

**Date: 11 December 2018**

**Time: 1pm – 5pm**

**Room: 2089**

Indicative Time	A G E N D A			Presented by:
1pm	1.1	Welcome and Apologies for Absence		BJ
	1.2	Declaration of Interest		BJ
2 1-1.45pm	2	<b><u>Presentation:</u></b> <b>Developing the Young Workforce (DYW)</b>		<b>Iain Steele</b>
3 1.45-2.05pm	3	<b><u>Presentation:</u></b> <b>2017-18 Financial Statements incorporating Operating and Financial Review by Board of Management and Signing of Accounts</b>	(attached)	<b>CT/KH</b>
	3a	Letter of Representation from Scott-Moncrieff	(attached)	KH
2.05pm	4	Minute of Meeting of 9 October 2018	(attached)	BJ
	5	Matters Arising		
	5.1	Annual Self Evaluation – How Good is Your College Evaluative Report 2017-18 –submission document	(attached)	AG
	5.2	Revised 2020 Strategy	(attached)	CT
	5.3	Senior Pathways Strategy	(verbal)	CT
	5.4	Add SOSEP and CITB risks to the Strategic Risk Register	(verbal)	CT
	5.5	SOSEP – SFC guidance regarding a formal offer of grant, financial arrangements and reporting requirements	(verbal)	CT
	5.6	SOSEP – Confirmed governance arrangements from SOSEP	(verbal)	CT
	5.7	Outcome of Professional Standards Consultation	(verbal)	CT
	5.8	Strengthening the voice of Students across the Crichton Campus	(verbal)	NV/JB
2.25pm		<b>Matters for decision</b>		
	6	Forthcoming Principal & Chief Executive Vacancy - <b>CONFIDENTIAL</b> , for circulation to Board Members only	(circulated)	BJ
	7	Matters for decision from the Remuneration Committee:		
	7.1	Executive Team Pay Award	(verbal)	AW
	7.2	Principal's Annual Review, additional objective (finance) and Pay Award – <b>CONFIDENTIAL</b> , for circulation to Board Members only	(circulated)	BJ
	8	Matters for decision from the Finance & General Purposes Committee		
	8.1	Funding the Deficit	(attached)	CT/KH
	8.2	Revised Budget 2018-19	(attached)	CT/KH
	9	Matters for decision from the Board Development Committee		
	9.1	Draft Board Evaluation 2017-18	(attached)	BJ
	9.2	Draft Board Development Plan 2018-19	(attached)	BJ
	9.3	Succession Planning Update	(attached)	BJ
	10	Strategic Risk Register	(attached)	CT

<b>3.25pm</b>	<b>Tea/Coffee</b>			
	11	Joint Meeting with Borders College follow up – Consideration of Joint Vision & discussion	(attached)	BJ/CT
<b>3.40pm</b>	<b>Matters for discussion</b>			
	12	SoSEP		
	12.1	SoSEP – Progress to Date	(attached)	CT
	12.2	SoSEP Programme Structure and governance arrangements	(attached)	BJ/CT
	13	Regional Chair's Report	(attached)	BJ
	14	Principal's Report	(attached)	CT
	15	President of Student Association Report	(attached)	NV
	16	Agenda items for Next Board Meeting	(verbal)	BJ
<b>4.15pm</b>	<b>Matters for attention from Board Committees</b>			
	17	Draft Minutes / Matters for attention from meetings held since the last Board Meeting		
	17.1	Draft Minute, Audit Committee - 13 Nov 2018	(attached)	NJ
	17.2	Draft Minute, Learning & Teaching Committee - 20 Nov 2018	(attached)	PK
	17.3	Draft Minute, Finance & General Purposes Committee - 20 Nov 2018	(attached)	tbc
	17.4	Draft Minute, Board Development Committee - 26 Nov 2018	(attached)	BJ
<b>4.40pm</b>	<b>Matters for information</b>			
	18	Letter of Guidance	(verbal)	CT
	19	Board Links, Learning for Leading Scheme - Update	(attached)	AW
<b>4.50pm</b>	<b>20 Any Other Business</b>			
	20.1	Digital Skills Strategy – for approval	(attached)	SAW
<b>5pm</b>	21	Date and Time of Next Meeting – Tuesday 19 <sup>th</sup> March 2019 (1-5pm)		
		<u>Board Development Events:</u>		
		Board Development Event: Tuesday 22 January 2019, 10am-3pm		

**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)

22.1	• Approved Minute, Remuneration Committee - 06/03/18	(circulated with agenda)
22.2	• Approved Minute, Board Development Committee - 06/03/18	(circulated with agenda)
22.3	• Approved Minute, Learning & Teaching Committee - 04/09/18	(circulated with agenda)
22.4	• Approved Minute, Finance & General Purposes Committee - 18/09/18	(circulated with agenda)
22.5	• Approved Minute, Audit Committee - 19/09/18	(circulated with agenda)

## Board of Management

**Minute of Meeting of the Board of Management of Dumfries and Galloway College held on Tuesday 9 October 2018 at 13:00 in room 2089 of the Dumfries Campus**

**Present:**

Brian Johnstone (Chair)	John Henderson
Carol Turnbull	Delia Holland
Naomi Johnson	Ian White
Janet Brennan	Ros Francis
Karen McGahan	Stuart Martin
Pat Kirby	Rob Orr
Ailsa Paton	Nikki Vjatschslav
Sue Livermore	

**In attendance:** Andy Glen, VP Business Development & Corporate Services  
Juliet McAlpine, Education Scotland (item 3 only)  
Ann Walsh, Board Secretary  
Heather Tinning, Executive Team Assistant

### **1 Welcome and Apologies for Absence**

The Chair welcomed all to the meeting, in particular Juliet McAlpine HM Inspector Education Scotland, and three new Board Members attending their first Board meeting, Sue Livermore, Support Staff Board Member; Nikki Vjatschslav, Student Board Member and Ailsa Paton, Student Board Member. Apologies for absence were received on behalf of Andy Wright, Barry Graham, Robbie Thomas and Hugh Carr. The Board Secretary confirmed that the meeting was quorate.

### **2 Declaration of Interest**

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

### **3 Annual Self-Evaluation – How Good is Your College (Evaluative Report 2017-18 & Enhancement Plan (EREP) 2018-19)**

The Vice Principal (VP) Business Development & Corporate Services (BD&CS) reported that this was the second year the college had undertaken this self-evaluation process, providing an Evaluative Report and Enhancement plan. This is a requirement of Education Scotland and the Scottish Funding Council (SFC). Regular meetings throughout the year with staff and Juliet McAlpine, in her advisory role have contributed to the development of the draft documents. The deadline for submission of the documents is 31 October 2018. The VP BD&CS advised that the draft will be presented at a Pre-Endorsement meeting arranged for 22 October 2018, attending this meeting will be two representatives from the SFC and two from Education Scotland. At this meeting gradings will be agreed and allocated to the report. The report is then independently reviewed. The Board will be advised of the grading.

During discussion, a request was made for the document to be proof-read prior to submission.

Juliet explained to members the previous format of evaluating colleges, which involved 4-yearly college reviews by HMIE Inspectors. This current process is carried out by colleges, but endorsed by the SFC and Education Scotland.

Juliet advised that after the Pre-endorsement meeting, a further independent meeting will take place with Education Scotland staff, prior to the final submission of the report by 31<sup>st</sup> October, following which the reports are published.

Juliet reported that, in her opinion, she was happy with the shape of the report, which is evaluative and robustly evidenced, and that staff had been very open and honest. The college are very strong in the area of inclusion and she suggested that the report should emphasise this more, stating the grades are not only about 'numbers' but also about quality and achievement.

She suggested that moving forward, the college should focus on gathering evidence relating to the Youth Employment Strategy and Developing the Young Workforce (DYW) and collating this in one place, stating that DYW has three years left and it is important to focus on the leadership and outcomes for this.

She also suggested looking at the Employment Strategy again, as there is good evidence but this would be clearer to see if collated in one place.

The Chair thanked Juliet McAlpine for her attendance and for the reassurance she gives in her advisory capacity. The Chair also asked, on behalf of the Board, for thanks to be passed on to staff involved with the completion of the report.

Members noted the report

**Actions:**

- The Vice Principal BD&CS will arrange for the documents to be proof-read before submission
- The Board will be informed of the grades allocated to the self evaluation
- The Learning and Teaching Committee to receive updates on implementation of the Enhancement Plan

#### **4 Minute of Meeting of 5 June 2018**

The Minute of the Board of Management meeting held on 5 June 2018 was approved.

#### **5 Matters Arising**

##### **5.1 SaveNet for Board Members**

The Principal confirmed that there are no tax implications for Board Members using this discount scheme and reported that all Board Members now have access and have been issued with log-in details.

##### **5.2 Key Facts/Key Stakeholders Leaflets – Update Autumn 2018**

The Principal reported that the Key Facts/Key Stakeholders leaflets will be updated in time for January starts. She explained that re-publishing at this time of year allows for an updated publication to be used for marketing campaigns.

A request was made that in the meantime, a list of changes to managers to be emailed to Board Members.

**Actions:**

- The Executive Team Assistant will email a revised list of managers to the Board
- The Board Secretary will upload the revised management structure to 'Useful Documents' in Admincontrol
- Updated Key Facts/Key Stakeholders Leaflets to be prepared by January 2019



### 5.3 Board Development Actions - Update

The Chair reported that the Board Development plan is being achieved, highlighting key points:

- Regular Management blogs, which is welcomed by members and aids their understanding of college operations
- Training and Development Workshops, which have been well attended by members
- Board Links have commenced
- Discussions with Ayrshire College, setting up reciprocal attendance at Board meetings to commence in March 2019

### 5.4 Prevent Policy

The VP Business Development & Corporate Services spoke to the report, which was an update to the paper issued in 2015 when the Board approved the colleges Prevent Strategy and Action Plan in December 2015. The VP advised that 90% of staff had undertaken the Prevent training over the past three years. Further face to face training will be provided to all new staff.

**Decision:** The Board endorsed the updated plan

### 5.5 Safeguarding Policy

The Principal spoke to the paper, on behalf of the VP Learning & Skills, advising that the Head of Student Support and Guidance reported there were no significant changes required to be made, only minor referencing to be added to update the Policy. The Principal advised that all policies were now compliant in terms of the new General Data Protection Regulations (GDPR) and confirmed that this policy has been checked and approved by the Data Protection Officer (DPO).

Members noted the Safeguarding Policy and Update.

### 5.6 AdminControl Sessions

The Board Secretary advised that the Business Systems Manager had held three sessions with Board Members to allow interactive discussions on issues relating to the iPads and AdminControl. Members are welcome to continue to contact the Business Systems Manager to discuss any concerns.

### 5.7 Board Links

The Board Secretary confirmed that the Learning for Leading, Board Links Scheme was implemented in September 2018. Linked Board Members have started to contact their linked Curriculum Manager to arrange for their first visit.

### 5.8 Vision 2020

The Principal spoke to revised Vision 2020 Strategy Plan document which had been issued, which has been updated following the session with staff and Board Members held in June 2018. The document has not been re-printed, but will replace the original version on the college website. The Principal advised that the document will be reviewed in 2020.

The Chair suggested an update to the narrative regarding Developing the Young Workforce (DYW), under Partnership and Collaboration on page 6, as there is now an established structure for this.

Members noted the changes to the Vision 2020 Strategy Plan.

**Action:** The Principal will arrange for the amendment to the narrative under Partnership and Collaboration and the revised Vision 2020 Strategy Plan to be uploaded to the college website.

### 5.9 Senior Pathways Strategy

The Principal reported, on behalf of the VP Learning & Skills (L&S), that work continues to be taken forward with key partners including School Leads and the Employability and Skills Manager to develop a Senior Pathways Strategy for the region. Barry Graham has been leading this group, working closely with Laura Webster, Head of Curriculum. There have been detailed discussions on the offer which is helping shape the strategy for the region.

The aim of the group is to draft a strategic vision for senior phase (S5/S6, up to age 18) across Dumfries and Galloway and create a proposal that the group is happy to take forward. The aim of the document is to clearly sets out the group's vision for senior phase. In addition to this an evaluative document will be produced, looking at gaps and overlaps, based on key questions and a summary of where we are. Finally a 3 – 5 year strategic plan will be compiled and this will be tabled to relevant agencies to give a clear indication of future governance.

Members discussed the concern over no agreed timescales, including no milestones or dates set for reporting, making it very difficult to plan. There was further discussion on the current Council issues and any impact this may have on the college. The Principal advised that the impact on the college is around Senior Phase and Digi Spokes for SOSEP..

**Action:** The Principal to take forward concern from the Board, seeking an update and milestones from the Council

- The Chair asked that the Principal, VP Business Development & Corporate Services, and Executive Team Assistant leave the meeting for the next agenda item.

### 6 Principal's Objectives for 2018/19 – Confidential (circulation to Board Members only)

Members approved the Principal's objectives, subject to the addition of a specific finance objective, this to have input from the Chair of the Finance and General Purposes Committee.

There was some discussion regarding whether any additional detail should be added to expand on the expected outcomes. It was accepted that the Chair and Principal in review meetings look at evidence to support achievement of objectives. This is within the remit of the Remuneration Committee and will be considered at their meeting on 20 November 2018.

To include Chief Executive to the Principal's title for her objectives

**Decision:** The Principal/Chief Executive's Objectives were approved, subject to the addition of a specific financial objective

#### **Actions:**

- Financial objective to be prepared, with input from the Chair of the Finance & General Purposes Committee
- The Chair to inform the Principal of the outcome of the discussion
- The Remuneration Committee to consider the discussion regarding the format of Principal/Chief Executive's objectives

### 7 Succession Planning Update

The Chair spoke to the report which had been issued, advising that five non-executive members' terms of office are due to end in March 2019 and are all eligible for re-appointment. John Henderson raised the concern that if all members are re-appointed for the same length of term, there will be a

need to recruit five board members at the same time at the end of their term, which may be difficult to achieve. Each of these Board members will be contacted to have an individual discussion with them and the outcome of these discussions will be considered by the Board Development Committee.

The Chair also highlighted that the Chairs of both the Remuneration Committee and the Finance & General Purposes Committee propose an increase in their membership advising that their committees would benefit from more members.

The proposal also includes Sue Livermore, new Support Staff Member becoming a member of the Learning & Teaching Committee and the Finance & General Purposes Committee

The Chair thanked the new Chair of the Finance & General Purposes Committee, Ros Francis, and the new Chair of the Learning and Teaching Committee, Pat Kirby for committing to the position of Chair.

Members noted the contents of the updated report

**Decision:** Members approved the changes to committee membership.

### 8 Strategic Risk Register

The Principal spoke to the Strategic Risk Register, reporting on the revised format which had been presented to the Audit Committee in September 2018 where the framework and risk register were approved. The Principal reported on the additional column which identifies who is responsible (in black text) and which committee has particular oversight (in blue text) of each risk. The risk register will continue to be presented at each committee, allowing for discussion by individual committees, and subsequently at the Board of Management meetings. The College Leadership Team also discuss the Strategic Risk Register at monthly College Leadership Team meetings.

The Risk Management Policy will be updated to take account of the revised scoring system.

**Decision:** Members approved the revised format and the content of the Strategic Risk Register, subject to the inclusion of a new risk for the SOEP projects.

**Action:** The Principal to include a new risk for SOSEP

### 9 5-Year Curriculum Plan 2017-2022 Update

The Principal spoke to the report, which had been issued, advising that the college has a rolling 5-year plan that curriculum teams discuss and update annually. An update of the 5-Year Curriculum Plan was presented to the Board in October 2017.

Members noted the contents of the report and the 5-year curriculum plan.

**Action:** Plan to be presented at the next Learning and Teaching Committee meeting for further discussion.

## 10 SOSEP

### 10.1 SOSEP – Progress to Date/Project Governance

The Principal spoke to the report, which had been issued to update Members on the two projects:

- Get that Degree – Articulation Project
- South of Scotland Skills & Learning Network – Globally Connected, Regionally Focussed

The South of Scotland Economic Partnership approved the articulation project to scope and identify a model of access to university education and degree qualification through articulation that will support the SOSEP's objective of retaining and supporting young people to stay in the region. The funding allocated to this project is £79,000. The first stage of the project is to identify the key sectors across the South of Scotland where degree skills are required. The colleges are in the process of recruiting an individual to undertake this work, which is due to be completed in March 2019. Once complete the next stage is to work with appropriate university partners to develop articulation pathways.

The second project – South of Scotland Skills & Learning Network focusses on digital connectivity, primarily between schools, hubs and college campuses, and the development of STEM hubs providing access to technologies in Care, Engineering & Renewables and in Construction & Sustainability.

Three courses have been identified to pilot with digital spokes, which will include online and bespoke learning, with teams identified to undertake development. In Dumfries and Galloway this will be Reablement, between Dumfries campus and The Bridge and there will be Design Engineer, Construct for Construction and HNC Electrical Engineering to be developed as a blended learning model.

Delia Holland highlighted the importance of having a Senior Pathways Strategy to enable this to work, as discussed under item 5.9.

In terms of the Dumfries Campus, the Principal reported that the Henry Duncan Building will be refurbished as part of a home to be used as a Care Hub, to allow for the upskilling of staff and in Stranraer there will be upgrading of the Engineering Workshop that will also be used as an Engineering Hub

The Principal advised that as this is one project, jointly with Borders College, there will be one Programme Board, with governance responsibility, that will report to the Boards of each college. Confirmation of the final Programme, Project structure and governance arrangements is awaited. A Project Management Structure has been developed in both Dumfries College and Borders College which will report into the SOSEP Programme Board. In addition, the Learning & Teaching Committee will receive Learning & Teaching specific updates.

John Henderson asked about the financing of the project. The Principal advised that at present the college draws down money from the SFC in the same way as other funding and are still awaiting guidance from SFC regarding a formal offer of grant, financial and reporting requirements. A letter and reminder has been sent to the SFC to seek clarity on the finance of the project and requesting information regarding pre-payments as in the short term the college is using it's own budget, but there may be implications for cash flow. This is being monitored.

Due to the concern regarding cashflow and that the process has not been confirmed, John Henderson requested that no contracts are to be committed to until cashflow for the Projects is agreed.

Following discussion on the articulation links with the Regional Skills Investment Plan, the Principal advised that a proposal is outstanding and at this point an appointment has not been made.

Members raised concern over the workload of the Executive Team with their involvement in the Projects. The Principal advised that their workload will be kept under review. The expertise and input is necessary from all the staff included in the Project Management Structure.

Members noted the update.

**Decision:** No contracts are to be committed to until cashflow for the Projects is agreed

**Actions:**

- Principal to obtain guidance from SFC regarding a formal offer of grant, financial and reporting requirements and governance arrangements from SOSEP
- Principal to obtain clarity regarding the financial arrangement of the project
- Programme Structure and governance arrangements to be circulated to Members
- Learning & Teaching specific updates to be provided to that Committee
- The Finance & General Purposes Committee will monitor the impact of the project on college finances

### 11 Review of Funding Methodology Update

The Principal advised of her position as Vice Chair of the Funding & Finance Committee of the Colleges Scotland Board, who meet with Colleges Scotland on a regular basis. The Principal explained that unfortunately there is no real progress following the last meeting. Delays are owing to a number of contributory factors including Brexit, Budget announcement and the SFC are in the process of appointing a new Chief Executive.

Members noted no update on the Review of the Funding Methodology, however thanked the Principal for her update on the current position.

### 12 Regional Chair's Report

The Chair spoke to the report, which had been issued providing key updates of recent activities. The Chair also reported on:

- The new South of Scotland Assistant Director for the SFC is Cathy Mitchell
- His concern that the matters on project governance have not yet been agreed for the SOSEP project, given the tight deadlines for implementation. He has spoken with the Scottish Funding Council (SFC) and is awaiting further comment
- The college is featured in two recent Colleges Scotland Publications:
  - Inspiring Scotland's Young People into STEM
  - Flexible Workforce Development Fund

Members noted the report.

### 13 Principal's Report

The Principal spoke to the report, which had been issued providing key updates of recent activities, highlighting key points to note, including:

- Construction Industry Training Board (CITB): The Principal reported that the situation is now business critical. Colleges have not signed their contracts for CITB owing to stipulations and unaffordability. There are ongoing meetings with Scottish Government, Skills Development

Scotland (SDS) and Colleges Scotland to try and resolve matters. As Chair of the College Principals Group, the Principal has been involved in various discussions and reported that the sector is increasingly frustrated and is hoping for an early resolution. A letter has been issued to the CEO of the Scottish Qualifications Authority (SQA) and a response is awaited. The Principal asked the Board to note the current situation, advising that unless the situation is resolved quickly, there may be some adverse publicity.

Karen McGahan advised that she is attending meetings with CITB and will take forward the concerns following discussions today and report back.

- Delay in use of the Bridge Building due to additional safety checks: The Principal advised that there was no impact on the college as courses that were planned to happen at the Bridge have started at the Dumfries College Campus
- Scotland's Rural College (SRUC): It is disappointing that with the investment received by the Barony Campus there will be nothing moving onto the Crichton site and with the withdrawal from the Crichton Farm this will leave no SRUC presence left on site. The Principal reported that she had met with the Dean of Faculty for the SRUC recently and will continue to explore potential joint opportunities including digital skills, engineering, food and drink
- Enrolment Figures are down, particularly in Higher Education: The main reason for the decrease is due to a demographic downturn and more students being accepted directly into University due to lower entry requirements

Delia Holland asked if there had been any feedback from the recent Professional Standards consultation. This has not been received yet. To feed back to the Board in December 2018

Members noted the report.

**Action:** The Principal to give feedback on the outcome of the Professional Standards Consultation, to the Board at the meeting on 11 December 2018

### **14 President of the Student Association Report**

The Chair welcomed introductions from both the President and the Vice President of the Student Association at their first Board meeting.

The President of the Student Association spoke to the report, which had been issued reporting on key activities including:

- The recent MacMillan coffee morning at both campuses raised an outstanding total of £783.86
- Main focus for the Student Association this year is on sustainability and mental health for both campuses
- Monthly Curriculum Days

The Chair reported that the President of the Student Association has been nominated to join the DYW, subject to approval.

Members noted the report.

### **15 Agenda items for the Next Board Meeting**

The Chair welcomed agenda items for the next Board Meeting, Tuesday 11<sup>th</sup> December 2018.

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



### **16 Draft Minutes/Matters for attention from meetings held since the last Board Meeting**

#### **16.1 Draft Minute of Learning & Teaching Committee of 4 September 2018**

The Chair of the Learning & Teaching Committee spoke to the draft minute, highlighting the following points of interest, including:

- SOSEP
- Employer Engagement
- Regional STEM Strategy
- Student Structure
- Retention figures

The Principal advised that the Student Association now reports to the Marketing Manager, previously Quality Manager. Class Reps still report to the Quality Manager.

In terms of options to measure the effectiveness of employer engagement, the Principal advised that no presentation had been made to College Principals in September and she would find out what happened to this.

