attempt to continue to negotiate further increases in annual leave.

The Vice Principal advised that the next stage of national negotiations is to implement a national job evaluation scheme. A tender has been prepared by Scotland's Colleges to purchase a national scheme. Discussions continue on the implementation of this Scheme. Members noted that this was a major piece of work at local level. A timeframe has been agreed of August 2018 for Implementation. The Vice Principal indicated that the process will not be complete by this date and is likely to incur a significant amount of back pay where posts receive an increase in grade. No indication has been provided if SFC will fund the cost of any pay increases incurred as part of the implementation of this scheme.

An initial 25% harmonisation has been paid for un-promoted Lecturers and additional funding was received from SFC to address the increase for 2017-18. The Vice Principal advised that no guarantee has been received from SFC that additional funding will be received to fund the remainder of the agreement:

- April 2018 - 25% harmonisation
- April 2019 – 50% harmonisation

The Job Matching process is ongoing for the Promoted Lecturers posts, with the aim for agreement to be reached by 31 October 2017, backdated to 1 April 2017. Additional funding will be requested from SFC to address the additional cost.

EIS have requested a Cost-of-Living increase in 2017-18, of £1,000 per increment, backdated to 1 April 2017. The Vice Principal advised that the Committee would be updated following a NJNC meeting arranged for early October 2017. Discussions at the next NJNC include holidays; contact time for Lecturers and conservation of salary. Members noted that the college has made no changes to terms and conditions for staff with the exception of harmonisation of pay.

The Principal advised that she has joined the NJNC on the support side as one of the Management Side Representatives, and is attending an event on 21 September in terms of negotiations.

The Chair thanked the Vice Principal, Corporate Services for the update.

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8 Winding Down of College Arm's Length Foundation (ALF)

The Finance Manager spoke to the report which had been issued. She reported on the ongoing requirement to complete Accounts and Annual Returns. Given the current political climate, the likelihood of paying into ALF in the future is very low. Also owing to the unnecessary administration and cost associated, members were asked to consider the option to wind up the ALF.

Decision: Members agreed to recommend to the Board to wind down the Dumfries and Galloway Further Education Foundation.

9 Revised Budget 2017-18

The Finance Manager spoke to the report which had been issued, advising of an underlying break even position going forward. She reported that the budget did not include a contingency for staffing. The Finance Manager reported that the payroll has been reduced by £155,000 from an earlier forecast. Members noted that this was not as a result of redundancy, but was based on changes to planned activity and vacancies. The Vice Principal reported that she had looked at efficiencies in terms of delivery and staff utilisation with the new Curriculum Managers.

Decision: Members approved the revisions to the budget, and recommended the Revised Budget for 2017-18 to the Board

Action: The Finance Manager to circulate the previous budget as a comparison

The Chair thanked the Finance Manager and noted the hard work and prioritising that had taken place in completing the Revised Budget

10 Financial Forecast Return

The Finance Manager spoke to the report which had been issued, reporting that previously the SFC had only asked colleges to forecast 1-year ahead. Following an Audit Scotland recommendation in the 2016 report on Scotland's Colleges, colleges are now being asked to submit forecasts for the current year and projections for 5-years ahead. Members discussed the draft Financial Forecast Return, together with the commentary and main assumptions used in the forecasts.

The Principal reported on the SFC's rationale which is to inform their spending review assumptions to Scottish Government, advising on the Sector's consensus to only sign off for 2017-18, owing to uncertainty going forward.

Decision: Members agreed the Financial Forecast Return for 2017-18 only

Action: Following concern on the wording of the declaration, the Principal to circulate revised wording to the Committee. The Finance Manager to submit the FFR to the SFC no later than 30th September 2017

11 Draft Financial Statements 2016-17

The Finance Manager spoke to the report which had been issued, advising that the Pension adjustments will be included in the next draft. The format of the Statements is as adopted last year. In terms of the Income and Expenditure an underlying break even position has been achieved in the Accounts. An overall deficit of £355,000 reflects depreciation cash spend. Members noted a £5,000 adjustment for Pension. The Finance Manager highlighted that the

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statements still show net current liabilities. With regard to an underspend in Student Support Funds, the SFC will clawback the money in December.