**Action:** Principal to find out what happened to the presentation about options for measuring the effectiveness of employer engagement and feed back to the Learning & Teaching Committee.

#### **16.2.1 Draft Minute of Finance & General Purposes Committee of 18 September 2018**

The Chair of Finance & General Purposes Committee spoke to the draft minute, asking members to note key points, including:

- Estates/Facilities Update – most welcome at the Finance & General Purposes Committee meeting to increase focus on the General Purposes element of the Committee's remit
- 5-Year Financial Forecast Return – the Chair spoke of her concern over the workload on the Finance Team, with ever increasing pressures
- Draft Financial Statements – Focus on the Statements at the November meeting, to be circulated well in advance to allow members time to look over the content of the Statements
- Lennartz – The Principal reported that the last payment is due next month. She advised on the advice from SFC that colleges keep a 30-day cash flow. In terms of overall budget, there is no significant implication.
- Operating Deficit of £74,000 – Following discussion on the disappointment of the deficit, and the delay in being made aware of this, the Principal reported on the reasons to the Board, including:
  - Technical Note from National Bargaining
  - Timing issue around FWDF
  - Significant holiday pay owing to a member of staff, not forecasted, who had been on long-term absence

Although of these occurred after the Finance & General Purposes Committee meeting held in May 2018, the outgoing and incoming chairs of the committee would have wanted to be made aware of the deficit. A general paper will be provided to the Finance & General Purposes committee in November to review the budget and contingency, and to include budget processes with the aim of identifying issues earlier.

Stuart Martin raised the concern that when the last Lennartz payment has been made, there will be a smaller bank balance which will affect cash flow.



The Principal asked members to note the lack of contingency and flexibility within the budget, and advised that she and the Finance Manager are looking at budgetary control going forward. The External Auditors finished their audit last week and so far no requests have been received for any adjustments.

The Chair reiterated that the Finance & General Purposes Committee would welcome more members.

### **16.2.2 Annual Finance & General Purposes Committee Report to the Board**

The Chair of the Finance & General Purposes Committee spoke to report, which had been issued.

Members noted the report. The Chair of the Board asked for thanks to be passed to the Principal and her Team.

### **16.3.1 Draft Minute of Audit Committee of 19 September 2018**

Naomi Johnson, on behalf of the Chair of the Audit Committee, spoke to the draft minute, asking members to note key points, including discussion on:

- GDPR Audit/Training
- Student Support Funds
- Student Activity Data – two low priority management actions and one medium
- Audit Scotland Reports – key messages on harmonisation, increasing costs for colleges. All colleges are experiencing issues with financial sustainability
- Revised Strategic Risk Register

During discussion, in addition to the SOSEP Project, another risk was identified to be added to the Strategic Risk Register, this being the concerns raised regarding CITB.

**Action:** The Principal to add new risks to the Strategic Risk Register, these being the risks around SOSEP and CITB

### **16.3.2 Annual Audit Committee Report to the Board**

The Chair of the Audit Committee spoke to the report, which had been issued.

Members noted the report. The Chair of the Board asked that the Executive Team give feedback to staff that Members are very pleased with the Audit Reports.

## **17 Crichton Campus Consolidated Outcome Agreement 2018-19**

The Principal spoke to the Crichton Campus Consolidated Outcome Agreement, which is a requirement from the SFC. The Principal advised as the Board had previously approved the colleges own ROA, which is referenced in the Crichton Campus Outcome Agreement, the Board are asked only to note the agreement.

There was discussion on whether there could be a strengthening of the voice of students across the Crichton Campus site. One option might be a unified Student Association. The President and Vice President of the Student Association to look at options, with the assistance of Janet Brennan.

Members noted the Crichton Campus Consolidated Outcome Agreement 2018-19.

**Action:** The President and the Vice President of the Student Association to look to strengthen the voice of students across the Crichton Campus site with the assistance of Janet Brennan

### **18 Any other business**

#### **18.1 Update from Strategic Dialogue Meeting**

The Principal spoke to the report, which had been issued for information, reporting on the two key issues including:

- The Scottish and College Sector Budget
- Increased employer contributions to Teachers' Pensions

The Principal asked the Board to take assurance that the college are taking steps in terms of the Regional Skills Investment Plan, by way of increased part-time programmes and the SOSEP Projects. The Principal advised that the Finance and General Purposes Committee and the Board would be kept updated as more information became available.

Members noted the report and the update on key strategic issues.

#### **18.2 Marketing**

Karen McGahan reported on recent radio advertising that she had heard promoting Carlisle College and asked if there was any concern that the college may be losing potential numbers to Carlisle. The Principal advised that in terms of marketing, the college has used West Sound previously at certain times of the year, although this can be expensive. She explained that the English system supports students going to Carlisle, but there is no support for English students coming across the Border.

#### **18.3 Mental Health**

Following a query with regard to support for Mental Health in the college, the Principal advised that the college had appointed Student Advisors with specific emphasis on Mental Health. More staff have also undertaken Mental Health awareness training, at both Dumfries and Stranraer campuses.

### **19 Date and Time of Next Meeting**

The next meeting of the Board of Management will take place on Tuesday 11 December 2018, 1 pm at Dumfries Campus.

Board Development Events:

- Joint Board Meeting with Borders, Tuesday 6 November 2018, 10 – 3 pm at Borders College
- Board Development Event, Tuesday 22 January 2019, 10 – 3 pm

### **20 Approved Minute of Audit Committee Meeting of 18 May 2018**

Members noted the approved minute of the Audit Committee of 18 May 2018.

#### **20.1 Approved Minute of Learning & Teaching Committee of 22 May 2018**

Members noted the approved minute of the Learning & Teaching Committee of 22 May 2018.

#### **20.2 Approved Minute of Finance & General Purposes Committee of 22 May 2018**

Members noted the approved minute of the Finance & General Purposes Committee of 22 May 2018.

## Board of Management

**Minute of Meeting of the Board of Management of Dumfries and Galloway College held on Tuesday 11 December 2018 at 13:00 in room 2089 of the Dumfries Campus**

**Present:**

Brian Johnstone (Chair)	John Henderson
Carol Turnbull	Barry Graham
Naomi Johnson	Ian White
Janet Brennan	Rob Orr
Pat Kirby	Robbie Thomas
Ailsa Paton	Sue Livermore

**In attendance:**

- Iain Steele, DYW (*for items 1, 2, & 3 only*)
- Andy Glen, VP Business Development & Corporate Services
- Andy Wright, VP Learning & Skills
- Karen Hunter, Head of Finance
- Ann Walsh, Board Secretary

### **1.1 Welcome and Apologies for Absence**

The Chair welcomed all to the meeting, in particular Iain Steele, Chair of the Regional Developing the Young Workforce (DYW) Board.

Apologies for absence were received on behalf of Hugh Carr, Delia Holland, Ros Francis, Stuart Martin, Karen McGahan and Nikki Vjatschslav. Also David Eardley from Scott-Moncrieff was unable to attend therefore a Skype call was arranged with Rachel Blenkinsop for item 3.

The Board Secretary confirmed that the meeting was quorate.

### **1.2 Declaration of Interest**

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

## **2 Presentation: Developing the Young Workforce (DYW)**

Iain Steele provided an update on progress. Iain is also Regional Manager of Scottish Power Energy Networks.

Iain Steele reported that there is some real momentum with a large number of employers and businesses taking ownership of projects, with many local businesses getting involved. He sees that the DYW team have a role in preparing people for the workplace and that the college had a vital role within this by helping young people with the transition from school to work.

Iain Steele gave a number of examples of businesses supporting each other in enabling young people to develop and also a number of joint ventures and forums to promote this. He was very complementary regarding the positive input from the college.

He talked about the achievements DYW could make before current government funding ends in 2021 and wanting to ensure sustainable employer forums similar to those already in place. There are four forums established, in Engineering, Construction, Food & Drink and Hospitality.

He stated that it is important to do more to get school pupils involved, in particular with regard to having career advice early to enable the right subject choices and to increase foundation

apprenticeships. Therefore, the next steps for DYW are to work more closely with both schools and colleges.

During discussion Iain Steele said that work is ongoing on Key Performance Indicators (KPIs) to evaluate DYW. He also confirmed that DYW were involved in the early stages of SoSEP, but there is not much involvement now, so this will need to be developed. The DYW educational links are into schools and colleges, so a route into universities on the Crichton Campus may need to be considered.

The Chair thanked Iain for his informative presentation and subsequent discussion

### **3 2017-18 Financial Statements incorporating Operating and Financial Review by Board of Management and Signing of Accounts**

It was not possible to connect with Rachel Blenkinsop of Scott-Moncreiff, therefore this item continued without their input. The Chair expressed his disappointment that there was no arrangement for representation from the auditors.

The Head of Finance spoke to the Annual Report and Financial Statements for 1 August 2017 – 31 July 2018. The Finance and General Purposes Committee have recommended the Accounts to the Board for approval.

The Finance Manager reported on the highlights including:

- Total income for the year was £12,336,000
- Costs of £13,422,000 were incurred, including staff costs of £9,067,000, and other operating expenses of £2,922,000
- Although the financial statements show an operating deficit of £1,086,000, the adjustments for non-cash and other distorting items set out on page 11 show an underlying operating deficit of £74,000. Timing differences for the recognition of income and additional expenditure at the year-end have impacted on this out-turn.
- The balance sheet shows sufficient cash to meet payments as they fall due, and the College does not have any loans or other long-term liabilities that will require to be paid;
- The external audit report shows an unqualified opinion.

There was some discussion regarding the £74,000 deficit. This has been reviewed by the Finance & General Purposes Committee and is covered under their item 8.1, for decision from the Board. Review of the budgeting processes will continue through the Audit and Finance & General Purposes Committees.

This concern does not deter from the accuracy and support of the accounts, but it does highlight how tight the budget is and it was confirmed that a contingency of £55,000 has been included in the 2018-19 budget.

**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

The Chair thanked the Head of Finance and her team and stated that the clean audit report is very welcome. He said that the summary page was very useful and that Members may wish to take this away to use the information within it.

**3a Letter of Representation from Scott-Moncrieff**

The letter asks for assurance from the Board, as a whole, regarding the availability and accuracy of information given by the college. Members confirmed assurance and agreed for the letter to be signed by the Chair on their behalf, noting that this is also signed by the Principal.

**4 Minute of Meeting of 9 October 2018**

The Minute of the Board of Management meeting held on 9 October 2018 was approved.

**5 Matters Arising****5.1 Annual Self Evaluation – How Good is Your College & Evaluative Report 2017-18 – submission document**

The VP Business Development & Corporate Services spoke to the paper issued. The evaluative Report was submitted on time. Although the final endorsement by the SFC is awaited, the college has been advised that the Grades within the document are accepted and will not be changed. If there are any changes made to the document on feedback from the SFC the VP will inform the Board.

The Chair thanked the VP and staff involved in putting together this comprehensive report.

**5.2 Revised 2020 Strategy**

The amendment to the narrative under Partnership and Collaboration of the Vision 2020 Strategy Plan has been made and the revised document has been uploaded to the college website.

**5.3 Senior Pathways Strategy**

The Principal wrote to the council with the concerns raised by the Board and requested an update, with milestones, from the Council and was given assurance that a Strategy would be ready in the Spring of 2019.

Barry Graham advised that the group that are meeting to develop the Strategic Vision is called the Senior Phase Group and that the college is represented on this. They have met 6-7 times, with the next meeting being on 13 December 2018. It was requested that the VP Learning and Skills attends this meeting. Evaluation work is complete and they are now developing the draft Strategic View for Dumfries and Galloway, this will provide a clear leadership view.

The draft Strategy document will be presented to the Learning and Teaching Committee when complete and Barry Graham will update the committee on progress at the February 2019 meeting.

**Actions:**

- The VP Learning & Skills to attend the Senior Phase Group meeting on 13 December 2018
- Barry Graham to update the Learning and Teaching Committee on progress at the meeting in February 2019

**5.4 Addition of SoSEP & CITB Risks to the Strategic Risk Register**

The Principal confirmed that these risks have been included in the Strategic Risk Register

**5.5 SoSEP – SFC guidance regarding a formal offer of grant, financial arrangements and reporting requirements**

The Principal reported that the final Offer of Grant was received on 10 December 2018. The total amount is correct but the breakdown needs to be revised, once this has been corrected the Principal will sign it.

**5.6 SoSEP – Confirmed Governance Arrangements from SoSEP**

The Principal advised that the arrangements have now been confirmed. The Chair voiced his disappointment over the length of time it has taken for confirmation to be received from the Scottish Funding Council.

**5.7 Outcome of Professional Standards Consultation**

The revised professional standards, for all academic staff, have been received and are welcomed by staff. It is also helpful that the college digital skills strategy links well to this.

**5.8 Strengthening the voice of Students across the Crichton Campus**

The Student Association Vice President has found it difficult to make contact with other student reps on the Crichton site. The VP Business Development and Corporate Services to assist in this.

**Action:** The VP Business Development and Corporate Services to assist the SA President and Vice President to make contact with other student reps on the Crichton site.

- *The Chair asked that the Principal, VP Business Development & Corporate Services, and Executive Team Assistant leave the meeting for the next agenda items.*

**6 Forthcoming Principal & Chief Executive Vacancy – Confidential (circulated to Board Members only)**

The Chair spoke to the report that had been issued, confirming that, as Members will be aware, Carol Turnbull has been appointed Principal and Chief Executive at Ayrshire College. He has congratulated her on her new appointment, but was also sorry to receive the Principal's formal note of resignation. He has agreed with her that she will leave the college on the 28<sup>th</sup> February 2019, this fulfils the three month notice period attached to her post.

He wished to formally note that Carol Turnbull has worked hard and contributed a tremendous amount to the college. Members agreed with this and jointly note their thanks to Carol for her efforts and results. All are sorry to see her leave us.

The Chair outlined the recruitment proposal for the new Principal and Chief Executive and requested approval to the timetable and recommendations.

**Decisions:** Members approved:

- The recruitment proposal
- Delegation of responsibility from the Board to the sub-group
- Final approval to appoint will be recommended to the Board for Approval

**7 Matters for Decision from the Remuneration Committee**

The Secretary to the Board passed on apologies from Delia Holland, Chair of the Remuneration Committee, that she was not able to attend and also that the draft minutes of the meeting held on 20 November 2018 had not yet been agreed for circulation.

Regarding item 7.1, Delia Holland had asked the Secretary to the Board to give feedback on her behalf. For item 7.2, Delia Holland had prepared a short paper regarding the Principal's annual performance review, additional objective and pay award, for the Regional Chair to present.

**7.1 Executive Team Pay Award**

The remuneration committee considered a paper regarding the pay award and potential salary increase for the Vice Principals. The committee has requested and are now considering further information to inform a recommendation on the increase.

Delia Holland requested from the Board, authority to seek approval from the Board of the Committee's recommendation, once made, by email as the next meeting of the Board is not until 19 March 2019.

**Decision:** Members approved that, following consideration of the additional information received, the Chair of the Remuneration Committee may seek approval from the Board, via email, of the Committee's recommendation for the Vice Principals pay award

**7.2 Principal's Annual Review, Additional Objective (Finance) and Pay Award – Confidential (circulated to Board Members only)**

The Regional Chair presented the paper prepared by the Chair of the Remuneration Committee which included recommendations that the Board take confidence in the Performance of the Principal, approve the additional objective (finance) as requested at the last Board Meeting, along with approval of the recommended pay award.

The recommended additional objective is Objective 7: Achieve break-even budget position, as approved by the Board for 2018-19.

Regarding the recommended Pay Award: The remuneration committee considered achievement, the current public sector pay policy and practice, affordability, salaries of other staff and Principals of colleges of similar size. They recommend an increase in salary of 2%, effective from 1<sup>st</sup> April 2018 plus an increase of £1,000 (consolidated) in recognition of additional experience.

**Decisions:** The following was approved:

- Members approved the Principal's Objective 7 for 2018-19
- Members approved the pay award as recommended by the Remuneration Committee

➤ *The Chair asked that the Principal, VP Business Development & Corporate Services, and Executive Team Assistant be invited to re-join the meeting*

**8 Matters for Decision from the Finance & General Purposes Committee****8.1 Funding the Deficit**

The Principal spoke to the paper provided. A review was undertaken for the Finance and General Purposes (F&GP) Committee as a result of reporting a deficit for 2017-18. The F&GP Committee have asked that the Board approve the use of up to £74,000 of historic reserves to fund any deficit that cannot be recovered by returning a surplus in 2018-19.

Members discussed the content of the report and emphasised that the Chair of F&GP and the Regional Chair are to be notified as soon as any deficit position is likely to be incurred.

**Decision:** Members approved the use of up to £74,000 of historic reserves to fund any deficit that cannot be recovered by returning a surplus in 2018-19

**Action:** The Chair of F&GP and the Regional Chair are to be notified as soon as any deficit position is likely to be incurred



## **8.2 Revised Budget 2018-19**

The Head of Finance presented the paper talking through the changes as set out in the paper, of particular note are:

- £55,000 has now been allocated as a contingency.
- £260,000 increase in depreciation
- There is now an underlying surplus of £9,000 that cannot be carried forward. The Head of Finance to set out the reconciliation for Members.

In response to discussion around the SoSEP Project, it was confirmed that the budget for SoSEP will be included in cash returns to the SFC and will be reimbursed on the 18<sup>th</sup> of each month. The college is able to ask for additional funds if a large amount will be needed that would affect the college's balance.

**Decision:** Members approved the revised budget for 2018-19

## **9 Matters for Decision from the Board Development Committee**

### **9.1 Draft Board Evaluation 2017-18**

The Board Evaluation is recommended to the Board, by the Board Development Committee, for approval. Once approved, this will be submitted to the Scottish Funding Council (SFC).

**Decision:** Members approved the Board Evaluation 2017-18 for submission to SFC

### **9.2 Draft Board Development Plan 2018-19**

The draft Board Development Plan 2018-19 is recommended to the Board, by the Board Development Committee, for approval.

**Decision:** Members approved the Board Development Plan for 2018-19

### **9.3 Succession Planning Update**

The Chair spoke to the report which had been issued, with particular attention regarding the five non-executive members' terms of office that are due to end in March 2019. He informed the Board that all had been contacted and are in agreement regarding the individual proposals within the paper. He also informed the Board that he was sorry to report that Stuart Martin will be retiring from the Board in March 2019, but would wish to remain involved and support the college. It was also noted that Ros Francis would be standing down from her role as Chair of the Finance & General Purposes Committee due to other commitments. Ros Francis will remain on the Board.

The Chair informed Members that due to Stuart Martin's current health situation he had approached Janet Brennan, and she had agreed, to become the interim Chair of the Human Resources Committee, subject to approval by the Board. Members approved this and the Chair thanked Janet Brennan.

The Chair also highlighted that the Chairs of both the Remuneration Committee and the Finance & General Purposes Committee still wish to increase their membership, advising that their committees would benefit from more members.

Members noted the contents of the updated report

**Decision:** Members approved the following recommendations from the Board Development Committee, extensions being subject to approval by Scottish Ministers:

- Delia Holland and John Henderson to have their term of office extended for three years
- Barry Graham and Ros Francis to have their term of office extended for four years
- Recruitment to fill the vacancy created by Stuart Martin retiring from the Board
- Janet Brennan to take on the role of interim Chair of the Human Resources Committee

### 10 Strategic Risk Register

The Principal spoke to the Strategic Risk Register, that had been issued.

Discussion was had around the three risks that have post mitigation scores of 16-20, that keeps them in the Red, Major Risk Category. These being:

- **Risk No 2.7- 'Insufficient Student Support Funding to Meet Demand'.** The current projected shortfall is £500,000. A request for this funding has been made to the SFC as in previous years. This deficit is much higher than in previous years due to a Scottish Government (SG) change in student support provision. The SFC may need to request funding from SG to cover the national deficit. The college awaits a response from the SFC.
- **Risk No 3.5 – 'Industrial Relations Problems'.** EIS have announced dispute with Management side and are currently balloting members re taking industrial action.
- **Risk No 3.12 – 'Failure to reach contractual agreement with CITB regarding delivery of Construction related Apprenticeships'.** Failure to reach contractual agreement with CITB regarding delivery of Construction related Apprenticeships. New risk added as agreement has not been reached and matters are becoming 'business critical'. The financial impact of this could be up to £60,000. The SG have asked for costings for two options regarding number of visits. A decision will then be made regarding how much funding will be provided and where this will be coming from. The Principal will keep the Board informed.

**Decision:** The Board approved the Strategic Risk Register

**Action:** The Principal will keep the Board informed on progress regarding Risk No 3.12

### 11 Joint Meeting with Borders College follow up – Consideration of Joint Vision & Discussion

Before presenting the paper issued the Chair thanked all who attended the joint meeting with Borders College on 6 November 2018. He was pleased with the numbers that attended and the quality of the debate. He welcomed discussion on this before considering the proposed joint vision.

John Henderson raised concern about the way options for future working between the two colleges had been introduced, feeling it was disrespectful to raise it in a joint meeting, feeling it should have been discussed within the individual Boards first. He was concerned that he felt there was a push from the speakers at the meeting towards some sort of merger between the two colleges, although when challenged they clearly stated that this was not a decision they would be able to make.

The Chair explained that the opportunity had been taken, while both Boards were together, for them to hear the same information from the SoSEP and from the SFC.

During discussion, it was generally felt that the SoSEP project was a very positive thing for the South of Scotland. It was also felt that the colleges are very different in culture and that careful thought about how they will link will be required.

Discussion followed regarding the draft joint vision. Members approved the proposed joint vision, below, subject to the inclusion of the amendments highlighted.

*"The shared ambition of Borders and Dumfries and Galloway Colleges is to improve the economy of the South of Scotland through inclusive growth. We will provide equitable access to businesses, communities and individuals across the South to education, training and skills **development** and to personal, social, **employment** and*

*economic development opportunities, drawing from the best practice and research globally.*

*To achieve this Borders and Dumfries & Galloway Colleges are committed to working collaboratively to deliver their provision seamlessly through a digital and physical Skills and Learning Network using a distributed hub and spoke model."*

In addition to the recommendations within the paper, the Chair also raised the issue of how the colleges might work together in the future. He asked for approval for the Chairs of both colleges to approach the SFC for funding to appoint a consultant to carry out an all options appraisal on how to achieve the vision.

As this recommendation is in addition to those in the paper issued, it was requested that this should be added as an additional bullet point and the paper re-issued. The Chair agreed to this. (Post meeting note – the paper was re-issued on 17 December 2018).

There was a mixed response to the request to undertake an options appraisal. Some concern was raised, in particular regarding timing, how to find someone independent to undertake the work, who would 'own' the work and who would make the decisions based on the exploration of options identified. In balance to this there was some support for the need to explore the options for collaborative working to ensure the success of the SoSEP project and the joint vision. Following discussion, the following recommendation was voted upon, using a show of hands.

*'The Chairs approach the SFC for funding to appoint an independent consultant to identify and explore the potential models for future working in order for the Boards to consider what the most appropriate collaboration model would be. The Board would need to agree the scope and remit of the option appraisal before signing up to the work.'*

The result of the vote was:

- Accept – 8
- Against – 1
- Abstained – 3

The recommendation was approved.

### **Decisions:**

- The joint vision was approved, subject to the agreed changes being made
- The Chairs to approach the SFC for funding to appoint an independent consultant to identify and explore the potential models for future working in order for the Boards to consider what the most appropriate collaboration model would be
- The Board to agree the scope and remit of the option appraisal before signing up to the work

### **Actions:**

- To amend the paper by adding the additional bullet point as agreed and the paper to be re-issued.
- Chair to take the amended joint vision to the Chair of Borders College, to gain agreement to the changes.
- The Chairs of both colleges to approach the SFC for the funding for an independent consultant to undertake the work
- If agreed, the scope and remit of the work to be agreed with the Board prior to signing up to the work

**12 SOSEP****12.1 SOSEP – Progress to Date/Project Governance**

The Chair informed Members that the Board Development Committee discussed this at their meeting on 26 November 2018. They would like the Board to have:

- A Business Plan with timescales
- A Project Risk Map
- Minutes of the Project Board meetings as part of the Update Reports

The Principal advised that Scottish Government require a Progress and Monitoring Report to be submitted on a quarterly basis. This report is prepared by the 2 nominated Vice Principals from Borders and Dumfries and Galloway Colleges, following separate Oversight Group Meetings in each College, and then presented to the Project Board for approval, prior to submission.

The report provides a comprehensive update on progress, as well as financial monitoring information and it is proposed that the most up to date versions are presented to the Board of Management for their information and discussion. The first Quarterly report was provided for this meeting.

In response to the requests from the Board Development Committee, the Principal stated that a timeline with progress against plan could be added to the report, along with the risk register for the project. With these inclusions and the comprehensive nature of the update report Members agreed that minutes of the Project Board meetings would not be required.

In addition to the content of the report the Principal advised that final drawings are due to be completed in January 2018, Quantity Surveyor input will be undertaken then. The drawings will be costed and out to tender, with the building completion between August and December 2019.

Members noted the content of the report

**Actions:**

- Timeline with progress against plan to be added to the update reports
- Risk Register to be added to the update reports

**12.2 SoSEP Programme Structure and Governance Arrangement**

The Principal spoke to the paper issued confirming arrangements that have been put in place as per the Governance and Monitoring Structure diagram (Appendix 2).

The Chair raised his surprise that a Project Manager has not been appointed. The Principal stated that it has been agreed that, at this point, a Project Manager is not appropriate as there are a number of complex elements that make up the project, all of which require subject expertise, but this will be kept under review. A Project Coordinator has been appointed to ensure joint monitoring and update reports are available for the Programme Board and the Joint Board project manages the joint part of the project.

The Chair stated that he still has concerns that there is a co-ordinator rather than a Project Manager as it is important that there is executive capacity to devote to managing the project as well as the relevant expertise in construction and IT.

Concern was raised again regarding capacity of the Executive Team. The Principal advised that she and the Principal of Borders College would be meeting with the SFC on 13 December 2018 to request funding for a joint development unit to help with capacity.

Regarding reporting to the Board, as mentioned in item 12.1, an update report will come to the Board at each meeting. In addition, Learning & Teaching specific updates will be provided to that Committee and the Finance & General Purposes Committee will monitor the impact of the project on college finances.

The Board noted the content of the Report

### **13 Regional Chair's Report**

The Chair spoke to the report, which had been issued providing a list of key events and meetings attended. A request was made for more information to be included regarding what happens at the meetings. The Chair apologised for the briefness of the report, stating that other issues had taken priority when preparing for the Board meeting and that more information will be given in future reports.

Members noted the report.

### **14 Principal's Report**

The Principal spoke to the report, which had been issued providing key updates of recent activities, highlighting key points to note, including:

- An inward Investment Opportunity –a hotel company are considering investing in the area. This would create approximately 190 new jobs in the region and some of our hospitality team are now working with the company to develop appropriate training qualifications to provide a skills pipeline that will commence in August 2019. A robust marketing campaign will also be undertaken to attract applications for hospitality courses.
- Additional Support for Mental Health - The 2018-19 Programme for Government entitled "[Delivering for today, investing in tomorrow](#)" was published on Tuesday 4 September 2018. The Programme includes a commitment by the Scottish Government in relation to mental health to expand provision of counsellors in schools, colleges and universities. Specifically, to provide, '...more than 80 additional counsellors in Further and Higher Education over the next four years.' Consultation is currently taking place on the best way to roll this out, taking account of the need for integration with existing NHS services and the support already available in schools.

Members noted the report.

### **15 President of the Student Association Report**

The Vice President of the Student Association spoke to the report, which had been issued reporting on key activities including:

- A focus on Mental Health with the NHS providing workshops for both students and staff
- The SA are looking at fitness and developing new clubs to attract students

It was noted that a cost v benefits paper was presented to the Finance & General Purposes Committee in November 2018, this will also be presented to the Learning and Teaching Committee in February 2019. The SA Accounts will come to the next Board Meeting

The SA workplan had been provided for information.

The Chair noted the positive and high degree of activity from the Student Association with the current President and Vice President. The President of the Student Association has been nominated

to join the DYW, subject to approval.

Members noted the report.

**Action:**

- The Student Association Accounts will be presented to the Board for approval at the meeting in March 2019

**16 Agenda items for the Next Board Meeting**

The Chair welcomed agenda items for the next Board Meeting, Tuesday 19 March 2019.

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

**17 Draft Minutes/Matters for attention from meetings held since the last Board Meeting**

**17.1 Draft Minute of Audit Committee Meeting of 13 November 2018**

Naomi Johnson, on behalf of the Chair of the Audit Committee, spoke to the draft minute, asking members to note key points, including:

- The Internal Audit Report on Health & Safety received a reasonable assurance opinion. One of findings was that there is not an annual health and safety report to the Board
- The Committee received a very useful GDPR update presentation
- Claire Gardiner from Scott Moncrieff presented the External Audit Annual Report, which concluded the audit work for 2017/18
- The internal auditor's (RSM's) contract ends at the end of this year. A mini-competition will be undertaken, using APUC's revised framework, for a new contract starting 2019-20.

**17.2 Draft Minute of Learning & Teaching Committee Meeting of 20 November 2018**

The Chair of the Learning & Teaching Committee spoke to the draft minute, highlighting the following points of interest, including:

- The committee had a cheering presentation from Alison Martin regarding the PRINCE'S Trust, of note is the requirement for work placements which are important for the success of the course
- Alison tabled invitations to the Team 32 Prince's Trust Final Presentation which was held on Thursday 6<sup>th</sup> December 2018. This is an extremely positive and uplifting event, Members were encouraged to attend future events if they are able to
- Janet Weir gave an update on progress regarding measuring the effectiveness of employer engagement. She also confirmed that an employer engagement strategy is nearing completion

**17.3 Draft Minute of Finance & General Purposes Committee Meeting of 20 November 2018**

John Henderson confirmed that there was nothing additional to add as most items had been covered under previous agenda items.

**17.4 Draft Minute of Board Development Committee Meeting of 26 November 2018**

The Chair confirmed that there was nothing additional to add as items had been covered under previous agenda items.

**18 Letter of Guidance**

The Principal advised that more guidance had been received regarding the Regional Outcome Agreement (ROA) and this was being reviewed.

The Enterprise and Skills Strategy has been received and this may help to develop the next strategic plan for the college.



**19 Board Links, Learning for Leading Update**

The Board Secretary spoke to the report issued. It had been agreed that the summary reports would be collated to provide an update to the Board at each Board Meeting, from December 2018, with the content of the visit remaining confidential to those involved. The purpose of the report being to confirm that the linked visits are taking place and to enable the Board to share the experiences of their colleagues and to learn more about the work of the college.

Initial feedback is that Members have found the college staff they have met to be enthusiastic and welcoming and the meetings informative. Similarly students and Curriculum Managers have welcomed the visits and have given positive feedback.

Members noted the report

**20 Any Other Business****20.1 Digital Skills Strategy**

Members welcomed the Digital Skills Strategy, although advised caution as it is very ambitious. Members felt this document required more attention than the time remaining and therefore felt unable to approve the document at this meeting. It was agreed that this would be taken to the Learning and Teaching Committee meeting in February 2019 for consideration prior to being recommended to the Board.

**Decision:** Not approved due to lack of time to consider and discuss and lack of scrutiny required by the Learning and Teaching Committee.

**Action:** The Digital Skills Strategy to be considered by the Learning and Teaching Committee at the meeting on 26 February 2019 prior to re-presenting to the Board

**20.2 Congratulations and Thank you to the Principal**

The Chair congratulated the Principal on 30 years of service, presenting her with flowers on behalf of the Board. He also noted that this was the Principal's last Board Meeting and wished her well in her new position.

**21 Date and Time of Next Meeting**

The next meeting of the Board of Management will take place on Tuesday 19 March 2019, 1-5pm at Dumfries Campus.

Board Development Events:

- POSTPONED – The Board Development Event on Tuesday 22 January 2019

**22 Minutes Approved since the last Board Meeting****22.1 Approved Minute, Remuneration Committee - 06/03/18**

Members noted the approved minute of the Remuneration Committee meeting of 6 March 2018.

**22.2 Approved Minute, Board Development Committee - 06/03/18**

Members noted the approved minute of the Board Development Committee meeting of 6 March 2018.

**22.3 Approved Minute, Learning & Teaching Committee - 04/09/18**

Members noted the approved minute of the Learning & Teaching Committee meeting of 4 September 2018.



**22.4 Approved Minute, Finance & General Purposes Committee - 18/09/18**

Members noted the approved minute of the Finance & General Purposes Committee meeting of 18 September 2018.

**22.5 Approved Minute, Audit Committee - 19/09/18**

Members noted the approved minute of the Audit Committee meeting of 19 September 2018.

## Board of Management

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### **FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2018**

#### **1. Purpose of the Report**

- 1.1 The purpose of this report is to highlight key messages and figures from the Annual Report and Financial Statements for the year ended 31 July 2018.
- 1.2 A copy of the Financial Statements, incorporating the Performance Report and Accountability Report, is attached.

#### **2. Key Messages**

2.1 The key figures included in the Performance report for 2017-18 are:

- The College has met its overall target for student numbers;
- 1,540 full-time and 5,400 part-time learners attended College during the year;
- Total income for the year was £12,336,000;
- Costs of £13,422,000 were incurred, including staff costs of £9,067,000, and other operating expenses of £2,922,000;
- Staff are recognised as the College's most valuable resource - 314 staff are employed, which equates to 218 full-time equivalent employees;
- The College has good relationships with suppliers, and pays invoices promptly;
- Future developments are planned to enhance the curriculum and facilities for learners;
- The balance sheet shows sufficient cash to meet payments as they fall due, and the College has no loans or other long-term liabilities that will require to be paid;
- The external audit report shows an unqualified opinion.

#### **2.2 Out-turn for 2017-18**

Although the financial statements show an operating deficit of £1,086,000, the adjustments for non-cash and other distorting items set out on page 11 show an underlying operating deficit of £74,000. Timing differences for the recognition of income and additional expenditure at the year-end have impacted on the out-turn.

#### **3. Recommendation**

Members are asked to approve the financial statements for the year ended 31 July 2018.

Scottish Charity No. SC021189

**DUMFRIES AND GALLOWAY COLLEGE**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE PERIOD**

**1 AUGUST 2017 TO 31 JULY 2018**

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The financial statements were approved and authorised for issue on 11 December 2018.

**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

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## 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 2018.

### 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 2017-18 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 2017-18, with 30,696 credits achieved against a target of 30,371, which represents an over-delivery of 1%. The College was unable to meet the target of 268 credits for Childcare, and plans are in place to increase numbers during 2018-19 in line with Scottish Funding Council targets. Overall retention figures for 2017-18 remain low, and further work is taking place to analyse the data available, identify specific issues, and develop a strategy for improvement. The new Curriculum Management structure is now in place, and closer monitoring of each course by the Curriculum Managers should help to improve overall retention and attainment rates.

The financial out-turn for 2017-18 shows an overall operating deficit, which includes non-cash adjustments for pension valuation and expenditure from the allocation of 'Fixed Cash Budget for Priorities' as explained in the Performance Analysis pages. The underlying position shows an underlying small deficit, which reflects the difficulty in maintaining a break-even position each year within the budget constraints for the Scottish College Sector. Actions are being implemented to help ensure targets are achieved in 2018-19.

The College completed its annual Self Evaluation and Enhancement Plan 'How Good is Our College' in September 2018, which has recently been updated, and takes into account all aspects of the College. The Scottish Funding Council and Education Scotland have formally endorsed that the enhancement plan is well informed by and linked appropriately to the findings of the evaluative report, communicates clearly the plans to address areas of provision and services which require improvement, and identifies what the College aims to achieve and by when. An Enhancement Plan has been agreed, which will be monitored throughout 2018-19 and will inform developments and priorities.

The support management restructure which took place during the year is now completed, and with the exception of one or two posts, we were able to appoint internal candidates. This is all part of growing and recognising our own talent and will be supported by a robust management development programme. We will monitor the effectiveness of the new structure as we go through the coming year to make any adjustments as necessary.

The College was successful in a joint funding bid to the South of Scotland Economic Partnership (SoSEP) with Borders College to develop a South of Scotland Learning and Skills Network, which will require a fundamental shift in how we use technology to teach and to provide other services. A digital skills strategy will highlight our key aims and ambitions, and a staff development programme will support staff to develop their skills.

## 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 are progressing towards 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 Scottish Funding Council priorities. We are committed to regularly monitor progress towards delivery of the strategic outcomes. From 2018-19 the College will implement the new SFC and Education Scotland quality arrangements, which integrates quality arrangements evaluation with outcome agreement evaluation and reporting. A self-evaluative report 'How Good is Our College?' was produced for the first time in 2016-17 and will be repeated in the coming years. Internal processes, including Student Evaluation, will continue to be improved over the coming year to enable the College to meet the requirements of 'How Good is Our College?'.

### 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:

- **Failure to achieve institutional sustainability** - The changes in funding methodology, public sector funding cuts, and the reclassification of the Scottish College sector as public bodies from 1 April 2014 have all impacted on the College's financial sustainability. Regular monitoring of budgets, review of financial strategies and effective budgetary control will minimise the impact on learners and staff.

- **Pay pressures** - there is a risk that salary and cost implications of changes to conditions of service will outstrip the College's ability to fund those costs. The College will continue to work with the Employers' Association to influence negotiations, and model pay costs going forward.

- **Maintaining positive relations with staff** - the risk of industrial action has increased, and the College management will take mitigating action where possible to adhere to good practice, effective communication with Trade Unions and staff, and maintain open communications with staff.

- **Meeting deadlines for the College's SoSEP project** - the project aim of establishing a Hub and Spoke project for Engineering, Construction and Care by August 2019 will require robust governance, project planning and close working with Borders College.

## Performance Report (continued)

### Performance Summary

The reported Key Performance Indicators show a reduction in overall student achievement for 2017-18, but further analysis of the statistics indicates that a number of learners have left due to either progressing to employment or another educational programme. Despite this, overall activity targets were exceeded, with 30,696 credits delivered against a target of 30,335. As a result of timing issues at the year-end, the underlying operating position, excluding pension valuation adjustments and planned expenditure from depreciation cash, was a deficit of £74,000.

### Student Numbers

During academic year 2017-18, the College delivered 30,696 credits against a target of 30,335 (2016-17 30,338 delivered against the target of 30,371). Total numbers for student enrolments increased from 6,827 in 2016-17 to 6,951, an increase of 1.8%. Within these overall numbers full-time student numbers decreased to 1,540 from 1,560, which represents an increase of 43 full time FE students but a decrease of 63 full time HE students. Total numbers for part-time students increased marginally to 5,287. Part-time HE students decreased by 302 to 341, and FE numbers increased by 446 during 2017-18.

### Student Achievements

The overall numbers of full-time students successfully completing their programme of study in 2017-18 was 62%, which decreased from 65% in 2016-17. The split between full-time Further Education and Higher Education student achievements was FE - 60% and HE - 69% (2016-17 - 62% and 71%).

Successful completion for part-time students decreased from 57% to 53% for FE students and HE students increased from 36% to 46%.

As noted above, further analysis of the Key Performance Indicators has provided further insight into reasons why some learners have left their course of study early. In 2017-18, 15% of early leavers left due to either obtaining a job, progressing to a programme at another educational establishment, or progressing onto another college programme. Under current reporting arrangements, these are considered to be a failure of the College.

The College has identified a number of key actions to be taken with the aim of improving learner retention and achievement during 2018-19:

- we have introduced a new structure, and developed in-house tools to support staff in analysing data and allow targeted support for students at risk of leaving early;
- we will balance the challenges of increasing access to FE and HE with the support required for students who have barriers to learning - including transport within the region and financial problems;
- we will look at innovative ways to support students who are in financial difficulties, including offering a 'breakfast club' as well as a review of learner support policies and procedures to provide information and support to students on accessing funding;
- appointment of Guidance Coaches to provide help to learners with anything that may impact attendance and ability to stay on their course, including financial, personal issues, travel, or health and wellbeing;
- we are reviewing the format for the pre-enrolment Information and Advice sessions following self-evaluation and feedback from learners.

### Quality Assurance and Enhancement

The College has evaluated what is working well and what needs to improve, through the use of Education Scotland's 'How Good is Our College?' framework. The evaluative report and enhancement plan was endorsed by Education Scotland and SFC in January 2018, identifies clearly what is working well, and what needs to improve. A number of actions have been set out in the Enhancement Plan, which will be monitored throughout 2018-19.

### 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.

## Performance Report (continued)

The College has introduced an overarching Equality and Diversity Framework, which is underpinned by a number of updated and streamlined policies and plans including an Annual Equality and Diversity Plan.

Simplified systems are being piloted to evidence the inclusion of equality and diversity across the curriculum, and a range of training package options are available on demand to address emergent issues.

The College continues to examine the “learner journey” in full, from the transition from school into FE or HE and further academic progression, whilst taking into account the desires and needs of the people within our region.

The College has now developed a Work Experience/Placement Action Plan. It is the College aim that all provision comprises of significant, relevant work related learning, work placement and work experience. The local National Health Service (NHS), Dumfries and Galloway Council (DGC) and care providers offers approximately 180 placement opportunities to College students per year.

With a few exceptions, the nature of the businesses in Dumfries and Galloway do not have a particular demand for high-level STEM qualifications. Where there are, the College is active in working partnership with industry to deliver the qualifications they require eg in renewable industries. However, many of the businesses are not fully utilising or exploiting digital technologies because of a lack of awareness or basic digital skills. It is important to recognise the relative importance of this in considering the contribution of the College.

Dumfries and Galloway College is a key partner in delivering Modern Apprenticeships in the South of Scotland as the major providers of off the job training as well as contracting in their own right. Delivering Foundation Apprenticeships programme is difficult with insufficient funding to run programmes with small cohort, but the College continues to increase the number of Foundation Apprenticeship pathways. In 2017-18, we have offered a foundation apprenticeship pathway in Engineering.

## 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.

We have introduced a new structure, and have developed in house tools to support staff to analyse data which in turn will allow more targeted support for students who may be at risk of leaving early. We will balance the challenge of increasing access to FE and HE with the support required to give to support students who have barriers to learning.

Dumfries and Galloway College, in a joint bid with Borders College, has been successful in being awarded funding from the South Of Scotland Economic Partnership (SoSEP) to develop STEM Hubs across the south of Scotland. The key aim of the project is to establish a digital learning network by creating a digital and physical hub and spoke system which will address the immediate skills gaps identified in the region in key sectors - Energy, Engineering, Construction and Care. Dumfries and Galloway College will establish a STEM Care Hub and a STEM Renewable Energy/ Engineering Hub in Dumfries, and a mini-STEM Hub for Engineering in Stranraer. The learning centres will be digitally connected with each other, and also with the Hubs being developed by Borders College. In addition, pilot spokes will be developed in schools.

The impact of this network will be monitored through the College's Regional Outcome Agreement, and the aims of the project includes:

- delivery of high quality, digitally connected learning centres as noted above;
- delivery of pilot digital Spokes, connected to the Hubs, and to each other;
- increased numbers of employers upskilling employees through the STEM Hubs and Spokes within the South of Scotland Region;
- increased numbers of students studying STEM related courses in the College;
- increased numbers of students achieving recognised qualifications on courses related to STEM Hub activity;
- increased number and quality of work placement opportunities for students on activities related to STEM Hubs;
- a wider curriculum and vocational qualifications being delivered by the College;
- increased volume and proportion of Credits being delivered at HE level to learners;
- increased number of qualifying learners in positive destinations after completing their programme.

## Performance Report (continued)

### Future Developments (continued)

The College will continue to widen access to education for a range of society that have historically had difficulties in accessing FE and HE this includes care experienced students, people who have caring responsibilities, those from postcode areas with high levels of deprivation and people who are disabled. The College's Access and Inclusion Strategy gives the details how the college will achieve this, and the success of the initiatives will be monitored.

We will continue the work we have started, with our "Passport to College" course, which will build skills and confidence of students ensuring they are better equipped for all the challenges of College.

Priority outputs to be delivered in 2018-19 are:

- achieving the activity target of 30,176 credits;
- improvement in student retention and attainment;
- an increase in the numbers of students entering positive destinations; and
- a curriculum which reflects the skills requirements and meets the needs of the region.

We are progressing towards 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 the Scottish Funding Council priorities. We are committed to regularly monitoring progress towards the delivery of the outcomes set out in this agreement. From 2018-19 the College will implement the new SFC and Education Scotland quality arrangements, which integrates quality arrangements evaluation with outcome agreement evaluation and reporting.

## 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 utilise £211,000 of grant funding from the Scottish Colleges Foundation to fund the purchase of engineering equipment. Some further developments are planned for 2018-19 which have been successful in obtaining a grant offer to meet those costs.

### 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 College Strategic Outcomes set out in the 2017-18 SFC Outcome Agreement supports the Scottish Funding Council's four priority outcomes:

1. A more equal society because learning is accessible and diverse, attracting and providing more equal opportunities for people of all ages, and from all communities and backgrounds.
2. An outstanding system of learning where all students are progressing successfully and benefitting from a world-class learning experience, in the hands of expert learners delivered in modern facilities:
3. A more successful economy and society with well prepared and skilled students progressing into jobs with the ability, ideas and ambition to make a difference;
4. High performing institutions - a coherent system of high performing sustainable institutions with modern, transparent and accountable governance arrangements.

The College's Priority Outcomes for 2017-18, which are aligned to the support SFC's outcomes above, were:

- to contribute to reduction in youth unemployment and improving life chances;
- to ensure provision is effectively delivered, accessible and meets national, regional and local employer needs;
- to support learners to complete their study and achieve successful outcomes.