Decision: Members recommend the Draft Financial Statements for 2016-17 to the Board, to include the Pension adjustments, and also agreed the narrative explanations and reporting of the underlying operating position, including the example SFC wording

Action: Members agreed that the Draft Financial Statements for 2016-17 should be shared with the Chair of the Board at this stage. The Vice Principal Corporate Services and Finance Manager to take this forward

Members noted the report and approved the Statement of Accounting Policies.

12 Aged Debt Report

The Finance Manager spoke to the report which had been issued, providing an update on the summary of balances as at year end. The bad debt provision has decreased as at July, based on older debts. The Finance Manager reported that there is very little held with debt collection agencies.

Decision: Members noted the aged debt balances at July 2017, and agreed to write off the 3 older balances.

13 Any other Business

None.

14 Date and Time of Next Meeting

The next meeting of the Finance and General Purposes Committee will take place on Tuesday 28 November 2017 at 2 pm.

Board of Management Learning and Teaching Committee

Minute of meeting of the Learning and Teaching Committee of the Board of Management held at the Dumfries Campus on Tuesday 3 October 2017 from 2.00 pm in Room 2097

Members present:

Delia Holland (Chair)	Carol Turnbull (Principal)
John Henderson	Kenny Henry
Ian White	
Leah Thomas	Tony Conlon

Faculty representatives: Peter Woods

In attendance:

Brian Johnstone, Chair of the Board of Management
Andy Wright, Vice Principal Learning and Skills
Andy Glen, Vice Principal Performance and Planning
June Holland, Head of Curriculum
Janet Weir, Head of Curriculum
Ann Walsh, Secretary to the Board

Minute Taker: Heather Tinning, Executive Team Assistant

1 Welcome and Apologies for Absence

The Chair welcomed members to the meeting, in particular Leah Thomas (Student Association President) and Tony Conlon (Student Association Vice President) who were attending their first Learning and Teaching Committee meeting. The Chair also welcomed Heads of Curriculum June Holland and Janet Weir to their first full Learning and Teaching Committee meeting, as attendees. Apologies for absence were intimated on behalf of Barry Graham, Rob Orr, Naomi Johnson and David Denholm.

The Secretary to the Board confirmed the meeting was quorate.

2 Declaration of interest

Members agreed to indicate declarations of interest as appropriate throughout the meeting.

3 Presentation – Passport to College

The Head of Curriculum, June Holland gave a comprehensive presentation to Members on the new Passport to College course:

- The Passport to College course is a Certificated course, looking to engage individuals who lack confidence and/or qualifications
- A one-year course, running three-days per week
- Curriculum Manager Laura Webster is responsible for the course, with significant input from the Sports Team.
- Participants will receive a Group Award in Personal and Social Development

- At present there are 5 applications, with a target of 14 - confident will be on target to meet numbers when the course starts
- Course to commence 1st November, advice sessions to take place on 13th and 25th October
- Course marketed in different ways including Social Media, with direct marketing to schools

June Holland advised that in her new role as Head of Curriculum, she is looking to progress a focus group with key stakeholders from the schools with regard to links and common approaches with the schools.

Members thanked June Holland for the presentation.

4 Minute of Meeting of 30 May 2017

The Minute of the Meeting of 30th May 2017 was approved.

5 Matters Arising

5.1 Planning for Your Future Event Update – Initial Survey Results

The Principal spoke to the report which had been issued, advising that the Planning for Your Future Event was a great success, with 64 students attending the residential programme. She advised that college staff were heavily involved in the organisation and delivery of the Event. Members noted the Initial Survey results and the increase in the level of interest in college by over 10%, following the Residential Event. The Principal spoke of the challenge for the college, including how to maintain engagement and continue to build on the positive response. The Principal advised that the Academic Partners are keen to progress another event, with the intention to look at a slightly different cohort next year in terms of wider opportunities.

Members noted the initial positive response.