## Performance Report (continued)

### How we measure performance (continued)

Priority Outputs to be delivered in 2017-18 were:

- Achievement of Activity target of 30,336 credits;
- Improvement in student retention and attainment;
- An increase in the number of students entering positive destinations;
- An increase in non-SFC income as a percentage of total income.

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. 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 produced an evaluation report and enhancement plan in October 2018.

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

The Key Performance Indicators highlight that, although the College has exceeded overall credits target, the figures for student retention and outcomes have decreased from 2016-17 levels. Analysis of the overall figures provides further insight into reasons why some learners have left their course of study early - including 15% of early leavers due to obtaining a job, progressing to a programme at another educational establishment, or progressing onto another college programme. Under current reporting arrangements, these are considered to be a failure of the College.

In common with all colleges, Dumfries and Galloway College is adversely affected by the classification of students who have left mid-course for employment, as they are considered to have failed to complete. This is particularly common where students are placed on work experience with potential employers, or who leave to progress onto a Modern Apprenticeship - we believe it is more accurate to identify these as transfers into positive destinations.

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

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'.

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

	<b><u>2017-18</u></b>	<b><u>2016-17</u></b>
Credits achieved	<b>30,696</b>	30,338
Credits per FTE staff	<b>141</b>	141
<i>Target Credits (including additional childcare places)</i>	<b>30,335</b>	30,067
Full-time equivalent funded places	<b>2,046</b>	2,022
Enrolments	<b>6,951</b>	6,827
Early Student Retention		
- Full Time Further Education	<b>117</b>	102
- Full Time Higher Education	<b>40</b>	40
Student Retention		
- Full Time Further Education	<b>193</b>	211
- Full Time Higher Education	<b>64</b>	63
Student Outcomes:		
- Full Time Further Education	<b>60%</b>	62%
- Full Time Higher Education	<b>69%</b>	71%
Operating deficit (inclusive of IAS 19 adjustments)	<b>(£1,086,000)</b>	(£980,000)
Deficit as a % of total income	<b>8.66%</b>	7.87%
Deficit as a % of total expenditure	<b>7.96%</b>	7.30%
Staff costs (excluding fundamental restructuring costs) as a % of total expenditure	<b>67.6%</b>	65.0%
Ratio of current assets to current liabilities	<b>0.54</b>	0.73
Days cash to total expenditure excluding depreciation	<b>22</b>	49
Non SFC income as a % of total expenditure	<b>16.3%</b>	17.7%

## Performance Report (continued)

### Financial Out-turn for the period

The College operating results are for a twelve month accounting period, from 1 August 2017 to 31 July 2018. The results for the period show an operating deficit of £1,068,000, which includes non-cash depreciation costs, net of deferred grant release, of £443,000 as well as a net charge of £762,000 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 2018, in accordance with the technical accounting requirements as detailed at Note 10.

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 2018 shows net current liabilities of £901,000. Included in creditors are deferred capital grants of £757,000 and unspent student support funds of £183,000.

### Spend of Cash Budget for Priorities

Following their reclassification as central government bodies from 1 April 2014, colleges are now also required to comply with Central Government budgeting rules. In addressing the impact of these budgeting rules, Scottish Government and SFC committed to providing the cash budget previously earmarked for depreciation to use on specified priorities.

Colleges have now each been given a fixed cash budget for priorities which must be spent on agreed government priorities as outlined in the table below. Spend of the College's cash budget for priorities, and the impact on the operating position for the academic year, is detailed below.

#### Table of cash budget for priorities spend:

	2017-18 £000	2016-17 £000
<b>Revenue Priorities</b>		
2015-16 Pay award	80	77
Curriculum developments	310	-
Staff Voluntary Severance Scheme	-	265
Staff Settlement payment	-	12
<b>Total cash budget for priorities spend</b>	<b>390</b>	<b>354</b>

### Adjusted operating position

The Statement of Comprehensive Income presents the financial performance during the year in accordance with the Statement of Recommended Accounting Practice (SORP) 2015: 'Accounting in Further and Higher Education' (The FE/ HE SORP) and Financial Reporting Standards FRS 102. The adjusted operating position is intended to reflect the financial performance of the College after allowing for non-cash adjustments and other material one-off or distorting items required by the SORP. The adjusted operating position is therefore designed to smooth any volatility in reported results arising from FRS 102 and also to recognise that some of the reported costs do not have an immediate cash impact on the College. This should give a better indication of the College's operational cash generative capacity.

	2017-18 £000	2016-17 £000
<b>(Deficit) before other gains and losses (FE/ HE SORP basis)</b>	<b>(1,086)</b>	<b>(965)</b>
<b>Add back:</b>		
- Depreciation (net of deferred grant release) on both government funded and privately funded assets	443	437
- Non-cash pension adjustments - Net service cost	532	455
- Non-cash pension adjustments - Net interest cost	230	186
- Gain/ (loss) on disposal of fixed assets	18	(15)
<b>Deduct:</b>		
- Non-government capital grants (Scottish Colleges Foundation capital grant)	(211)	-
<b>Underlying operating (deficit)/ surplus</b>	<b>(74)</b>	<b>98</b>

**Performance Report (continued)****Review of Resource outturn for the year ended 31 March 2018**

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 2017-18 budgeting period are outlined below:

	<b>RDEL £000</b>	<b>CDEL £000</b>
Resource budget for year ended 31 March 2018	10,969	10,846
Expenditure against resource budget	11,036	11098
Net underspend/ (overspend) against budget	<u>(67)</u>	<u>(252)</u>

The outturn reflects the clawback of unspent student support funding during 2017-18 which related to the period August 2016 to March 2017.

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 1.44% (2016-17 - 1.6%). 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 (CCAP) 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. An update to the College Finance and General Purposes Committee in February 2018 noted an overall increase in emissions for the reporting period to 2016 due to the first full year of operations for the College training kitchen and restaurant. However the increase was minimal due to the efficiency measures which have already been introduced. The College is still on target to meet the 20% reduction in greenhouse gas emissions by the end of the CCAP period, which is the end of 2019.

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](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.

### Social Matters

#### Respect for Human Rights

Our new Equality and Diversity Impact Assessment template requires consideration of Human Rights as part of the screening process. These are completed for every new or reviewed strategy, policy or procedure produced by the College. We introduced this system in the past year, incorporating a requirement to record that it had been completed within each official document as part of the publication process.

#### Anti-corruption and anti-bribery

The College has an established Anti-Fraud and Corruption Policy, which is updated on a regular basis. Any instances of fraud or corruption by College employees, Board members or contractors will be treated as a serious breach of discipline and as potentially criminal acts. The overriding principle applied is to prevent any acts of fraud or corruption. Preventative measures adopted by the College are:

- Policies and procedures - to reduce as far as possible the risks from fraud or corruption, these measures include risk management processes, procurement, and the scheme of delegation;
- Systems - incorporating internal controls, and segregation of duties;
- Internal audit - the internal audit programme supports the systems and procedures in place;
- Culture - the College aims to maintain a culture of openness, honesty and accountability, which is also supported by a Whistleblowing Policy;
- Staff Recruitment, Induction and Training - references are taken up for all permanent and temporary staff, and part of the induction includes raising awareness of all policies and procedures pertinent to the post, including governance processes.

**Performance Report (continued)****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 non-cash depreciation costs, net of deferred grant release, of £443,000 as well as a net charge of £762,000 included in the Statement of Comprehensive Income to reflect the pension valuation changes for the Local Government Pension Scheme. In addition, deferred government capital grants of £22,658,000 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.

The College continues to have ongoing planning discussions with SFC through the Outcome Agreement Manager. Budget forecasts have been prepared in order to ensure that sufficient budget and funds are available to cover ongoing costs including payroll and other expenses which are necessary to deliver services to students and the targets set out in the Regional Outcome Agreement with SFC. The College has prepared medium-term financial forecasts including modelling of pay costs to identify potential challenges and inform strategies for future years, curriculum planning and longer-term developments. In addition, the College will continue to identify where efficiencies can be achieved, in order to reduce future expenditure and increase non-SFC income in order to meet the costs of future developments.

**Carol Turnbull**

11 December 2018

Principal

## Accountability Report

### Corporate Governance Report

#### Board of Management

Dumfries and Galloway College Board of Management was established under the provisions of the Further and Higher Education (Scotland) Act 1992, and became a regional college under the provisions of the 2013 Act. The College is also a charity registered in Scotland in terms of the Charities and Trustee Investment (Scotland) Act 2005 with registered number SC021189. The Constitution and Standing Orders of Dumfries and Galloway College Board of Management set out the Board's policy and practice on those issues which it has powers to determine

The Board of Management comprises of representatives from industry, commerce and education, and benefits greatly from Members' extensive expertise of business and public life together with practical experience in education and training. The private and public sectors are represented, as is the College's Executive Management Team (by the Principal), teaching and support staff and the student body.

The Board's key duties are to:

- Set the strategic direction and priorities of the College;
- Promote commitment to the values and ethos of the organisation, including equality and diversity;
- Ensure satisfactory delivery of the organisation's performance and financial objectives, high quality learning and outcomes, and a good learning experience;
- Be accountable to and maintain the trust of key stakeholders;
- Comply with relevant legal and financial requirements, including the Scottish Public Finance Manual;
- Ensure identification and control of the main risks to the organisation's responsibilities and business objectives;
- Adhere to the sector's Code of Good Governance and the organisation's Financial Memorandum.

The Regional Board for Dumfries and Galloway College comprises of the Chair, the Principal, two student members, two staff members and twelve non-executive members, one of which is the Vice Chair and Senior Independent Member. 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 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](http://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 2017-18 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, Audit Committee and a Grievance/ Appeals Committee. All committees are required to report back to the Board on their activities.

## Accountability Report

### Corporate Governance Report

#### Board of Management (continued)

The Board considered the Risk Management Process during 2017-18. The Risk Register is now considered by all Committees to ensure that their collective expertise is focused on specific risks. It was agreed to review the format of the Risk Register over the summer, for the changes to take place in 2018-19. A summary of the current risks is set out on page 5 of the Performance Report.

The following key decisions and actions were made by the Board during 2017-18, following due consideration of reports presented:

- Approval of the GDPR Policy and Strategy, and training requirements for College staff and Board members;
- Development of Key Facts and Stakeholder leaflets, to support promotion of the College externally;
- Board members taking a lead role to champion key issues: Equality and Diversity and Cybersecurity;
- Proactively encouraging student engagement;
- Strengthening the Dumfries and Galloway Developing the Young Workforce Board by including a College student Board member;
- Considering and approving changes to the Management Structure to enable succession planning following changes in senior positions in the College, and to take forward strategic developments and business opportunities.

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 on the College website: [www.dumgal.ac.uk](http://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.

The Board will ensure good governance arrangements are in place including appropriate knowledge and leadership for the SoSEP projects being jointly implemented with Borders College.

#### Members of the Board of Management

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

Janet Brennan  
Hugh Carr  
Ros Francis  
Barry Graham  
John Henderson  
Delia Holland (Vice Chair and Senior Independent Member)  
Naomi Johnson  
Brian Johnstone (Regional College Chair)  
Pat Kirby  
Sue Livermore (Support Staff member)  
Stuart Martin  
Karen McGahan  
Rob Orr  
Ailsa Paton (Student member)  
Robbie Thomas  
Carol Turnbull (Principal and Chief Executive)  
Nikki Vjatschslav (Student member)  
Ian White (Lecturing Staff Member)

**Accountability Report (continued)****Corporate Governance Report (continued)****Members of the Board of Management (continued)**

The following individuals were also Board members in the period from August 2017 up to 31 July 2018:

Anthony Conlon (Student member, term of office finished 30 June 2018)  
Kenny Henry (Support Staff Member, term of office finished 31 July 2018)  
Leah Thomas (Student member, term of office finished 30 June 2018)

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>

Ann Walsh acted as Board Secretary throughout the period August 2017 to July 2018.

**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 Business Development and Corporate Services)

Andy Wright (Vice Principal Learning and Skills)

In addition, Helen Pedley was Director of Organisational Development and Facilities until December 2017.

**Committees of the Board of Management**

The Board of Management has formally constituted several committees 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 2018.

Current Committee Members are as follows:

**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, Ros Francis, Delia Holland, Brian Johnstone (Chair), Pat Kirby, and Stuart Martin

**Remuneration Committee**

Members - Ros Francis, Delia Holland (Chair), Brian Johnstone and Ian White

**Audit Committee**

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

**Finance and General Purposes Committee**

Members - Ros Francis (Chair), John Henderson, Sue Livermore, Karen McGahan and Carol Turnbull

**Learning and Teaching Committee**

Members - Barry Graham, John Henderson, Delia Holland, Naomi Johnson, Pat Kirby (Chair), Sue Livermore, Rob Orr, Ailsa Paton, Carol Turnbull, Nikki Vjatschslav, and Ian White.

**Grievance/ Appeals Committee**

Janet Brennan, Ros Francis, Brian Johnstone (Chair), Stuart Martin, Karen McGahan

**Accountability Report (continued)****Corporate Governance Report (continued)****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 2018 are set out in note 8 to the financial statements.

**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.

**Accountability Report (continued)****Corporate Governance Report (continued)****Grievance/ Appeals Committee**

The Grievance and Appeals Committee's remit is to hear any grievance or appeal of decision made by the Principal in accordance with discipline, grievance and capability procedures.

**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.

**Self Evaluation**

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.

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'.

Self Evaluation of the Board was undertaken in January 2018. This happens each year, apart from the years for External Review which are planned for every third year.

The outcome of the Self Evaluation was very positive. Key areas identified for further improvement include:

- To develop a Board Links Scheme to facilitate improved organisational knowledge and the opportunity to understand staff views, culture and College business;
- Refining the organisation and content of Board and Board Committee meetings and communication - to continue to improve the effectiveness of the meetings structure and the facilitation of effective decision making;
- Continue to improve strategic knowledge and understanding of priorities in the sector;
- Stakeholders - promote College activities and get feedback on what they want from us;
- Review and further improve Induction Packs for new Board members;
- Continue with the good uptake of development/ learning opportunities including development of networking with other college Boards.

In addition to this, the Board will continue to review and refine the organisation of Board meetings and effectiveness of Board meetings.

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

***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 2018 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 2018 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.



**Accountability Report (continued)****Corporate Governance Report (continued)*****Risk and control framework (continued)***

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.

The Audit Committee meets with internal and external auditors independently of College staff, to gain independent reassurance.

The College Leadership Team and Executive Management Team keep risk management under regular review, reporting into all Committee and the Board. Any urgent or escalating risks are also reported to the Chair in addition to this process.

Significant risks and management action that have been considered and agreed during 2017-18 are set out at page 5 of the Performance Report in these financial statements.

The Board have considered actions taken in respect of Cybersecurity, Prevent and implementation of GDPR. The Board has also considered actions being taken to help improve retention and attainment, and achievement of the College's credit target, including staff and Board training and approving revisions to policies and procedures. In addition, the Board continue to monitor external influences including Government Policies, employer engagement, and consider management actions to reduce risks.

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

As described on Page 5 of the Performance Report, 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.

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.

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 2018 meeting, the Board of Management carried out the annual assessment for the period ended 31 July 2018 by considering documentation from the Executive Management Team and internal audit, and taking account of events since 31 July 2018.

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.

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

**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 principles of the 2016 Code of Good Governance for Scotland's Colleges, and it complied throughout the year ended 31 July 2018.

**Data Security**

There were no personal data-related incidents reported to the Information Commissioners Office during the 2017-18 financial period.

**Going Concern**

As noted on Page 14 of the Performance Statement, the College continues to prepare budget forecasts to ensure that adequate resources are available for the foreseeable future. medium-term financial forecasts and costs modelling have been prepared to inform strategies for future years. 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**

In our opinion 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 11 December 2018 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.

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 outcomes;
- 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;

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

- 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 2017-18.

Approved by order of the members of the Board on 11 December 2018 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 2017-18 Government Financial Reporting Manual (FReM) issued by the Scottish Government, which is relevant for the financial period ending 31 July 2018.

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 £10,000 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 2018 are set out in note 7 to the financial statements.

### Remuneration including salary entitlements

Remuneration of the Executive Management Team is set out in note 7 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 £10,000 above £60,000 or more.

	12 Month period ended 31 July 2018		12 Month period ended 31 July 2017	
	Number senior post- holders	Number other staff	Number senior post-holders	Number other staff
£60,001 to £70,000	2	0	1	0
£70,001 to £80,000	0	0	0	0
£80,001 to £90,000	0	0	0	0
£90,001 to £100,000	1	0	1	0
£100,001 to £110,000	0	0	0	0
£110,001 to £120,000	0	0	0	0
£120,001 to £130,000	0	0	0	0
	<b>3</b>	<b>0</b>	<b>2</b>	<b>0</b>

**Remuneration and Staff Report (continued)**

During the period, the College made no non-cash benefits available to staff (2016-17 - 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 2017-18 was £95,000 - £100,000. (2016-17 - £95,000 - £100,000). This was 3.9 times (2016-17 - 3.8 times) the median remuneration of the workforce which was £25,301 (2016-17 £25,301).

**Salary entitlements**

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

Name	12 months ended 31 July 2018			12 months ended 31 July 2017		
	Actual			Actual		
	Salary £'000	Pension benefit * £'000	Total £'000	Salary £'000	Pension benefit £'000	Total £'000
B. Johnstone	20-25	0	20-25	20-25	0	20-25
C. Turnbull	95-100	20-25	120-125	90-95	45-50	140-145
A. Glen	60-65	20-25	80-85	10-15	0-5	10-15
H. Pedley (1)	25-30	0-5	25-30	65-70	60-65	125-130
S.A. Wright	60-65	0-5	60-65	55-60	10-15	70-75

\* 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) H Pedley left the Executive Management Team on 31.12.17. Her full time equivalent salary was in the £60-65k band.

The salary and pension benefits above are shown in bands of £5,000 in accordance with the 2017-18 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 three 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 20.

## 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 2018 £'000	Accrued lump sum at pension age at 31 July 2018 £'000	Real increase in pension 1 August 2017 to 31 July 2018 £'000	Real increase in lump sum 1 August 2017 to 31 July 2018 £'000	CETV at 31 July 2018 £'000	CETV at 31 July 2017 £'000	Real increase in CETV £'000
B. Johnstone	0	0	0	0	0	0	0
C. Turnbull	40-45	70-75	0-2.5	0	910	829	47
A. Glen	0-5	0	0-2.5	0	17	2	8
H. Pedley (see 1 above)	25-30	55-60	0-2.5	0	467	461	0
S.A. Wright	25-30	75-80	0-2.5	0-2.5	520	486	12

### 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**

No employees left under voluntary exit/ early retirement terms during the year (2016-17 - 14 employees). The table below summarises the exit packages for those staff who left during 2016-17. It includes payments made to staff and the accrued pension cost of added years.

Exit package cost band (Prior year 2016-17)	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
<b>Total number of exit packages</b>	0	14	14
<b>Total cost (£)</b>	<b>0</b>	<b>£264,741</b>	<b>£264,741</b>

**Exit packages**

No Board member or senior manager left under voluntary or compulsory exit schemes in 2017-18 (2016-17 - 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 employ ed staff £'000	Seconded and agency staff £'000	2017-18 Total £'000	Directly employed staff £'000	Seconded and agency staff £'000	2016-17 Total £'000
Wages and salaries	6,621	24	6,645	6,372	40	6,412
Social security costs	591	0	591	561	0	561
Other pension costs	1,739	0	1,739	1,595	0	1,595
<b>Total</b>	<b>8,951</b>	<b>24</b>	<b>8,975</b>	<b>8,528</b>	<b>40</b>	<b>8,568</b>
Average number of FTE	218	1	219	215	1.5	216.5

The College employed 204 females and 125 males as at 31 July 2018. Of the three College Senior Executives at July 2018, two are male and one is female.

**Sickness Absence**

The total number of days lost per full-time equivalent (FTE) to sickness absence during 2017-18 was 8 days, which was level with 2016-17.

**Social Matters, Respect for Human Rights**

Our new Equality and Diversity Impact Assessment template requires consideration of Human Rights as part of the screening process. These are completed for every new or reviewed strategy, policy or procedure produced by the College. We introduced this system in the past year, incorporating a requirement to record that it had been completed within each official document as part of the publication process.

**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.



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

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.

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.

**Other diversity issues and equal treatment in employment and occupation**

Dumfries and Galloway College is committed to promoting equality of opportunity, celebrating and valuing diversity, eliminating unlawful discrimination, harassment and victimisation, and promoting good relations for all our staff, students, visitors and partners.

We aim to achieve equality for all by addressing discrimination in education and employment on the grounds of age, disability, gender, gender identity, marriage and civil partnership, pregnancy and maternity, race, religion or belief, or sexual orientation. By fostering a culture of dignity and respect, we will ensure that every student and member of our staff achieves their full potential. Our Board currently has a 50:50 gender split for non-executive Board members (taking into account the legislation's guidance that if an odd number of Board members exist, the lower even number be used to determine the split percentage), and a 55:45 gender split in favour of female members when executive members are included. Plans are in place to produce our statutory gender, race and disability pay gap information for April 2019 along with our reviewed Equality Outcomes and Mainstreaming Report. Impact assessment, as outlined earlier in this report, has been redesigned this year and a management training package to ensure wider application has been arranged for February 2019.

A root and branch review of our equality and diversity activity and progress in mid-2017 led to the introduction of the new continuous improvement Equality and Diversity Framework we use to shape our work in this field. This clearly demonstrates how the different elements of our work link together to progress fairness for everyone in our College family. We meet our commitment through a clear Equality and Diversity Policy, setting outcomes to address prioritised issues to improve equality, and embedding our equality practice in everything we do. An annual Equality and Diversity Action Plan sets out what we plan to do to meet our outcomes, and we report on progress against this action plan each year to the Board in April. The cross-College Equality and Diversity Committee meets quarterly to oversee progress. In addition, we have supporting Gender and BSL Action Plans in place and subscribe to the Disability Confident standards. Last year, we provided face to face training in equality law, gender identity and preventing harassment to around 130 staff and 240 students, as well as to a third sector partner agency.

**Employment issues including employee consultation and or participation**

Preparations were made in the latter part of the 2017/18 academic year to hold two Staff Wellbeing Days to allow staff to try out beneficial activities during their working day. These were enthusiastically received and will be repeated year on year. A staff survey was also designed. Results from this survey are currently under analysis, with initial results suggesting that our people are proud to work at College and enjoy contributing to our goals, whilst indicating that our communication could be improved to help staff understand where their contribution fits into the whole.

**Health & Safety at Work**

Dumfries and Galloway College is committed to continuous improvement in health, safety and safety performance. It recognises its duty of care to employees, students, members of the public and employees of sub-contractors in all college situations. A number of processes and procedures are in place in order to comply with statutory responsibilities, which are set out in our Health and Safety Policy which is reviewed and updated regularly. The College provides information, instruction, training and supervision for all individuals, as well as maintaining suitable reporting lines and implementing corrective measures where appropriate.

**Trade Union Relationships**

Dumfries and Galloway College recognises the Trades Unions listed in the National Recognition Procedures Agreement (NRPA). Locally our staff are represented by EIS/FELA and Unison who attend our Local Joint Negotiating Committee (LJNC). Staff who are elected representatives of the trade unions are provided support through paid facility time, and those details are set out on page 31.

**Remuneration and Staff Report (continued)****Staff Development and Workforce Planning**

As our most valuable resource, the College recognises the importance of investing in and developing our staff to support the strategic objectives set out in the Vision 2020 Strategy. The College believes that all employees have the potential to grow, both in their work role and personally, and endeavours to provide opportunities for this growth. A number of mechanisms are in place in order to help with this aim, including providing a broad range of development opportunities for staff. The College has processes and procedures in place to ensure that recruitment is carried out effectively and appropriate complaints processes are in place to encourage free communication between employees and their managers, and resolve any potential problems quickly and satisfactorily. Disciplinary, Attendance Management and Capability processes have been designed to help and encourage all employees to achieve and maintain standards of conduct, attendance and performance and consistent and fair treatment for all staff.

**Facility Time**

In accordance with the Trade Union (Time Facility Publication Requirements) Regulations 2017, the College provided the following support through paid facility time for union officials working at the College during the period April 2017 to March 2018:

**Relevant Union Officials**

Number of employees who were relevant union officials during the relevant period:	Full-time equivalent employee number:
6 (April to July)	4.7
3 (August to March)	3.9

**Percentage of time spent on facility time**

Percentage of time	Number of employees
0%	0
1-50%	6 (April to July) 3 (August to March)
51-99%	0
100%	0

**Percentage of pay bill spent on facility time**

Total cost of facility time:	£12,263
Total pay bill:	£8,174,539
Percentage of total pay bill spent on facility time:	0.15%

**Paid trade union activities**

Time spent on trade union activities as a percentage of total paid facility hours:	36%
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Approved by order of the members of the Board on 11 December 2018 and signed on its behalf by:

**Brian Johnstone**  
Chairman

**Carol Turnbull**  
Principal

# **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 2018 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 2018 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](http://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, the audited part of the remuneration and staff report, 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**

### **Opinions on other matters prescribed by the Auditor General for Scotland**

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**

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.

Gary Devlin, (for and on behalf of Scott-Moncrieff)

Exchange Place 3  
Semple Street  
Edinburgh  
EH3 8BL

Gary Devlin 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 2018 £000	Year ended 31 July 2017 £000
<b>INCOME</b>			
SFC grants	2	10,146	10,074
Tuition fees and education contracts	3	1,448	1,808
Other grant income	4	356	142
Other operating income	5	386	422
Endowment and investment income		0	4
<b>Total Income</b>		<b>12,336</b>	<b>12,450</b>
<b>EXPENDITURE</b>			
Staff costs excluding exceptional costs	6	9,067	8,718
Fundamental restructuring costs		0	265
Other operating expenses	8	2,922	3,051
Depreciation	12	1,203	1,195
Interest and other finance costs	11	230	186
<b>Total Expenditure</b>		<b>13,422</b>	<b>13,415</b>
<b>(Deficit)/ Surplus before other gains and losses</b>		<b>(1,086)</b>	<b>(965)</b>
Gain/ (Loss) on disposal of fixed assets		18	(15)
<b>(Deficit)/ Surplus for the year</b>		<b>(1,068)</b>	<b>(980)</b>
Unrealised surplus on revaluation of land and buildings	12	2,099	0
Actuarial gain/ (loss) in respect of pension schemes	20	6,919	(101)
<b>Total comprehensive income for the year</b>		<b>7,950</b>	<b>(1,081)</b>
<b>Represented by:</b>			
Unrestricted comprehensive income for the year		<b>7,950</b>	<b>(1,081)</b>

All items of income and expenditure relate to continuing activities.

The Statement of Comprehensive Income is prepared under the FE/ HE SORP. The SORP does not permit colleges to reflect the non-cash budget for depreciation in the Statement of Comprehensive Income. Note 10 provides details of the adjusted operating position on a Central Government accounting basis.

## Statement of Changes in Reserves for the year ended 31 July 2018

	Income and expenditure reserve	Revaluation reserve	Total
	£000	£000	£000
<b>Balance at 1 August 2016</b>	<b>(192)</b>	<b>4,421</b>	<b>4,229</b>
Surplus/ (Deficit) from the income and expenditure statement	(980)	0	<b>(980)</b>
Other comprehensive income	(101)	0	<b>(101)</b>
Transfers between revaluation and income and expenditure reserve	277	(277)	<b>0</b>
	<u>(804)</u>	<u>(277)</u>	<u>(1,081)</u>
<b>Balance at 1 August 2017</b>	<b>(996)</b>	<b>4,144</b>	<b>3,148</b>
Surplus/ (Deficit) from the income and expenditure statement	(1,068)	0	<b>(1,068)</b>
Other comprehensive income	6,919	2,099	<b>9,018</b>
Transfers between revaluation and income and expenditure reserve	141	(141)	<b>0</b>
<b>Total comprehensive income for the year</b>	<u>5,992</u>	<u>1,958</u>	<u>7,950</u>
<b>Balance at 31 July 2018</b>	<u><b>4,996</b></u>	<u><b>6,102</b></u>	<u><b>11,098</b></u>



## Balance Sheet as at 31 July 2018

	Note	Year ended 31 July 2018 £000	Year ended 31 July 2017 £000
<b>Non-current assets</b>			
Fixed assets	12	<u>36,706</u>	<u>35,557</u>
<b>Current Assets</b>			
Trade and other receivables	13	327	422
Cash and cash equivalents	14	<u>744</u>	<u>1,633</u>
Total current assets		1,071	2,055
<b>Less: Creditors - amounts falling due within one year</b>	15	<u>(1,972)</u>	<u>(2,807)</u>
<b>Net Current Assets/ (Liabilities)</b>		<u>(901)</u>	<u>(752)</u>
<b>Total Assets less Current Liabilities</b>		35,805	34,805
<b>Less: Creditors - amounts falling due after more than one year</b>	16	<u>(21,901)</u>	<u>(22,619)</u>
<b>Provisions</b>			
Pension provisions	17	<u>(2,806)</u>	<u>(9,038)</u>
<b>Total net assets</b>		<u><u>11,098</u></u>	<u><u>3,148</u></u>
<b>Unrestricted Reserves</b>			
Income and expenditure reserve - unrestricted		4,996	(996)
Revaluation reserve		6,102	4,144
<b>Total reserves</b>		<u><u>11,098</u></u>	<u><u>3,148</u></u>

The financial statements on pages 35 to 57 were approved by the Board of Management on 11 December 2018 and were signed on its behalf by:

**Brian Johnstone**  
Chairman

**Carol Turnbull**  
Principal

## Statement of Cash Flows for the year ended 31 July 2018

	Note	Year ended 31 July 2018	Year ended 31 July 2017
		£000	£000
<b>Cash flow from operating activities</b>			
(Deficit)/ Surplus for the period		(1,068)	(980)
<b>Adjustment for non-cash items</b>			
Depreciation	12	1,203	1,195
Decrease/ (increase) in debtors		59	115
(Decrease)/ increase in creditors	15,16	(1,763)	(1,264)
Increase/ (decrease) in pension provision	17	687	641
Increase/ (decrease) in other provisions		0	0
<b>Adjustment for investing or financing activities</b>			
Investment income		0	5
Gain/ (loss) on sale of fixed assets	12	18	(15)
<b>Net cash (Outflow)/ Inflow from operating activities</b>		<u>(864)</u>	<u>(303)</u>
<b>Cash flows from investing activities</b>			
Proceeds from sales of fixed assets	12	19	120
Payments to acquire fixed assets	12	(44)	(131)
		<u>(25)</u>	<u>(11)</u>
<b>(Decrease)/ increase in cash and cash equivalents in the period</b>		<u><u>(889)</u></u>	<u><u>(314)</u></u>
Cash and cash equivalents at beginning of the period		1,633	1,947
Cash and cash equivalents at end of the period		744	1,633

**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 2017-18 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 Basis of accounting**

In preparing the financial statements, the College is required to make estimates and assumptions which affect reported income, expenses, assets and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

The accounting policies have been approved by the Board of Management, and are consistent with previous years. The key areas where judgement and estimation have been applied are as follows:

<b>Estimate</b>	<b>Basis of Estimation</b>
Valuation of buildings	College buildings are of a specialist nature and are valued on the depreciated replacement cost basis.
Useful economic lives of buildings and equipment	Buildings are depreciated over their useful economic lives as assessed by an independent, qualified valuer. The useful life of each item of equipment is assessed by appropriately experienced senior College staff, and is based on previous experience, taking into account changes in how the asset will be used and technological advancement where relevant.
Recoverable amount of trade debtors	Trade debtors are reviewed by appropriately experienced senior College staff, with appropriate provision for potential irrecoverable balances being charged to the financial statements as required.
Obligations under the Local Government Pension Scheme	The College has relied on the assumptions made by suitably qualified Pension Scheme Actuaries, which have been reviewed and are considered to be reasonable and appropriate.

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

***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.

**1.4 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.

**Notes to the Financial Statements (continued)****1. Statement of Accounting Policies (continued)****1.4 Fixed assets (continued)*****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.

Assets under construction are accounted for at cost, based on the value of architects' certificates and other direct costs, incurred to 31 July 2018. 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.

**1.5 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.

**Notes to the Financial Statements (continued)****1. Statement of Accounting Policies (continued)****1.6 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.

**1.7 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.

**1.8 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.

**1.9 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)****1.10 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.

**1.11 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 2018 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 2018 have been brought into the Statement of Comprehensive Income irrespective of when actual payments were made.

**1.12 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.

**1.13 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 2018	Year ended 31 July 2017
	£000	£000
<b>2 SFC Grants</b>		
SFC FE recurrent grant (including fee waiver)	8,794	8,620
FE and HE childcare funds	257	259
Release of deferred capital grants	673	671
Infrastructure grant	334	459
Other SFC grants	88	65
<b>Total</b>	<b>10,146</b>	<b>10,074</b>
<b>3 Tuition Fees and education contracts</b>		
FE fees - UK	417	428
HE fees	722	742
SDS contracts	208	301
Other contracts	101	337
<b>Total</b>	<b>1,448</b>	<b>1,808</b>
<b>4 Other grant income</b>		
Release of deferred capital grants	87	87
Scottish Colleges Foundation - Revenue grant	0	24
Scottish Colleges Foundation - Capital grant (Note 10)	211	0
Other grants	58	31
<b>Total</b>	<b>356</b>	<b>142</b>
<b>5 Other operating income</b>		
Residences and catering	355	373
Other income-generating activities	8	16
Other income	23	33
<b>Total</b>	<b>386</b>	<b>422</b>



## Notes to the Financial Statements (continued)

	Year ended 31 July 2018	Year ended 31 July 2017
	£000	£000
<b>6 Staff costs</b>		
Wages and salaries	6,621	6,372
Social security costs	591	561
Other pension costs (including IAS 19 adjustments of £532k (2017 - £455k) note 20)	1,739	1,595
Total pay costs	8,951	8,528
Other employee related non-pay costs	116	190
Total staff costs excluding exceptional costs	9,067	8,718
Exceptional costs - severance costs	0	265
<b>Staff costs including exceptional costs</b>	<b>9,067</b>	<b>8,983</b>
Academic/ Teaching departments	4,411	4,338
Academic/ Teaching services	1,078	1,017
Administration and central services	2,836	2,874
Premises	486	420
Other expenditure	140	144
Catering and residences	0	0
Other employee related non-pay costs	116	190
<b>Total</b>	<b>9,067</b>	<b>8,983</b>

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

	No.	No.
Academic/ Teaching departments	88	88
Academic/ Teaching services	24	21
Administration and central services	88	89
Premises	15	14
Other expenditure	3	3
Catering and residences	0	0
<b>Total</b>	<b>218</b>	<b>215</b>

## Notes to the Financial Statements (continued)

## 6 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 2018 senior post- holders	Year ended 31 July 2017 senior post- holders
£60,001 to £70,000 per annum	2	1
£70,001 to £80,000 per annum	0	0
£80,001 to £90,000 per annum	0	0
£90,001 to £100,000 per annum	1	1
	<u>3</u>	<u>2</u>

## 7 Senior post-holders' emoluments

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

2018 No.	2017 No.
<u>3</u>	<u>4</u>

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

	Year ended 31 July 2018 £	Year ended 31 July 2017 £
Salaries	252,838	278,494
Pension contributions	50,074	54,174
Total emoluments	<u>302,912</u>	<u>332,668</u>

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

	£	£
Salary (including holiday pay)	<u>97,533</u>	<u>95,000</u>
Pension contributions	<u>20,089</u>	<u>19,285</u>

The Principal and one 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 seven members of the Board of Management during the year amounted to £1,131.

## Notes to the Financial Statements (continued)

	Year ended 31 July 2018	Year ended 31 July 2017
	£000	£000
<b>8 Other operating expenses</b>		
Teaching departments	850	872
Administration and central services	958	1,041
Premises costs (including additional Lennartz credit £22,000. 2017 - £72,000)	559	489
Planned maintenance	165	231
Agency Staff Costs	24	39
Residences and catering	366	379
	<b>2,922</b>	<b>3,051</b>
Transfer to Arms Length Foundation	0	0
<b>Total</b>	<b>2,922</b>	<b>3,051</b>
Other operating costs include:		
Auditors' remuneration - external audit of these financial statements	16	16
-internal audit services *	23	20
- other services	5	5
Hire of plant and machinery - operating leases	95	76

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

### 9. Impact of Depreciation Budget on Statement of Comprehensive Income

Following reclassification, colleges received a non-cash budget to cover depreciation but this additional budget is not recognised under the FE/HE SORP accounting rules. Colleges may show a deficit equivalent to net depreciation as a result of having to meet Government accounting rules and the requirement to spend the cash allocation.

Under the FE/ HE SORP, the College recorded an operating deficit of £1,086,000 for the year ended 31 July 2018. After taking account of the Government non-cash budget and non-cash pension adjustments, the College shows an 'adjusted' deficit of £696,000 on a Central Government accounting basis. The deficit is attributed to other factors reflected in the adjusted operating table at Note 10, and the College is therefore operating sustainably within its funding allocation.

	Year ended 31 July 2018	Year ended 31 July 2017
	£000	£000
(Deficit) before other gains and losses (FE/ HE SORP basis) for academic year	(1,086)	(965)
Add: Depreciation budget for government funded assets (net of deferred capital grant) for academic year	390	354
Operating (deficit) on Central Government accounting basis for academic year	<b>(696)</b>	<b>(611)</b>

### 10. Adjusted Operating Position

The Statement of Comprehensive Income presents the financial performance during the accounting period in accordance with the FE/ HE SORP. The adjusted operating position is intended to reflect the financial performance of the College after allowing for non-cash adjustments and other material on-off or distorting items required by the SORP. The adjusted operating position is therefore designed to smooth any volatility in reported results arising from FRS102 and also to recognise that some of the reported costs do not have an immediate cash impact on the College. This should give a better indication of the College's cash generative capacity.

## Notes to the Financial Statements (continued)

## 10. Adjusted Operating Position (continued)

	Year ended 31 July 2018 £000	Year ended 31 July 2017 £000
<b>(Deficit) before other gains and losses (FE/ HE SORP basis)</b>	<b>(1,086)</b>	<b>(965)</b>
<b>Add Back:</b>		
- Depreciation (net of deferred grant release) on both government funded and privately funded assets (1)	<b>443</b>	437
- Non-cash pension adjustments - Net service cost (2)	<b>532</b>	455
- Non-cash pension adjustments - Net interest cost (3)	<b>230</b>	186
- Gain/ (loss) on disposal of fixed assets (4)	<b>18</b>	(15)
<b>Deduct:</b>		
- Non-government capital grant (ALF grant) (5)	<b>(211)</b>	0
<b>Adjusted operating (deficit)/ surplus</b>	<b>(74)</b>	98

(1) Depreciation is a non-cash item and is therefore excluded when calculating the adjusted operating position.

(2) The adjustments to the pensions charge represents the non-cash element of service cost (i.e. including the present value of projected benefits resulting from employee service in the current year) less cash contributions paid.

(3) The net interest cost is the interest accumulated on the pension liability and this is offset against the current year's interest earned on pension assets. These are non-cash adjustments.

(4) The gain on disposal of fixed assets represents cash received during the year from the sale of surplus equipment and vehicles. (2017 - the loss represents a net deficit on disposal of a surplus building).

(5) A grant was received from the Scottish Colleges Foundation during the year for engineering equipment. This income is not matched by expenditure as it has been used to fund capital assets which will be depreciated over the life of the asset.

	Year ended 31 July 2018 £000	Year ended 31 July 2017 £000
<b>11 Interest payable</b>		
Net interest cost on pension liability (note 19)	<b>230</b>	186

## Notes to the Financial Statements (continued)

## 12 Tangible Fixed Assets

	Land and Buildings £000	Fittings and Equipment £000	Motor Vehicles £000	Course of Construction £000	Total £000
<b>Cost or valuation</b>					
At 1 August 2017	38,069	337	253	131	38,790
Additions	6	248	0	0	254
Disposals	0	0	(98)	0	(98)
Transfers	131	0	0	(131)	0
Surplus on revaluation	(1,226)	0	0	0	(1,226)
<b>At 31 July 2018</b>	<b>36,980</b>	<b>585</b>	<b>155</b>	<b>0</b>	<b>37,720</b>
<b>Depreciation</b>					
At 1 August 2017	2,714	314	205	0	3,233
Provided during period	1,173	13	17	0	1,203
On disposals	0	0	(97)	0	(97)
Written-back on revaluation	(3,325)	0	0	0	(3,325)
<b>At 31 July 2018</b>	<b>562</b>	<b>327</b>	<b>125</b>	<b>0</b>	<b>1,014</b>
NBV at 1 August 2017	35,355	23	48	131	35,557
<b>NBV at 31 July 2018</b>	<b>36,418</b>	<b>258</b>	<b>30</b>	<b>0</b>	<b>36,706</b>
Inherited	3,570	0	0	0	3,570
Financed by capital grant	32,848	258	30	0	33,136
Other	0	0	0	0	0
<b>At 31 July 2018</b>	<b>36,418</b>	<b>258</b>	<b>30</b>	<b>0</b>	<b>36,706</b>

Land and buildings were revalued at 31st July 2018 by DM Hall, Chartered Surveyors in the capacity of independent valuer. The basis of valuation adopted was depreciated replacement cost and the valuation was made in accordance with the Royal

Inherited Land and Buildings with a net book value of £3,570,000 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)

**13 Debtors: Amounts falling due within one year**

	<b>Year ended 31 July 2018</b>	<b>Year ended 31 July 2017</b>
	<b>£000</b>	<b>£000</b>
Trade debtors - net of provision for doubtful debts	<b>85</b>	36
Prepayments and accrued income	<b>242</b>	386
	<b>327</b>	<b>422</b>

**14 Cash and cash equivalents**

	<b>31 July 2018</b>	<b>31 July 2017</b>
	<b>£000</b>	<b>£000</b>
Cash and cash equivalents	<b>744</b>	1,633

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 £183,000 are included in the cash and cash equivalents at the year end.

**15 Creditors: Amounts falling due within one year**

	<b>Year ended 31 July 2018</b>	<b>Year ended 31 July 2017</b>
	<b>£000</b>	<b>£000</b>
Trade creditors	<b>42</b>	75
VAT	<b>80</b>	79
HMRC Lennartz Scheme	<b>0</b>	307
Other taxation and social security	<b>155</b>	151
Pension	<b>144</b>	135
Accruals and deferred income	<b>611</b>	842
Deferred capital grants	<b>757</b>	758
Bursaries and Access funds for future disbursement (note 14)	<b>183</b>	460
	<b>1,972</b>	<b>2,807</b>

## Notes to the Financial Statements (continued)

## 16 Creditors: Amounts falling due after more than one year

	Year ended 31 July 2018 £000	Year ended 31 July 2017 £000
Deferred capital grants	<u>21,901</u>	<u>22,619</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 15 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)	2017-18 Total	2016-17 Total
At 1 August 2017	788	8,250	9,038	8,291
Expenditure in the period	(52)	(704)	(756)	(660)
Additional provision required in period	(23)	1,236	1,213	1,116
Revaluation adjustment	0	(6,919)	(6,919)	101
Interest charged	0	230	230	190
<b>At 31 July 2018</b>	<u>713</u>	<u>2,093</u>	<u>2,806</u>	<u>9,038</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%.

## 18 Lease obligations

	Year ended 31 July 2018 £000	Year ended 31 July 2017 £000
Total rentals under operating leases for equipment and vehicles are as follows:		
Payable during the period	<u>78</u>	<u>55</u>
Future minimum lease payments due:		
- Not later than 1 year	71	55
- Later than 1 year and not later than 5 years	<u>121</u>	<u>155</u>
Total lease payments due	<u>192</u>	<u>210</u>

## 19 Financial Instruments

	Year ended 31 July 2018 £000	Year ended 31 July 2017 £000
<b>Financial assets</b>		
Financial assets measured at amortised cost	<u>829</u>	<u>1,669</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<u>836</u>	<u>1,377</u>

**Notes to the Financial Statements (continued)****19 Financial Instruments (continued)**

Financial assets measured at amortised cost comprise cash and cash equivalents, trade debtors, proceeds of sale of fixed assets and other debtors (Excluding VAT debtor).

Financial liabilities measured at amortised cost comprise trade creditors, accruals and deferred income, bursary and discretionary funds for future disbursement and repayable to SFC.

**20 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 :	<b>12 months to July 2018 £000</b>	12 months to July 2017 £000
Contribution to STSS	<b>545</b>	523
Contribution to LGPS	<b>662</b>	613
Pension costs as a result of implementing FRS 102	<b>762</b>	641
Total pension cost	<b>1,969</b>	1,777

Employer contribution rates during the period were:

STSS - 17.2% from September 2015

LGPS - 20.3% plus £25,000 as noted below from August 2017 to March 2018, and from April 2018 - 21.2%

**The Scottish Teachers Superannuation Scheme**

The scheme is an unfunded statutory public service pension scheme with benefits underwritten by the UK Government. The scheme is financed by payments from employers and from those current employees who are members of the scheme and paying contributions at progressively higher marginal rates based on pensionable pay, as specified by the regulations. The rate of employer contributions is set with reference to a funding valuation undertaken by the scheme actuary. The last four-yearly valuation was undertaken as at 31 March 2012. The next valuation will be as at 31 March 2016 and this will set contribution rates from 1 April 2019.

The scheme is an unfunded multi-employer defined benefit scheme, however it is accepted under FRS 102 (28) that the scheme can be treated for accounting purposes as a defined contribution scheme as the College is unable to identify its share of the underlying assets and liabilities in the STSS scheme on a consistent and reasonable basis.

As the scheme is unfunded there can be no deficit or surplus to distribute on the wind-up of the scheme or withdrawal of the scheme.