5.2 Education Scotland – Short Life Working Groups

The Vice Principal Performance and Planning spoke to the report which had been issued. The Vice Principal highlighted the key points:

- Look to change Self Evaluation model going forward to link in with How Good is Our College
- With regard to Learning and Teaching, look to work closer with Student Association – a key priority identified in 2016
- Adapted a Student Association model with colleagues from Borders College including the introduction of Curriculum Reps to summarise common themes from Curriculum areas
- The Vice Principal Performance and Planning meets monthly with Curriculum Managers to discuss retention. Members discussed their concerns over the retention figures that are reported to this committee, and agreed to monitor this. In terms of recruitment, the Principal advised that we operate a first come open access policy, where other colleges are more selective and also don't offer lower level courses
- The Vice Principal Performance and Planning is working with Curriculum Managers to identify students at risk and the Vice Principal Learning and Skills is working with teams on Course Assessment Planning

Members noted the report and were confident that issues identified are being addressed through the actions being implemented.

6 Student Association Update

The Chair, Delia Holland, advised that a paper had previously been presented to the Board of Management identifying the need to have a vibrant Student Association, strong and effective and an Association that contributes to Quality and Governance. The Student Association President updated members on recent developments and reported on very positive feedback from Freshers' Week. The Student Association President is attending classes to update groups on the Student Association and the Class Rep Role, prior to forthcoming elections and subsequent training. To maintain consistent cover at the Stranraer Campus a member of the Student Association Executive Team will be based at Stranraer once a week.

6.1 Student Association Constitution

The Student Association President advised that the Constitution has been revised following advice from NUS. The question was raised whether the Chair of the Board, rather than the Vice Principal, should sign on behalf of the Board. It was agreed to confirm this prior to the constitution being signed.

In terms of Audit of the Student Association Accounts, the responsibility lies with the Finance Manager, as part of an Audit.

Decisions:

- Members recommend that the Constitution be adopted for signature
- The Finance Manager to produce an Income and Expenditure Summary detailing the Student Association Finance as part of the Financial Update, including:
 - Income and Expenditure for year, up to July 2017
 - Budget up to July 2018

Action: The Constitution was approved, subject to confirmation of the signatory as discussed, for recommendation to be adopted by the Board.

6.2 Student Association Strategic and Operational Plan 2017-18

The Student Association President spoke to the Strategic and Operational Plan, providing an overview on challenges throughout the year, based on Student Engagement and links with the Quality Framework. The plan includes key themes based on How good is Our College. The Operational Plan will be reviewed throughout the year by the Student Association President and the Quality Manager.

Decision: Members approved the plan and will receive regular updates

6.3 Student Association Partnership Agreement

The Student Association President advised that the Partnership Agreement has been revised, finalised and signed by the Student Association President and the Principal. The Agreement sets out the agreed priorities for Academic Session 2017/18.

The Committee noted the content of the of the agreement.

The Chair thanked the Student Association President for the reports.

7 Annual Self Evaluation Report 2016-17 (How Good is Your College)

The Vice Principal Performance and Planning spoke to the report which had been issued, reporting on the main points of the interim evaluative report. The Vice Principal reported that the college previously produced a Self-Evaluation Report of the college's ROA and Annual Quality Report and advised that an evaluation of both is included in the new process. Following a recent meeting with Education Scotland and the Scottish Funding Council to discuss the Report, an updated paper will be presented at the Board of Management Meeting on 10 October 2017. The final report is required to be signed by the Principal and submitted by 31st October 2017.

Following discussion on the Structure identified in the Report, the Principal advised that the Creative Industries Curriculum Manager position shown as Vacant has now been filled. In terms of the Stranraer post, the position remains vacant. The Principal and the Vice Principal Corporate Services are progressing the job description.

Members noted the comprehensive report, and agreed that the report was a fair representation of the college.

8 Vice Principal (Learning and Skills) Update

8.1 Learning and Teaching Strategy

The Vice Principal Learning and Skills spoke to the Learning and Teaching Strategy report for 2017-2020. The Vice Principal reported that meetings had taken place with Curriculum Managers, L&T Mentors and Heads of Curriculum to progress the Strategy, including identifying realistic, aspirational targets that are in line with the Regional Outcome Agreement (ROA).

Decision: Members approved the Learning and Teaching Strategy, for recommendation to the Board of Management for adoption

8.2 Key Performance Indicators

The Vice Principal Learning and Skills spoke to the report that had been issued, providing an update on the colleges' Key Performance Indicators. The Vice Principal reported that the Sector percentage has still to be confirmed for 2016-17. Members noted an actual of 69% with a target of 76% for FT FE Retention. In comparison to 2015-16 an actual of 70% with a sector percentage of 83.5%, showed a significant difference particularly in FE retention and sector average. The focus for 2017/18 includes at risk learners for courses.

Members discussed progress against targets and thanked the Vice Principal for the report.

8.3 Curriculum Update

The Vice Principal Learning and Skills spoke to the report that had been issued, summarising key issues including areas of poor retention. In terms of enrolment, the Vice Principal advised that we did not recruit to specific target figures. Members noted the shortfall of 167 full time learners across the college. The Vice Principal spoke of the challenges in moving forward and reaching our credit target, including pupils continuing with their education at school and changes to the

University Access policy in terms of wider access. The Principal reported of a meeting that she is attending with the Head of Education and Head Teachers in the West of the Region to discuss next steps in terms of developing appropriate pathways and progression routes.

Members noted the report.

9 Access and Inclusion Strategy

The Vice Principal Learning and Skills spoke to the report which had been issued, advising that the Strategy had been completed by the previous Vice Principal Corporate Services and Governance as a requirement by the SFC, to support the Extended Learning Support fund included in the core grant.

Decision: Members noted the report and approved the Strategy and recommend it to the Board for adoption

10 Crichton Campus Consolidated Outcome Agreement 2017-18

The Principal spoke to the Crichton Campus Consolidated Outcome Agreement 2017-18, an agreement between the SFC and the Academic Partners, and one that highlights areas of collaboration work. The Principal advised that the information in the Agreement is reflected in the College's Regional Outcome Agreement.

Members noted the contents of the Crichton Campus Consolidated Outcome Agreement.

11 Dumfries and Galloway College Regional Outcome Agreement 2017-18

The Principal spoke to the report which had been issued, which following final funding allocation has now been signed by the Principal and the Chair.

Members noted the final, signed version of the Regional Outcome Agreement 2017-20.

In answer to a question on the Employer Advisory Board (EAB), the Principal advised that the EAB operates in different ways across different curriculum areas. The Head of Curriculum Janet Weir has responsibility for working with Curriculum Managers to implement the Employer Engagement Strategy that was approved by the Board.

With regard to the Bridge project, the Principal advised that discussions are ongoing at this stage. The Vice Principal Learning and Skills and Head of Curriculum June Holland are attending meetings with regard to the college's involvement and to look at timetabling and common theme approaches. The college name is included on the banner as one of the Partners outside the new Building. A Board Member commented on the appropriateness of this given that there is no firm strategy in place at this stage.

12 Quality Audit Reports/Surveys

12.1 Complaints Statistics July 2017

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The Vice Principal Performance and Planning spoke to the report which had been issued, providing an update on the complaints statistics. Members discussed the complaints identified including an increase from 48 to 71 overall complaints for period 1st August 2016 to 31st July 2017. The Vice Principal advised that no complaint was recorded above stage 2, where the number of stage 2 complaints (the Investigation stage) decreased by 13.

Members noted the findings of the report.

13 Review of Name, Attendees and Dates of Meetings

The Chair asked members to consider the name of the Committee, previously known as Quality and Curriculum Committee. The Chair also spoke of the current attendance at committee meetings, including Members, Faculty Representatives and Attendees. The Vice Principal Learning and Skills agreed to take forward the Vacant Stranraer position for the Faculty Representative.

Actions: Members to e-mail comments to the Board Secretary for discussion at the next meeting
Review of Name, Attendees and Dates of Meetings to be included on next L&TC Agenda
The VP Learning and Skills to progress the Vacant Stranraer position for the Lecturing Rep Vacancy

14 Any other Business

14.1 CDN Development Programme

The Chair encouraged members to attend a CDN Board Development Programme on 14th March 2018 in Stirling, a specific Workshop for Learning and Teaching Committee members.

Action: Members to forward interest to attend to the Board Secretary

15 Date and Time of Next Meeting

The Chair spoke of the concern that Learning and Teaching Committee meetings are very close to the Board meetings (just one week prior). Future dates of the Committee could be brought forward by one week. It was agreed to remain with the scheduled date of Tuesday 5th December 2017 at 2 pm for the next Learning and Teaching Committee meeting, with a decision regarding future meetings to be made then.

The Chair of the Board, Brian Johnstone, advised that all Board Members are invited to attend any Committee meeting.