The employer contribution rate from 1 August 2015 was 14.9% of pensionable pay, increasing to 17.2% from September 2015. While the employee rate applied is a variable it will provide an actuarial yield of 9.6% of pensionable pay.

**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 2017 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 2018.



## Notes to the Financial Statements (continued)

## 20 Pensions and similar obligations (continued)

Following the revaluation of the Dumfries and Galloway Council pension fund at 31 March 2017, the actuary determined that the funding level for Dumfries and Galloway College's element of the fund has increased from 98% as at 31 March 2014 to 102% as at 31 March 2017. The proposed employer rate has been derived using a risk based approach, taking into account the employers' perceived risk to the Fund and the time horizon over which funding takes place as well as the cost of the build up of pension by current active members and the actuarially calculated funding level. For 2018-19 the actuary has proposed an employer contribution rate for Dumfries and Galloway College of 21.2% of pensionable pay. This consists of a rate of 22.4% for benefits going forward less an allowance of 1.2% to utilise the surplus. (the 2017-18 rate of 20.3% of pensionable pay plus £25,000 deficit payment equates to a total rate of 21.2% of pensionable pay).

Employer contribution rates applied previously were 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

And from 2018-19 - 21.2% of pensionable pay as noted above.

## Assumptions

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

	As at 31/07/18 %	As at 31/07/17 %
Discount rate	2.80%	2.70%
Future salary increases	3.20%	4.50%
Inflation/ pension rate increase	2.40%	2.50%

Life expectancy is based on the Fund's Vita Curves with improvements in line with the CMI 2016 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: 21.8 years (male), 24.3 years (female).
- Future retiree upon reaching 65: 23 years (male), 26.2 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 2018 Fair value £000	Year ended 31 July 2017 Fair value £000	Year ended 31 July 2016 Fair value £000
Equities	17,184	15,369	13,016
Corporate bonds	3,124	3,033	3,031
Property	2,009	1,820	1,783
Other	0	0	0
	<b>22,317</b>	<b>20,222</b>	<b>17,830</b>
Actual return on plan assets	<b>1,127</b>	<b>1,748</b>	<b>809</b>

## Notes to the Financial Statements (continued)

## 20 Pensions and similar obligations (continued)

The analysis of the amounts charged to the Statement of Comprehensive Income (SOCl) is as follows:

	Year ended 31 July 2018 £000	Year ended 31 July 2017 £000
<b>Charged to staff costs:</b>		
Current service cost	(1,236)	(1,039)
Past service costs	0	(28)
<b>Total charged to staff costs</b>	<b>(1,236)</b>	<b>(1,067)</b>
 <b>Credit/ charge for net return on pension scheme:</b>		
Interest income	551	430
Interest cost	(781)	(616)
<b>Net interest charged</b>	<b>(230)</b>	<b>(186)</b>
 <b>Credit/ charge to other comprehensive income:</b>		
Return on assets	1,127	1,748
Other experience	3,596	(1)
Gains and losses on changes in financial assumptions	2,153	(1,848)
Changes in demographic assumptions	43	0
<b>Actuarial Gain/ (Loss)</b>	<b>6,919</b>	<b>(101)</b>
 <b>Total charge to the SOCI</b>	<b>5,453</b>	<b>(1,354)</b>
 <b>Analysis of the movement in deficit during the year:</b>		
Deficit in scheme at start of year	(8,250)	(7,508)
Service costs	(1,236)	(1,067)
Employers contributions	704	612
Net interest costs	(230)	(186)
Actuarial gain/ (loss)	6,919	(101)
<b>Deficit in scheme at end of year</b>	<b>(2,093)</b>	<b>(8,250)</b>

The Actuarial report has highlighted that the financial assumptions at July 2018 result in a slightly higher net discount rate compared to July 2017, and average LGPS fund returns over the year have generally been higher than the 2017 accounting discount rate assumption. Combining these two factors should improve the 2018 balance sheet position.

**Notes to the Financial Statements (continued)****21 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.

<b>Member</b>	<b>Organisation</b>	<b>Position</b>
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 August 2017 which was fully disbursed to students by the College during 2017-18. In addition, £12,000 was received in July 2018 which relates to funding which will be available to students during 2018-19. Purchase invoices were received from Crichton Foundation of £259 during the year which related to a fundraising event.

The College provided training courses to Dumfries and Galloway Housing Partnership during the year ended 31 July 2018. Invoices to Dumfries and Galloway Housing Partnership amounted to £86,248. No balances were due to the College from Dumfries and Galloway Housing Partnership at 31 July 2018.

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

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 seven members of the Board of Management during the year amounted to £1,131.

Remuneration of the Executive Management Team is set out in note 7.

## Notes to the Financial Statements (continued)

## 22 FE Bursaries and other Student Support Funds

	FE			Year ended 31 July 2018	Year ended 31 July 2017
	Bursary	EMA's	Other	£000	£000
	£000	£000	£000		
<b>Balance brought forward</b>	430	0	0	<b>430</b>	349
Allocation received					
in year (including interest)	1,745	150	161	<b>2,056</b>	2,134
	2,175	150	161	<b>2,486</b>	2,483
Expenditure	(1,679)	(150)	(187)	<b>(2,016)</b>	(1,821)
Repayable to Funding Council as Clawback	(323)	0	0	<b>(323)</b>	(246)
College Contribution to funds	0	0	0	<b>0</b>	0
Virements between FE and HE Childcare and FE Discretionary funds	0	0	26	<b>26</b>	14
<b>Balance Carried forward</b>	<b>173</b>	<b>0</b>	<b>0</b>	<b>173</b>	430

## Represented by:

Repayable to Funding Council as Clawback	70	0	0	<b>70</b>	327
Retained by College for Students	103	0	0	<b>103</b>	103
	<b>173</b>	<b>0</b>	<b>0</b>	<b>173</b>	430

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 Statement of Comprehensive Income.

## 23 FE and HE Childcare Funds

	Year ended 31 July 2018	Year ended 31 July 2017
	£000	£000
<b>Balance brought forward</b>	<b>16</b>	3
Allocation received in year	<b>287</b>	287
	<b>303</b>	290
Expenditure	<b>(257)</b>	(260)
Repayable to Funding Council as Clawback	<b>(14)</b>	
Virements to FE Discretionary funds	<b>(26)</b>	(14)
<b>Balance Carried forward</b>	<b>6</b>	16

<b>Represented by:</b>		
Repayable to Funding Council as Clawback	<b>6</b>	16
Retained by College for Students	<b>0</b>	0
	<b>6</b>	16

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

**2017-18 Accounts direction for Scotland's colleges**

- 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 2017-18 (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 2018.
- 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  
13/07/2018

Scott-Moncrieff  
Exchange Place 3  
Semple Street  
Edinburgh  
EH3 8BL

Dear Sirs

### **Dumfries and Galloway College**

This representation letter is provided in connection with your audit of the financial statements of Dumfries and Galloway College ('the College') for the period ended 31 July 2018 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view in accordance with the Further and Higher Education (Scotland) Act 1992, the Accounts Direction issued by the Scottish Funding Council, UK Generally Accepted Accounting Practice including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the Statement of recommended practice: Accounting for further and higher education and the Government Financial Reporting Manual 2017-18 (FReM) where applicable.

By a resolution of the board, passed today, I am directed to confirm to you, in respect of the financial statements of the College for the period ended 31 July 2018, the following: -

### **Financial statements and accounting records**

1. We acknowledge, as members of the Board of Management, our responsibility for preparing and annual report and financial statements which give a true and fair view in accordance with Further and Higher Education (Scotland) Act 1992, the Accounts Direction issued by the Scottish Funding Council, UK Generally Accepted Accounting Practice including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the Statement of recommended practice: Accounting for further and higher education and the Government Financial Reporting Manual 2017-18 (FReM) where applicable, and for making accurate representations to you.
2. We have provided you with:
  - access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
  - additional information that you have requested from us for the purpose of the audit; and
  - unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.

3. All transactions have been recorded in the accounting records and are reflected in the financial statements.
4. Except as disclosed in the financial statements, the results for the year were not materially affected by:
  - any change in accounting policies;
  - transactions of a type not usually undertaken by the College;
  - circumstances of an exceptional or non-recurrent nature; or
  - charges or credits relating to prior periods.
5. We have reviewed going concern considerations and are satisfied that it is appropriate for the financial statements to have been drawn up on the going concern basis. In reaching this opinion we have taken into account all relevant matters of which we are aware and have considered a future period of at least one year from the date on which the financial statements are to be approved.
6. We confirm the financial statements are free of material misstatements, including omissions.

#### **Fraud**

7. We acknowledge as members of the Board of Management our responsibilities for the design and implementation of internal control in order to prevent and detect fraud and to prevent and detect error.
8. In our opinion, the risks that the financial statements may be materially misstated as a result of fraud are low for the following reasons:
  - measures have been put in place by management to reduce the risk of fraud and improper use or misappropriation of College assets.
  - measures have been put in place by management to reduce commercial risks that the College face without, at the same time, hindering their day to day operations and their ability to operate profitably.

In particular, we have established the following:

#### **Prevention of fraud**

- regular and detailed Board of Management meetings, which involve monitoring financial performance including cash flows, monitoring risks facing the College and recording all major decisions taken.
- segregation of duties in key areas.

#### **Reduction of business risk**

Dumfries and Galloway College, Bankend Road, Dumfries, DG1 4FD Tel: (01387) 734000

Stranraer Campus, Lewis Street, Stranraer, DG9 7AL Tel: (01776) 706633

Web site: <http://www.dumgal.ac.uk> E-Mail: [info@dumgal.ac.uk](mailto:info@dumgal.ac.uk)

Principal - Carol Turnbull

Scottish Charity No. SC021189



- regular monitoring of business risk at Board of Management level.
  - banking with major UK banks, principally through the Scottish Government banking contract.
  - ensuring College assets are properly insured.
9. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
- management;
  - employees who have significant roles in internal control; and
  - others where the fraud could have a material effect on the financial statements.
10. We are not aware of any allegations of fraud or suspected fraud with a potential effect on the financial statements which have been communicated to us by employees, former employees, regulators or other third parties.

## **Compliance with laws and regulation, and contractual agreements**

11. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.
12. We have disclosed to you all known agreements entered in to, such as voluntary severance agreements or compromise agreements, and related payments made or agreed to College officers and/or members whose effects should be considered when preparing the annual report and financial statements.
13. The College has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance.
14. All grants and other incoming resources, the receipt of which is subject to specific terms and conditions, have been notified to you. There have been no breaches of terms or conditions in the application of such incoming resources.
15. We have made available to you all correspondence from the Scottish Funding Council, Scottish Government and Scottish Ministers relevant to your consideration of the annual report and financial statements.

## **Accounting estimates**

16. In our opinion the significant assumptions used by us in making accounting estimates are reasonable.

## **Related parties**

17. We have disclosed to you the identity of the College's related parties and all related party relationships and transactions of which we are aware.

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Principal - Carol Turnbull

Scottish Charity No. SC021189





18. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of UK Generally Accepted Accounting Practice.
19. In particular, no member, their connected persons or other officers had any indebtedness, agreement concerning indebtedness or disclosable interest in a transaction with the College at any time during the year, other than as indicated in the financial statements.

### **Assets and liabilities**

20. The following have been properly recorded and, when appropriate, adequately disclosed in the financial statements:
  - losses arising from sale and purchase commitments;
  - agreements and options to buy back assets previously sold;
  - assets pledged as collateral.
21. We have disclosed to you all known actual or possible litigation or claims whose effects should be considered when preparing the financial statements and that they have been accounted for and disclosed in accordance with UK Generally Accepted Accounting.
22. We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.
23. The College has satisfactory title to all assets and there are no liens or encumbrances on the College's assets, other than as disclosed in the financial statements.
24. We confirm that, in our opinion, the assumptions that have been used in determining asset and liability values, whether such values are disclosed or applied in the financial statements, are reasonable and reflect our ability and intent to carry out specific courses of action, where this is relevant to the determination of those values.
25. We have recorded or disclosed, as appropriate, all liabilities, both actual and contingent, and all guarantees that we have given to third parties.

### **Subsequent events**

26. Should any material events occur which may necessitate revision of the figures included in the financial statements or inclusion in the notes thereto, we will advise you accordingly.
27. All correspondence with regulators has been made available to you, including any serious incidents reports.

We confirm that the above representations are made on the basis of enquiries of management and staff with relevant knowledge and experience (and, where appropriate, of inspection of supporting documentation) sufficient to satisfy ourselves that we can properly make each of the above representations to you.

Yours faithfully

On 11 December 2018

The Board of Management member above is signing this letter on behalf of all of the Board of Management confirming that:

- (a) So far as each member is aware, there is no relevant audit information of which the College's auditor is unaware; and
- (b) Each member has taken all the steps that ought to have been taken as a member, including making appropriate enquiries of fellow members and of the College's auditor for that purpose, in order to be aware of any information needed by the College's auditor in connection with preparing their report and to establish that the College's auditor is aware of that information.

### Uncorrected misstatement

We believe that these amounts, individually and in aggregate, are not considered material and therefore they have not been incorporated into the financial statements.

Unadjusted differences	SOCI		Balance Sheet	
	DR £	CR £	DR £	CR £
Fixed Assets			27,948	
Expenditure		27,948		
<i>Being the amount charged for a new air conditioning unit on College premises which is deemed to be an enhancement</i>				

## Evaluative Report & Enhancement Plan 2017-2018







The Region of Dumfries and Galloway is situated in the South West of Scotland. The college has two campuses, Dumfries and Stranraer, which are 75 miles apart. Dumfries campus is 77 miles from Glasgow and 79 miles from Edinburgh. The region has a population of 149,200, spread over 6,426km, and is one of the most sparsely populated and the third largest in Scotland in terms of land mass.

Rurality is a key characteristic of Dumfries and Galloway and while the areas around Stranraer and Dumfries are categorised as ‘accessible’ under the Scottish Government’s Urban/Rural Classification (2021b) the rest of the region is classified as either ‘remote’ or ‘very remote.’ The college’s approach to dealing with the rurality of the area is to provide a good infrastructure of travel to ensure that almost all learners can access either campus using college transport. The Region also has an ageing population with only 14.5% of the population aged 16 to 29 years, less than the Scottish average of 18.2% and persons aged 65 and over make up 25%, larger than the Scottish average of 19%. In 2017, Dumfries and Galloway experienced a population decrease of 0.21%.

The region as a whole has a lower percentage of residents who are qualified to NVQ4 and above, than the rest of Scotland and the UK. However, we face a number of challenges, which impedes our ability to realise our full

potential to contribute to the government’s ambitions. Although there are relatively high levels of deprivation across the region, this is masked by the dispersed nature of the population. This means that in any one area there is not the concentration of deprived individuals that would feature in the SIMD. However, the level of rural deprivation is illustrated by the fact that Dumfries and Galloway has one of the lowest average wage economies in Scotland. Dumfries and Galloway College is the only general further and higher education college in the region and provides a wide range of education and training opportunities across the region to meet the needs of individuals, communities and employers. The college covers a breadth of curriculum for Scottish Credit and Qualifications Framework (SCQF) levels 1 to 9 in the broad areas of:-

- Creative Industries
- Business and Computing
- Care
- Childcare
- Engineering and Motor Vehicle
- Built Environment
- Hair and Beauty
- Hospitality and Sport
- Supported Programmes e.g. Project Search and Prince’s Trust

The college aligns itself to the Scottish Funding Council (SFC) Regional Outcome Agreement thereby delivering a portfolio of programmes to provide workforce development opportunities for individuals and employers across the region.

Since 2014, the college has adapted its curriculum to provide growth in Higher Education (HE) provision and an increase in full-time (FT) Further Education (FE) programmes in Engineering, Health and Social Care and Hospitality.

Due to the characteristics of the region, the college will remain financially challenged. In particular, the college is affected financially because of the need to duplicate curriculum and services in Stranraer. Small learner numbers and demand makes it difficult to sustain some provision and some courses require to be structured differently to those in Dumfries. For example, combining different levels of learners or using mixed methods of delivery in order to maintain that area of provision. This is also true for developing new curriculum.

Section 2 - Evaluation Methodology  
The evaluation process for the preparation of this report involved the whole college, including the Student Association, to ensure that the overall report was fully inclusive of all Internal College Stakeholders. This included

workshops with learners, lecturers, first line managers, support service staff, heads of curriculum, executive managers and Board members. Guidelines from Education Scotland and the Scottish Funding Council have been used to gather this information. Key Stakeholders were identified and focussed discussions resulted in important themes being identified and recorded.

The Board’s self-evaluation report and resultant action plan were analysed and the subsequent streamlined themes were also incorporated in this report. In addition to this, feedback received by the external awarding body’s audits were also considered, to highlight both areas of strength and areas for development.

Qualitative inputs from workshops together with information from all college programme self-evaluations, learner surveys, Learner Voices, Regional Outcome Agreement, Education Scotland and employer surveys, were triangulated with all of the Quantitative Performance Indicator (PI) data available as part of the evaluation. Through self-evaluation each course identified and implemented a series of actions which were then analysed by Heads of Curriculum to highlight common themes and college-wide improvements and developments, including, for example, areas around learner engagement, attainment and retention.



Outcomes and Impact –  
How good are we at ensuring the best outcome for all our learners?

Quality Indicator 3.1  
Wellbeing, equality and inclusion

What do we do well?

The college prides itself in being accessible to all learners. Academic and support staff are supportive in helping every learner progress. The college has robust policies and procedures in place to promote equality and diversity and is compliant with all current legislation. This ensures the college works effectively to eliminate any barriers for learners and staff who are studying and working within its campuses. Leaders within the college lead by example and promote equality and fairness. To support this:

- The college reviewed its Equality and Diversity Policy and practice early in the academic year derived from and in conjunction with our Equality and Diversity Framework. The college’s Equality and Diversity Policy sets out the baseline standard we expect to be upheld by students, staff and contractors throughout the college and provides a structure for the various statutory reports we are required to produce. It shows how these contribute to our overall activity. The framework operates as a continuous improvement framework with clear lines of governance from the cross-college Equality and Diversity Committee through to Board level and the Student Association is represented at this committee. As a result, all staff and learners are well supported by the college’s focus on Equality and Diversity.
- This is supported further by the appointment this year of an Equality and Diversity Officer to implement and disseminate information to staff, staff and students. In addition, we have appointed a Board Equality and Diversity Champion and the annual plan and report are now part of our college’s annual schedule. The annual report includes an update for our Gender Action Plan, which this year has addressed college-wide issues to identify and remove barriers. This plan was updated this year to ensure that staff gender equality issues and gender identity issues were included. At this point, there is no significant impact but this is an on-going process.

- The college supports learners well in the provision of supportive technology/equipment to ensure that they are able to access learning, for example, provision of a specially adapted wheelchair for a sports student, audio and visual digital equipment and adapted office chairs and specific desks for students who require them. The college has a 74% retention of students with a declared disability.
- Core Equality and Diversity Training forms part of the compulsory online induction training package for all staff. The impact of this is that staff are aware of these issues to inform their teaching.
- 250 students (from across the curriculum areas) and 120 staff, from all functions of the college, have been given further face to face training on such issues as individual rights under equality law, how to recognise bullying and harassment, gender identity/transgender awareness and a specialist package on equality issues in sport. Staff have also received Stonewall and Equate Training. Following this Bullying and Harassment training, areas that had suspected bullying have seen improved class behaviour and class culture has improved.
- The college and the local council have been successfully working on easier progression for the students with English as a Second Language (ESOL) and their requirements. Clear pathways for each individual learner are drawn up and better engagement with the community and the provision of a clear point of contact (the new ESOL Coordinator) for additional guidance and support has been implemented.
- The college has consistent support for students with mental health difficulties and student advisors signpost students to relevant organisations when required. Points of contact are placed at various clear locations around the college and students can access advice and help readily. This support is important to help students access relevant advice which may help them continue studying during challenging times.
- The college met its target to deliver 14.% of credits to those students with a known disability. It also

exceeded the target of 1.2% for care- experienced students by delivering 2.77% and achieved over the target for ethnic minority groups, therefore, the college is well equipped and responsive to the needs of different learners and has clear and consistent outcomes for learners, irrespective of protected outcomes.

- The college has an excellent library of resources (which is shared with other Crichton Campus academic partners). By taking into account the remote and rural nature of our learner population, the library provides an excellent service by operating region wide and allowing learners to access materials in a preferred format. This allows learning to take place in different ways, students to access information that would not be possible without it and provides a professional and conducive place to study.

The college has signed the Social Impact Pledge in order to make a positive impact on our communities and learners. Some of the areas this addresses include:

- A free breakfast, 5 days a week, is offered to all students on both campuses. This is to ensure that all students have a good start to their day, which will assist in learning and remove some of the barriers faced by our students such as distance travelled and financial difficulties. This breakfast club has won a “Highly Commended Award” at the national HE awards.
- Opening up the sports facilities for the use of Boccia (wheelchair) events for disabled sports participants. The college has good facilities for disabled access including minibuses with hoists, changing rooms and toilets. The result of this is to demonstrate that the college is an inclusive environment wherever possible, without barriers for participation.
- The college allows the community and organisations to use its facilities in the holiday period by negotiation; this also encourages school age learners to see the college as a positive part of their community and a

potential destination.

- Most staff embrace the culture of celebrating diversity and facilitating a culture of inclusion in the college.

What should we improve?

- We want to use the college’s Kaleidoscope project. This combines our need to communicate with students on issues such as equality, diversity, sustainability, ecology, community and knowledge through one cross college team, including the Student Association President and Vice President. Each month a relevant theme, for example, Black History Month, LGBT History Month and Interfaith Month (to include Holocaust Memorial Day) will be set up in a dedicated space in each campus. These interactive competitions and displays will be set up to engage our students’ interest and to raise the profile of Equality and Diversity.
- The fair and open access policy for potential students will continue but a more appropriate advice and interview procedure will be implemented. Progression opportunities will be more clearly identified on the website and this will allow applying students to fully understand their journey, be more informed from the outset and improve retention figures linked to students applying to incorrect courses.
- We want to improve further on the good retention rate of 73% of FT FE students with a declared disability and improve on the 63% success rate from those students. FT HE students have higher statistics at 79% retention with 65% attainment but this could also improve.
- The college will continue to take measures to improve both mental health awareness and gender issues for students.

Quality Indicator - 3.2  
Equity, attainment and achievement for all learners

What do we do well?

- Dumfries and Galloway College has a good record of widening access as evidenced by our Outcome Agreement. This is further shown by the increase of credits achieved by students with a declared disability and those students who are care-experienced. Care experienced students exceeded their target by 488 credits. Students with a declared disability were 67 credits over target overall.
- The college is committed to challenging barriers and offering an education for those who wish to benefit from learning. This is reflected in our admissions policy and in our advice and interview sessions. This widening access approach sometimes affects retention and can result in students leaving early for a variety of recorded reasons; the college cannot solve some of these reasons.
- The college has a strong record of identifying, attracting and supporting care-experienced young people. These students require support to deal with multiple and complex issues and the issues of access and travel they face in this large rural area exacerbate these. Despite the college providing transport from isolated areas, the distances and infrequency of this often presents an additional challenge to the care-experienced. Rising very early and travelling long distances presents challenges. When students arrive at college, the Breakfast Club ensures a feeling of welcome and inclusiveness. The gap between care-experienced students and their overall credit success is better than our set target. This target was 361 credits and care-experienced students achieved 849 credits. The college has a dedicated member of staff for care-experienced students and this provides a specific point of contact for any issues arising.
- Passport to College is a diagnostic course that gives students a short experience of different curriculum areas to ensure students then progress on to appropriate courses afterwards. Several students have

- now progressed onto other courses in the college.
- Essential skills are integrated into most teaching programmes. The Essential Skills procedure and Core Skills policy underpin these areas of learning. Competitions, community participation and college events enhance these in the curriculum. Learners are encouraged to practise skills that go beyond the classroom in order to prepare for future employment.
  - The college has supported the Oasis Youth Centres to help facilitate an Urban Art project that aims to engage young people from disadvantaged areas to take part in an empowering Urban Art project to learn techniques such as graffiti, mural making, stencilling etc. from professional artists. The three target areas are upper Nithsdale, Annan and Stranraer.
  - Celebration of learning events are well attended and well received across all sectors, from Princes Trust and Project Search through to FE and HE Graduations with a separate graduation at the Stranraer Campus.
  - Retention for students with a declared disability from FT FE courses is 73% with a success of 63% that is above our total average of FT FE. The FT HE is also above our total college average at 79% for retention and 65% for success.
  - In 2017/18 the college exceeded its target of 30,067 credits, the actual number being 30,696. For students with a disability this was an increase of 67 target credits from 4,209 to 4,276. Care-experienced learners increased from our credit target of 361 to 849 with a 488 increase, which is a 42% increase on the credit target.
  - FT care-experienced HE has a retention of 100% and a success of 50%, although the student numbers were low. However, FT FE students who are care-experienced have a retention of 52% and a success rate of 39% against a target of 35%. Therefore, we exceeded our target but we would still like to improve.
  - The college strategy is to use technology as an enabler, allowing remote access from home, school, partner learner centres and work. We are continuing to invest

- in technology to deliver learning remotely but this investment is limited due to budget constraints.
- Some learners have appropriate qualifications for a course but not the maturity to be on the course, therefore the new Passport to College course ran this year as a lower level course to provide a taster diagnostic course. This worked well.

What should we improve?

- Advice and interview sessions are being reviewed in order to make sure students are being recruited onto appropriate courses for their level to avoid withdrawals and students transferring to other courses later on. Late starters are also at risk of withdrawing.
  - Several local employers are now approaching the college to recruit our students as they have up to date relevant knowledge and training in the Construction and Engineering areas. This affects our retention rate but provides employment opportunities for students. By leaving courses before they have completed their studies, our PI statistics are affected. In response to this, the college is striving to have closer links to employers, to highlight the importance and added value of the specific vocational learning that takes place in college. Staff also try to stress to students the importance of completing their studies. However, this must be offset against the appeal of making money and the financial impact on those students of accepting that employment offer.
  - Regular meetings are held to understand if targets are being met in order to monitor attainment and retention. This has not had the desired impact. There are further actions being implemented to monitor and improve these statistics.
- Retention and Attainment**
- The proportion of FT & PT, FE & HE students successfully achieving a recognised qualification has decreased slightly from the previous year's figures.
  - Attainment for FT FE is low at 60% and is down from last year's 62%. Attainment for FT HE is down from 71%

- to 69%.
- Overall retention has risen this year for FE by 1% from 69% to 70%
  - SIMD10 numbers of FT FE students enrolled was 146, there was a 68% retention with 54% success rate. This was the same retention rate as the last year's or 68% but a lower success rate than 61% from the previous year. The college did not meet its target of delivering 3608 credits to students from SIMD10. PT FE success from SIMD10 has achieved 54% which is below the target of 82%.
  - PT HE Attainment has dropped from 75% to 72% from the previous year and did not enrol as many students as the previous year. PT FE Attainment has decreased from 71% to 70%, however the college recruited more than the target. This shows increase in popularity in this style of learning and the college is addressing the issues of FE & HE FT & PT attainment through the measures in the Enhancement Plan.
  - FT HE students from SIMD10 had 77% retention and 64% success. This is an improvement from the previous year's retention of 71% but is lower than the previous success rate of 66%. There is still more work to be done.
  - The Schools programme had 451 students enrol on 1 year programmes with an 86% success rate, a significant increase on the previous year of 79%. We would like to improve this further.





Delivery of learning and services to support learning –  
How good is the quality of the provision and services we deliver?

Quality Indicator - 2.2  
Curriculum

What do we do well?

The curriculum planning links well to the needs of employers, the learners, sector skills, internal performance measures, DYW priorities, external factors and drivers. Using strategies and reports such as The Regional Skills Assessment, the Labour Market Profile and alongside national initiatives like Developing the Young Workforce, the College has created a curriculum that responds to the needs of the region as a whole. These priority outputs are identified by the Learning and Teaching Committee for the year. These include credit targets, retention and attainment, positive destinations, along with local and national skill priorities. This planning successfully works well to meet the changes of the region.

There are annual curriculum reviews and curriculum planning days that effectively link learning to industry and college requirements. Heads of Curriculum, Curriculum Managers and other relevant staff, attend these. The Learning and Teaching Strategy underpins the courses we offer and the College aims to provide high quality learning experiences that enable all students, whatever their backgrounds, to reach their full potential and achieve their learning goals. The college is offering a curriculum that reflects employers’ needs and is a route to further and higher education or employment. The 8 new Curriculum Managers underpin this process, which allows a full and in-depth understanding of the curriculum needs and the internal and external drivers.

All curriculum plans are discussed openly, in curriculum clusters and at senior level. This is important for transparency and for colleagues to understand priorities of various curriculum areas and how this might affect or enhance others. This is successful and allows curriculums to work together to synthesise learning across curriculums and share teaching practices, as and when possible.

Learners are involved in successfully personalising their learning in many areas. Students gain autonomy over their

studies by liaising and discussing this planning with staff. This re-enforces important skills, such as time keeping and deadlines, robustly ensuring learners practise and understand these work-ready skills in college.

Learners respond well to the different modes of teaching delivery offered. Along with classroom delivery, some curriculum areas invite inspirational speakers and alumni to speak to the students along with workshops, external visitors and relevant industry visits. This enables students to become aware of the wide range of career possibilities while studying in their curriculum areas. Frequently, the college is offered Live Projects from external sources and this allows students to develop in the local and wider communities. This enhances the students’ career management skills by demonstrating alternative pathways within employment areas. The College News, which is on LearnNet Moodle and social media celebrates this wider activity for all staff and learners to see.

There is evidence of good practice with cross-curricular events in learning. This can be a result of external live projects or internal events developed around the curriculum. This provides networking opportunities and enhances the learners’ ability to see collaboration as a benefit and aspirational skill, opening up both social and academic skill possibilities for their current and future opportunities.

Following a review of access programs and their entry criteria, the Passport to College has been created. Students come onto this course with a wide variety of backgrounds. Experiences of different curriculum areas are offered in order for students to make informed decisions for their futures. This course had additional guidance support and as a result, seven out of thirteen learners are progressing on to various courses in the college.

The curriculum team use learner performance data at program and unit level in conjunction with college surveys

and evaluations to inform and improve the curriculum. By utilising this data, the teams effectively and smoothly deal with any issues for concern.

Staff advise and work hard to provide a seamless path of learner progression routes. There are clear lines of communication within the college when students are progressing from one course to another. There are routes through the college from level 1 to level 9. Articulation is well established in a few areas and with a number of different universities.

The majority of curriculum teams ensure that employability and Career Management Skills are promoted and embedded in the curriculum to ensure that most learners develop these skills well.

The college engages consistently with schools and the local authorities in the course provision process. This involves senior leaders visiting schools and taking part in community planning partnerships at strategic meetings across the region.

Numerous areas of the college undertake innovative learning and teaching opportunities to enhance the students’ experience and reflect industry. The atmosphere in college because of this is very positive and inclusive. For example:

- The food industry labour market in Dumfries and Galloway is higher than the UK average at 8.8 % of the region’s labour market. To give students a more realistic idea of having a career in this, the college has an internal training restaurant (Zest) that is also open on selected days to the public. Students are able to experience social media ratings for our Zest restaurant through its inclusion in TripAdvisor to gauge clients’ responses to their hospitality skills. This gives students commercial real time experience and public evaluation alongside practical customer service.

- In Care, placements include care homes and day centres.

Some students join the STARS team with the NHS. Learners are placed with a re-ablement officer from STARS and visit people in their homes. This is important for the curriculum as re-ablement is embedded in the NHS job description and it is necessary for learners to have this when going into the work place.

The college has well developed relations with local employers and industry. Local employers contribute to the curriculum in various ways and value the skills that are taught, for example:

- Labour Market information and industry influence is evident in Electrical Engineering and Motor Vehicle Maintenance. Employers taking on apprentices were asked what they expected and what they looked for in apprentices. The information gathered is used to form the curriculum and therefore produce more work-ready students. In addition, employers regularly contact the college to visit the learners in the workshops and occasionally for employment opportunities for students on completion of their studies. Employers and DYW also have workshops in the college and this familiarises students with external agencies and employers.
- The College hosted the Dumfries and Galloway STEM conference that was attended by staff from primary and secondary schools in the region, as well as some college staff. Through this, the college is demonstrating its commitment to STEM.
- An industry region-wide steering group has worked with the college to shape the provision of a course that reflects creative areas in the region. Local creative industries are bringing up-to-date requirements to the college to help shape a creative workforce for the future.



What should we improve?

- There is a national STEM gender imbalance in some areas and the college is addressing this.
- Level 4 students continue to be disengaged on some courses. This is disappointing and teaching teams are trying to improve this with a variety of methods. The college will review its level 4 offer across the curriculum.
- Another curriculum area for some improvement is the childcare provision, as the college did not reach the childcare targets this year. Therefore, to improve and be more inclusive, for the first time ever we will be running an evening class and day release in Childcare.
- In some occasional cases, the curriculum needs a greater focus on DYW and more employer engagement is required.
- The college needs to develop a consistent approach of incorporating essential skills and career management skills in all curriculum areas, and we are working towards improving the way this is evidenced and measured this year.
- Although there are many good examples of staff teaching Career Management Skills, it is not widely recorded; this could be captured better in order to share good practice for all teaching staff.
- The college is looking at the retention rates of the Foundation Apprenticeship and will work with industry and schools to address this.





Quality Indicator 2.3  
Learning, teaching and assessment

What do we do well?

- One of the strengths of the college is its dedicated and experienced staff. All lecturers have obtained their Teaching Qualification for Further Education (TQFE), or are working towards gaining one. The college is one of the highest performing colleges in relation to TQFE in Scotland. Staff are well motivated and draw on their extensive industry experience to develop and continually improve the courses for learners.
- Nearly all learners make good progress in their work and almost all learning activities are well planned by staff. They tailor the courses to the abilities and levels of their learners, taking into account the specific needs of each learner. The structure of the courses offered by the college allows learners to make informed choices around progression to the next level with clear progression and articulation routes consistently communicated and they are assisted in this by the experience and knowledge of staff and Curriculum Managers.
- Students have their learning experience measured and monitored through the Quality Academic Process and through the Student Representative Process. The use of self-evaluation and student surveys demonstrates that 92% of FT FE students are satisfied with their experience at college. The cycle and effectiveness of these evaluations and surveys are reviewed for effectiveness. The outcomes of this are shared with relevant staff for action to improve learner experience.
- Some students are encouraged to shape their own assessment schedules and formats of their submissions to keep the teaching experience varied and appropriate. This gives the learners confidence, encourages reflection on areas of strength and promotes a collaborative approach from the student cohort.
- Students have reported through self-evaluation, that they understand core skills have value in their future workplaces. It is clearly explained in advice sessions at the beginning of their college learning journey that

these skills are an integral part of the programmes. In addition, students understand that other skills such as team working, time management and negotiation skills are part of their learning experience. This allows students to acquire evidence of wider achievement gained with the support of the college.

- The college has a dedicated Professional Development Manager (PDM) and she is available for all staff for expert advice with teaching, learning and assessment. This allows staff to approach the team for help when required and for advice if something is not going well, as well as sharing best practice.
- The college's LearnNet Moodle has been improved this year and is now easier to navigate. Students use the updated LearnNet Moodle to access learning material to underpin and enhance learning. Areas across the college use the Moodle platform alongside Google drive and social media for formative and summative assessment strategies, which can be accessed from home. This is useful and works well for both staff and learners, allowing wider opportunities for learning.
- Staff support students to achieve a positive destination and almost all students reported that they felt supported in their journey through college and to the next stage of their progression route. Staff work hard to ensure barriers to learning are removed to provide full participation of potential and current students. This is achieved through social and educational inclusion within the college and in conjunction with relevant external agencies. This enables all learners to reach their potential and progress.
- Internal Moderation is praised by External Verifiers and is very effective. This means the process is more transparent and provides timely reminders for all staff and team leaders.
- Nearly all students report making good use of digital equipment and resources. The college has a wide range of different digital platforms for different curriculum areas and these are reflective of industry use. Digital and learning technologies are available for

learning and teaching specification and there is support for all staff to enhance their own digital skills from the college Blended Learning Advisor. Technologies that reflect real life industry are used and encouraged in all areas with positive results.

- The Professional Learning and Teaching Department continues its Mentor programme throughout the college with three Mentors and one Blended Learning Advisor. It is in its sixth year of operation and is now an accepted part of college Learning and Teaching. This has an impact on successful learning and teaching as it has improved the consistency of the quality of teaching across the college.
- Staff are encouraged to undertake Continuing Professional Development (CPD). This ensures that staff are up-to-date in their area of expertise and are trained in areas for improvement. The impact for the learning and teaching is evaluated by a three point measurable assessment that illustrates the scope for enhancing the students' experience after the CPD has taken place and for the following year. This has shown positive outcomes in most areas.
- The college has a detailed data-collating tool for analysing classroom observations with 25 indicators that demonstrate the level of teaching. 49% of all teaching in classes achieved the highest level, 39% the second highest level, with 11% on low and 1% at below standard; therefore 88% of the average of all teaching was at a high or second highest level. This is 63 members of staff over the year being observed on 25 different indicators. During the previous year, it was 2% below standard, 13% low, 33% on good and 53% on the highest level, therefore 86% in the top 2 levels; however only 49 members of staff were observed. The year before that, it was 82% in the top two highest levels. Therefore, the quality of observed teaching practice in college is improving.

What should we improve?

- A Digital Skills Strategy 2018/2023 is being developed in order to upskill all staff in this area. Staff will feel

more confident in the college's commitment to digital upskilling and training. This will also allow students and staff to have more sophisticated and advanced digital skills which are vital for a region that is very rural and sometimes has challenging transport issues. This will support industry and stakeholders to see the college as a drive for change and progress. An effective digital skills approach will pull together teaching, learning and assessment. It will improve all aspects of the college and will make all our processes stronger to support our key objectives.

- Sharing best practice between teaching staff has historically sometimes been slow and relied on informal information sharing. To improve this, the Professional Learning and Teaching department have set up "Let's Talk Teaching" sessions that will run to bring together new and well-established lecturers next academic year. These sessions will cover themes such as:
  - Holistic delivery or combined units into a project
  - SCQF level 4 delivery
  - Graded Unit delivery
  - Core Skills delivery
  - Work Experience
  - Using One Note or Google Drive
  - LearnNet Delivery and Development
- Areas of CPD will involve developing 1 minute videos on AdminNet to share amongst staff to help share teaching methods. The effectiveness of this will be evaluated at the end of the year. In addition, staff who had below average development visits will be visited again and a development plan will be worked through with the staff member to ensure improvements in their delivery. The team will also concentrate on new staff and carry out a planned development visit within the first 6 weeks.
- In order to improve further, the impact of significant staff development will be captured and assessed to identify ways to improve.



- Improved assessment schedules for all courses are being collated. Although there is excellent practice already happening in most areas around assessment planning, it is not consistent and needs improvement.
- Some areas would benefit from additional guidance from tutors and greater use of digital analytical data to address retention issues.





## Quality Indicator 2.4

### Services to support learning

#### What do we do well?

- The Student Support and Guidance Team works well with the secondary schools throughout the region with the aim of improving the learners' experience of transition from school to college and allow a broader student body to have a wider experience of college. The team work with social workers, Child and Adolescent Mental Health Services (CAMHS), speech therapists, residential care homes and other local agencies when required to meet the needs of learners.
- Advice and support for all students starts before enrolment and encompasses pre-entry Advice and Open Days, orientation week and transition arrangements. Trial visits are made to acclimatise the learner to the college before they begin their programme to ensure learners are not overwhelmed at the start of their course and benefit from a positive experience.
- In addition to Learner Voices, self evaluation and Have Your Say, which all offer routes of voicing concerns or opinions, the college has an annual induction survey which all students are encouraged to submit. This information is used well for improvement in all departments to help create a better initial experience of college.
- The college has processes for identifying learners' additional needs and these are robust and work well. This starts as soon as students apply to college. They are informed of how to access any support needs and when and how this will happen. The college has a good record of supporting students through the application and enrolment processes and encouraging students to access these services before and during their courses. This information is captured in the various methods of feedback available to students and ensures a positive experience in college.
- Student needs assessments take place promptly in order to put any support requirements in place. The teaching team work closely with support staff to ensure a coherent approach is implemented in a

smooth and sensitive manner. Identified students are supported, when needed, through one-to-one sessions in classes by student support workers. In addition there are drop in sessions in various locations around college and advice and information is clearly placed around the college including the Student Association. This ensures that all students are aware of support and advice available to them.

- The college has an effective safeguarding procedure and safeguarding officers to ensure that students receive timely support and advice should the need be identified by staff. This process is understood well by staff and it can provide support and help for identified students.
- Student funding provides individual information for any student who needs this and in a confidential manner. Student support teams direct students to this service if required. General reminders and information are sent to students digitally and on social media to provide prompts for deadlines to access this funding. This ensures that students have every opportunity to access their funding and feel supported during the process. The Student Association is another source of financial information and support and students are encouraged to access support and information via them if needed.
- All full time FE students are offered a termly tutorial. This encourages students to take responsibility for their own learning, reflect on their progress and participate in an on-going review of their own learning and development. Any issues are identified and acted on where necessary by staff.
- Information of all courses available is on a clear and well-organised website. Students applying to college must attend advice sessions to meet staff where they are given up-to-date and relevant information regarding their course and career choices. These are held on a number of evenings and days in order to reach a wide audience. Open evening events are combined with themes and external stakeholders attend to provide further information for career and education opportunities. This provides learners with

information to make informed choices.

#### What should we improve?

- Care-experienced students' retention remains low and this is disappointing. The College supports these students with many resources and is continually trying to address this issue.
- Supported students have good retention, however achievement is low. These are complex issues that need continually addressing on a case-by-case basis.
- Additionally, interview and advice sessions are to be enhanced in order to place the student on the most suitable course for their abilities. This could improve attainment. We will be reviewing our advice sessions as a result of low attainment and retention in some curriculum areas.
- To improve well-being amongst students, the new Guidance Coaches will be talking to students about resilience and coping with life stresses as some students may think they have a mental health problem.
- Learner experience could be improved in some areas by use of digital data by support and teaching staff to address any support and academic issues.
- UCAS information could be more coherent throughout the college.
- The sharing of information about learners received from schools, particularly with reference to Christmas leavers, could be improved.





# Leadership and quality culture – How good is our leadership and approach to improvement?

## Quality Indicator 1.1 Governance and leadership of change

### What do we do well?

The Regional Board of Management works effectively and collaboratively with the Principal and the Executive Management Team (EMT) to set a clear strategic direction for the college. The Principal provides inclusive leadership and works effectively with her management team to provide a culture where change and innovation to improve is welcomed. The following paragraphs detail the way in which the Board ensures quality of provision and outcomes:

- The Board leadership has a structure and Board performance programme. The Board has an ongoing development programme and an Annual Development Plan of which there are two parts. The first part involves assessing the effectiveness of the Board and the second part assesses the effectiveness of the individual Board members. This ensures that the Board understands its role and fully implements it in the college.
- The Board ensures that all of the college’s business is fully implemented, being informed by Scottish Government priorities including Developing the Young Workforce (DYW), our Regional Outcome Agreement (ROA) and Skills Development Scotland (SDS) Dumfries. This is achieved through specific departments and staff producing reports and information to the Board.
- The Board and its committees review a continually updated risk register.
- The Board contribute to the Evaluative Report and Enhancement Plan. In addition, they challenge and discuss all reports submitted to them.
- A Board short life group has been created to focus specifically on the Student Association. The aim of this group is to enable the Student Association to be more active and effective. The round table meetings between the Board and the Student Association resulted in issues being brought forward directly from

the student body to the Board. It provides the Board with an understanding of the role of the curriculum and student reps within the college, as well as creating a link between students and the Board. In addition, there are several other formal Board committees covering various aspects of college business. The 5 year strategic curriculum plan is reviewed at Board level every year to ensure that the college is reflecting the region’s needs.

- The Board keeps a stakeholder focus by asking stakeholders to attend meetings on a regular basis so that the college benefits from their expertise and the stakeholders are informed. This brings a range of knowledge to the meetings to reflect both national and local issues.
- The College Leadership Team meet regularly. Each area in the college is represented and gives detailed reports when requested to inform the team and as a result, any issues from AY 2017/18 are fully addressed. Priorities are agreed in order to respond to strategic aims that are sufficiently stretching and, if targets are not met, planning and action plans are discussed and implemented.
- Industry members and DYW regularly come into college to some areas to advise students and give industry talks about working in specific industries. The college works closely with DYW and attends meetings with regional partners. The Board is informed about developments with DYW including school college partnerships.
- Management changes have been implemented and 8 Curriculum Managers took up posts in August 2017. Each one is an academic subject specialist in their area. This in-depth subject knowledge gives a more detailed understanding of skills required by industry and allows the Curriculum Managers to lead the curriculum effectively. Curriculum Managers are informed of local, regional and national priorities for the workforce through their subject knowledge and work closely with industry in the region.

- Alumni are invited to return to give personal experiences of how they have developed their career after gaining skills by attending college. All of this is disseminated to the students, both in class, on the college intranet and on social media platforms. This demonstrates a journey to the learner through college and out to successful employment.
- All Curriculum Managers have undergone management training and this has enabled them to understand different management strategies for the departments. They understand targets for retention and recruitment which are worked towards, and this information is disseminated through meetings and discussions from Heads of areas and then in turn, to the academic teaching staff.
- Academic and Support Managers together with the Executive Team form the College Leadership Team. Every manager, whether jointly or separately, ensures that they are current and up-to-date within their respective fields. As a collective, they ensure that the College Leadership Team develops appropriate plans and evaluates required changes at a pace and manner which is appropriate and effective.

### What should we improve?

- In order to evaluate the college’s current progress against the strategic plan of Vision 2020, the Board, the College Leadership team and college staff attended a review to understand successes and areas for improvement. The Student Association also attended. The cross college teams evaluated each strategic outcome. Background evidence was collated to support progress and any actions and suggestions as a result have been collated. These are around issues of enhancing and supporting entrepreneurship, learner confidence for care-experienced students and retention and attainment. To enable continual improvement, these issues will be addressed at Board level during the next academic year with the aim of amending any relevant strategies within Vision 2020.
- Members of the Dumfries & Galloway College Board

of Management have identified a need, as part of their ongoing development, to increase their knowledge of and insight into the core delivery work of the college to support their strategic decision-making. In addition, the college will continue to make best use of the skills and experience that the Board members bring with them.

- Senior phase and DYW is being further supported by key stakeholders coming together to develop a strategy for the region to ensure a consistent approach to curriculum planning with partners.
- A programme for career development and management training will be offered for all staff to allow career enhancement, which will support the new strategic developments in the college.





## Quality Indicator 1.4 Evaluation leading to improvement

### What do we do well?

- A revised and improved self-evaluation program is in place. Student Representatives feedback from the student body to the Curriculum Managers who in turn feedback to staff, senior management, the EMT and the Board. Self-evaluation reports are generated on every course with Action Plans undertaken, reflecting key developments and requirements for local, regional and national priorities in an effective way. Staff, learners, the Student Association and other stakeholders are all involved, ensuring that the process leads to change and improvement of the curriculum and its relevance in industry, student attainment and progression. This process is closely aligned to the targets in the Regional Outcome Agreement and Vision 2020.
- Students also voice their opinions through Induction surveys, Have Your Say, the Students' Association and Learner Voices. This allows various routes ensuring any issues are dealt with from appropriate departments. Issues have been fed back to management, leadership and the Board through these channels where they have been successfully resolved, if these are issues that the college can resolve. There is a Complaints Handling Procedure to enable swift action and to resolve issues. This has enabled issues to be resolved quickly to mitigate any impact on any student's experience of college.
- The Curriculum Managers ensure procedures are in place to have a positive impact on learners' success and achievement. This is in conjunction with the Professional Development Manager, the Learning & Teaching Mentors and the Blended Learning Advisor who delivered and facilitated the following:
  - Training on Assessor Awards, Verification Awards, Personal Tutor Training, Moderation Training and participated in a number of development visits to encourage professional dialogue. We have 199 recorded training interventions logged on our HR system for the period with most interventions

being delivered internally. This demonstrates that learning issues are addressed and supported where necessary.

- Nearly every member of staff has completed Prevent training in line with Home Office guidelines; with staff in Human Resources and Student Support and Guidance, delivering this training. This shows that the college adheres to national legislation and responds to national issues.
- Strategic partnerships such as DYW and Health Care Skills Academy, together with partnerships such as The Prince's Trust and Dumfries & Galloway Employability ensure that there are cohesive opportunities for learners to commence and exit a variety of learning pathways which best fit their needs.
- The College has excellent information systems that are well-maintained. These contain a large amount of data for staff; much of this in real time, which is essential to support forensic evaluation using critical indicators to review learner progress and support needs. This data is used and interrogated to address areas such as retention, student disciplinarys, progression and classroom observations. Although understood well, it is variably used.
- Curriculum planning meetings are held regularly. Comprehensive curriculum plans are systematically produced and rigorously evaluated through the line management structures in the college. This ensures that the curriculum responds to the needs of the region. The appropriateness of this curriculum impacts directly on learner engagement and industry feedback. Our employer engagement is vital to this process. Curriculum Managers and their teams have invited employers to look at courses with a view to adapting them to suit employer needs. There are examples of bespoke training to best meet the regional skills requirements. For example, in Motor Vehicle, our region has a 17.5% labour demand in this career,

which is higher than the rest of Scotland at 14.5%. The Foundation Apprenticeship has strong links with motor vehicle employers over the region. Employment rate for Motor Vehicle learners from last year's students going onto apprentices is over 30%, with others going onto further education or university. The result of this evaluative process is a comprehensive curriculum that meets the regional needs as stated in the ROA. It is both flexible and responsive in order to allow updates on an annual basis.

### What should we improve?

- Some staff have limited or out of date digital skills. Therefore, we have appointed a Professional Development Officer to ensure a strong focus on enhancing staff digital skills in line with future delivery models and requirements. This responds to regional and national priorities and will enable staff to utilise digital technology and skills to teach students to respond to the labour market needs.
- New Curriculum Representatives from the student body to be in post during this academic year in order to specifically report on any issues arising and identify where change is needed.
- The Leadership team and teaching teams continually address poor PI figures. There is a high withdrawal rate at the beginning of the academic year and then again in February/March. Meetings with other colleges to discuss this issue have been held, along with feedback from our staff and students. These issues and suggested solutions are discussed at all levels including EMT and the Board. Every student who withdraws has their specific reason for withdrawing recorded on our system to identify patterns and trends. For example, mental health issues have appeared to be one major factor and this is being addressed through the Student Support and Guidance department. All teams, from the Board to teaching teams, are addressing these issues in a systematic way so that a clear and consistent process takes in all factors and facilitates positive change. These changes

are evaluated continually and discussed to ensure their effectiveness, from students to Board level. This process is ongoing.

- During the last 2 years, many changes have taken place in the college. These changes need to be evaluated to further ensure their effectiveness and the impact of these changes will be evaluated against the college's detailed long term strategy. Leadership management have clearly articulated the direction of these changes and their outcomes against areas of retention and attainment where these are average or below average. These will be reviewed for updates, actions and progress throughout the year.
- The quality of the self-evaluation reports and action plans is variable and the college will implement an intervention to share best practice to ensure a consistent return of high quality self-evaluations. This will enable areas of good practice to be captured along with areas for improvement and therefore improve learners' experience.



## What is our capacity to improve?

Dumfries and Galloway College continues to focus on the strategic outcomes and mission statement of Vision 2020: One College, One Team. The college is consistently striving to be a place where learners come first and the changing needs of the economy are met. The college emphasises that innovation, collaboration and creativity are at the core of our ambition.

In the last year, in order to ensure these statements are consistently being addressed for implementation, changes were made to build on these values and enhance them further to lead to improvement this year. For example, eight new Curriculum Managers took up their posts to steer and move the curriculum forward. They are providing expert and effective leadership in their areas. Curriculums will continue to focus on the wider issues of skills for industry in our region and nationally and how to effectively embed them in the teaching and learning.

Planning for innovative delivery and digital improvements are as a response to our medium term ambition for both campuses to become STEM hubs for Care and Engineering. This ambition is being realised through the SoSEP bid that has awarded us finances in order to fulfil this and to plan in an innovative and creative way. Other areas of the curriculum will benefit from this innovative thinking. The college is a relatively small rural college and is able to respond quickly to new developments due to small teams and cross college actions.

The college continues to address the improvement of its retention and attainment. It is doing this by providing specific improvements and additions. These are the recent additions of the Guidance Coaches, the Learner Analytics system and the change from 2 to 3 teaching blocks with assessment weeks. These will allow staff to support and enhance the learner experience, identify issues earlier and lead to greater attainment and retention.

Delivery of support services is of a consistently high quality but will be supported further by new appointments, now in post. With the addition of new digital technology, the college will continue to focus on retention and attainment. Actions from the previous year's enhancement plan have been implemented and mostly completed and two have been carried over.

Therefore, after a period of change, the college is invigorated and ready for positive outcomes. The College Leadership Team and all the managers are focussed on providing the best possible outcomes for learners. The Principal, the Board of Management and all the college staff consistently show their commitment to improving all areas of learning and teaching and this is demonstrated through risk management approaches, external partnerships and evaluation systems that are both reflective and pro-active.

Dumfries and Galloway College have made strategic and operational changes that are related to identified improvements and these will continue in conjunction with the college's quality processes. The college has the capacity to improve and ensure that the enhancement plan is delivered. It is committed to maintaining and enhancing the learner experience and is now in a strong position to do so.

Please see Appendix A – for results against targets listed in our Regional Outcome Agreement.



## Enhancement Plan – Previous Year

### Monitoring of the actions for improvement for 2016 - 2017

Action	Expected Impact	Progress		
		Date	By Whom	Progress
Introduce a new management structure with 8 Curriculum Managers and 2 Heads of Curriculum	With a clear priority of improving retention rates it is hoped that closer monitoring of each course via the Curriculum Manager will result in an improved retention rate.	August 2017	Principal	Completed
Improve learner retention figures across each curriculum area. We will share best practice across the curriculum areas in order to develop tailored solutions for courses with low retention rates	College FT FE retention figures to improve to at least 85% in the year 2020	July 2018	Curriculum Managers with support from Vice Principal Performance & Planning	Ongoing
Carry out an option appraisal to inform the development of provision of education in the West of the region	Widen Access for learners from a remote and rural background	July 2018	Vice Principal Learning & Skills	Completed
Develop a tool for assessing learners against the known risk factors for early leaving from their course	With a tool which takes into account all risk factors (Including attendance) for learners withdrawing from a course we will aim to improve retention rates of learners and assist in curriculum planning	November 2017	Vice Principal Performance & Planning	Completed
Introduce a "Passport to College" course	Prepare learners at risk of leaving early if they enrol on full college courses, to experience college and prepare themselves which will ultimately reduce early leavers	November 2017	Heads of Curriculum	Completed
Introduce a new self-evaluation tool for academic staff, which is simpler to use than the current "Wheel" and is aligned with the "How Good is our College?" Quality indicators	Staff better able to critique themselves and to enhance the learning experience of learners	July 2018	Vice Principal Learning & Skills	Completed and Ongoing
Introduce a new structure for the management of the Student Association class reps system	A structure which mirrors the new management structure where we can have curriculum council meetings which takes on board the learners views, resulting in learner issues being addressed and ultimately improved retention	December 2017	Vice Principal Performance & Planning	Ongoing



Enhancement Plan
Monitoring of the actions for improvement (AY 2018 – 19 to AY 2020 – 21)

Action	Expected Impact	Progress	
		By Whom	Completion
To ensure that all academic and support staff understand and are more familiar with the PIs in order to plan for improvement	For staff to take ownership of PIs and to plan for improvement in all areas including retention and attainment	Curriculum Managers, with support from Vice Principals and HoCs & HoPQ	June 2020
To appoint 3 Guidance Coaches in Dumfries and 1 in Stranraer to work specifically with students at risk of withdrawing and not successfully completing their studies	To have a positive outcome on improvement of learner attainment and retention	Vice Principal Learning and Skills and Head of Support & Guidance	June 2019
To introduce “Learner Analytics” tool as a method for collecting data on students who are at risk of withdrawing. To be used by academic staff and new Guidance Coaches to make early interventions for individual situations	To have a positive outcome on improvement of learner attainment and retention	Curriculum Managers, with support from Vice Principals and HoCs & HoPQ	June 2020
To improve learner retention and attainment figures across each curriculum area	College FT & PT FE & HE retention and attainment figures to improve as per Regional Outcome Agreement	Curriculum Managers, with support from Vice Principals and HoCs & HoPQ	June 2019
To revise and update our Advice sessions	To ensure students are being selected and recommended for the appropriate course as this impacts on retention and learner experience.	Vice Principal Learning and Skills and HoCs & HOPQ	June 2019
To continue to build on our extensive employer engagement and enhance the opportunities for collaboration for curriculum planning	Continued improved curriculum that is reflective of potential and actual changing regional needs	Vice Principal Learning and Skills	June 2021
To enhance digital skills reflecting industry practice in the curriculum. This will also support the SoSEP bid	Providing industry skills for engineering in Stranraer and Dumfries, in conjunction with Borders College, and addressing economic growth and new technologies for the area	Vice Principal Learning & Skills, HoCs, PDM	June 2021
To evaluate the college’s current progress against Vision 2020	To understand areas for successes and improvements	Principal	December 2020

Action	Expected Impact	Progress	
		By Whom	Completion
To enhance and improve self-evaluation systems across the college for academic and support staff	More reflective and able to capture areas of good practice along with areas for improvement and therefore provide an improved learner experience	Vice Principal Business Development and Corporate Services and HoPQ	June 2021
To investigate and work with partner institutions to enhance articulation in the region commencing with Glasgow School of Art	To collaborate with the writing of the programme that reflects the particular needs of the rural situation	Vice Principal Learning and Skills and HoPQ	June 2021
Introduce a Digital Skills Strategy to ensure all staff are conversant with relevant digital skills	Ensure that staff are up to date and knowledgeable about all digital areas and current practices in order to deliver high quality of learning and teaching	Vice Principal Learning and Skills	June 2021
To introduce new Curriculum Student Reps	To enhance Curriculum Council Meetings in order to address issues and student views which will impact on attainment and retention	Vice Principal Business Development and Corporate Services	June 2019
To enhance entrepreneurship throughout the college and as a learning experience as stated in Vision 2020	Engage students in entrepreneurship activities enhancing these skills, which reflect the region’s needs	Vice Principal Learning and Skills	June 2021
To reinforce Essential Skills, Career Management Skills and DYW in the curriculum	Enhanced learning experience and to build on current knowledge and teaching practice that ensures more students are work ready	Vice Principal Learning and Skills	June 2021





Grading of the College

Outcomes and impact (QIs 3.1 and 3.2)	Satisfactory
Delivery of learning and services to support learning (QIs 2.2, 2.3 and 2.4)	Good
Leadership and quality culture (QIs 1.1 and 1.4)	Good

The above plan is a high-level plan that is subsequently broken down in key tasks in operational plans. All areas for development identified within the report are also included in various local and operational plans.

I, Carol Turnbull, approve the Dumfries and Galloway College Evaluative Report and Enhancement Plan.

Signature: CA Turnbull

Carol Turnbull  
Principal and Chief Executive  
Dumfries and Galloway College

Regional Outcome Agreement  
Results Against Targets







Measure		Actual	Target		Actual	Target		Actual	Target		Actual	Target	Actual	Target
		2016/7	2016/7		2017/8	2017/8		2018/9	2018/9		2019/0	2019/0	2020/1	2020/1
	Volume and proportion of Credits delivered to FULL TIME learners aged 16-19 and 20-24	16,468			17,577	17,138	439	17,572	17,200	372		17,200		17,980
		73.84%			76.60 %	74.50%	2.1	76.35%	74.50 %	1.8		74.50%		76%
	Volume and proportion of Credits delivered to FULL TIME learners aged 16-19	12,604			13,541	12,929	612	13,147	12,975	172		12,975		13,430
		56.51%			59.02 %	56.25%	2.7	57.12%	56.25 %	0.9		56.25%		56.70%
	Volume and proportion of Credits delivered to FULL TIME learners aged 20-24	3,864			4,036	4,209	-173	4,426	4,225	201		4,225		4,550
		17.33%			17.59 %	18.30%	-0.71	19.23%	18.50 %	0.7		18.50%		19.20%
1 (c)	Volume/proportion of Credits delivered to learners in the most deprived 10% postcode areas in Scotland	3,432	3,217	215	3,121	3,608	-487	2,882	3,772	-890		3,923		4,030
		11.31%	10.70 %	0.6	10.16 %	12%	-1.84	10.08%	12.50 %	-2.4		13%		13%

Measure	Actual	Target		Actual	Target		Actual	Target		Actual	Target	Actual	Target
	2016/7	2016/7		2017/8	2017/8		2018/9	2018/9		2019/0	2019/0	2020/1	2020/1

1 (d)	Volume and proportion of Credits relating to learners from different protected characteristic groups and care leavers													
	Ethnicity													
	White	29,214	29,820	-606	29,471	29,820	-264	27,221	29,929	-2708		29,929		30,746
		96.30%	99.18%	-2.9	96.00%	99.18%	-3.2	95.19%	99.18%	-4		99.18%		99.18%
	Any mixed background	111	42	69	48	42	6	83	42	41		42		43
		0.37%	0.14%	0.2	0.16%	0.14%	0	0.29%	0.14%	0.2		0.14%		0.14%
	Asian, Asian Scottish or Asian British	265	111	154	457	111	346	413	112	301		112		115
		0.87%	0.37%	0.5	1.49%	0.37%	1.2	1.44%	0.37%	1.1		0.37%		0.37%
	Black, Black Scottish or Black British	592	45	547	610	45	565	714	45	669		45		47
		1.95%	0.15%	1.8	1.98%	0.15%	1.8	2.50%	0.15%	2.4		0.15%		0.15%
	Other ethnic background	155	48	107	113	48	65	56	48	8		48		50
		0.51%	0.16%	0.4	0.37%	0.16%	0.2	0.20%	0.16%	0		0.16%		0.16%
	Black and minority ethnic	1,123	246	877	1,228	246	982	1,266	247	1019		247		255
		3.70%	0.82%	2.9	4.00%	0.82%	3.18	4.43%	0.82%	3.6		0.82%		0.82%

	Disability
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Measure		Actual	Target		Actual	Target		Actual	Target		Actual	Target	Actual	Target
		2016/7	2016/7		2017/8	2017/8		2018/9	2018/9		2019/0	2019/0	2020/1	2020/1
	No known disability	26,125	28,263	- 2138	26,421	25,858	563	24,679	25,951	-1272		25,951		26,660
		86.11%	94%	-7.9	86.07%	86%	-0.7	86.3%	86%	0.3		86%		86%
	Disabled	4,172	1,804	2368	4,276	4,209	67	3,917	4,225	-308		4,225		4,340
		13.78%	6%	7.8	13.93%	14%	0.07	13.7%	14%	-0.3		14%		14%
	Sex													
	Male	15,362	15,034	328	14,470	15,034	-564	14,292	15,088	-796		15,088		15,500
		50.64%	50%	0.6	47.14%	50%	-2.86	49.98%	50%	0.0		50%		50%
	Female	14,966	15,034	-68	16,186	15,034	1152	14,282	15,088	-806		15,088		15,500
		49.33%	50%	-0.7	52.73%	50%	2.73	49.94%	50%	-0.1		50%		50%
	Other	8	0	8	41	0	41	22	0	22		0		0
		0.03%	0%	0	0.13%	0%	0.1	0.08%	0%	0.1		0%		0%
	Care-Experienced													
	Care-Experienced	522	361	161	849	361	488	763	400	363		450		500
		1.72%	1.20%	0.52	2.77%	1.20%	1.27	2.67%	1.30%	1.4		1.5%		1.6%
2 (a)	Number of senior phase age pupils studying vocational qualifications delivered by the College	157			110	224	-114	76	230	-154		240		250
2 (b)	Volume and proportion of Credits delivered to	710			378	872	-494	355	894	-539		933		972

Measure		Actual	Target		Actual	Target		Actual	Target		Actual	Target	Actual	Target
		2016/7	2016/7		2017/8	2017/8		2018/9	2018/9		2019/0	2019/0	2020/1	2020/1
	senior phase age pupils studying vocational qualifications delivered by colleges	2.34%			1.23%	2.90%	-1.67	1.24%	3.20%	-2		3.40%		3.60%
2 (c)	Volume and proportion of Credits delivered to S3 and above as part of 'school-college' provision	1,364	1,503	-139	1602	1,503	99	2,503	1,509	994		1,509		1,550
		4.50%	5%	-0.5	5.21%	5%	0.21	8.75%	5%	3.8		5%		5%
2 (d)	Volume and proportion of Credits delivered at HE level to learners from SHEP schools	533			207	601	-394	289	604	-315		604		620
		1.76%			0.67%	2%	-1.3	1.01%	2%	-0.99		2%		2%
3	Volume and Proportion of Credits delivered to learners enrolled on STEM courses	7,951			8,804	5,412	3,392 6	9,301	5,733	3568		6,035		6,200
		26.21%			28.68%	18%	10.68 9	32.52%	19%	13.52		20%		20%

Measure	Actual	Target		Actual	Target		Actual	Target		Actual	Target	Actual	Target
	2016/7	2016/7		2017/8	2017/8		2018/9	2018/9		2019/0	2019/0	2020/1	2020/1

4 (a)	Proportion of enrolled students successfully achieving a recognised qualification (FT & PT)												
	No. of FT FE students achieved	626	766	-140	629	759	-130	0	805	-805		816	828
	No. of FT FE students	1,016	1,050	-34	1,056	1,100	-44	983	1,150	-167		1,150	1,150
	Percentage of FT FE students	61.61%	73%	-11.4	59.60%	69%	-9.4	0	70%	-70		71%	72%
	No. of PT FE students achieved	1,072	1,200	-128	1300	1,230	70	1	1,260	-1259		1,333	1,333
	No. of PT FE students	1,517	1,500	17	1,862	1,500	362	890	1,550	-660		1,550	1,550
	Percentage of PT FE students	70.67%	80%	-9.33	69.82%	82%	-12.18	0.11%	84%	-83.9		86%	86%
	No. of FT HE students achieved	385	429	-44	329	396	-67	0	444	-444		456	468
	No. of FT HE students	541	550	-9	479	550	-71	437	600	-163		600	600
	Percentage of FT HE students	71.16%	78%	-6.8	68.68%	72%	-3.32	0%	74%	-74		76%	78%
	No. of PT HE students achieved	302	316	-14	157	320	-163	0	344	-344		360	369

Measure		Actual	Target		Actual	Target		Actual	Target		Actual	Target	Actual	Target
		2016/7	2016/7		2017/8	2017/8		2018/9	2018/9		2019/0	2019/0	2020/1	2020/1
	No. of PT HE students	403	400	3	217	400	-183	111	410	-299		410		410
	Percentage of PT HE students	74.94%	79%	-4.1	72.35%	80%	-7.65	0	84%	-84		88%		90%
4 (b)	Proportion of enrolled MD10 students successfully achieving a recognised qualification (FT & PT)													
	No. of FT FE students achieved	93			79	114	-35	0	115	-115		120		117
	No. of FT FE students	153			146	150	-4	123	150	-27		155		155
	Percentage of FT FE students	60.78%			54.11%	76%	-21.89	0	77%	-77		78%		76%
	No. of PT FE students achieved	94			76	102	-26	0	105	-105		111		111
	No. of PT FE students	128			140	125	15	77	125	-48		130		130
	Percentage of PT FE students	73.44%			54.29%	82%	-27.71	0	84%	-84		86%		86%
	No. of FT HE students achieved	31			25	36	-11	0	37	-37		39		39
	No. of FT HE students	47			39	50	-11	29	50	-21		52		52

Measure		Actual	Target		Actual	Target		Actual	Target		Actual	Target	Actual	Target
		2016/7	2016/7		2017/8	2017/8		2018/9	2018/9		2019/0	2019/0	2020/1	2020/1
	Percentage of FT HE students	65.96%			64.10%	72%	-7.9	0	74%	-74		76%		76%
	No. of PT HE students achieved	10			1	12	-11	0	13	-13		15		13
	No. of PT HE students	13			7	15	-8	3	15	-12		17		17
	Percentage of PT HE students	76.92%			14.29%	80%	-65.7	0%	84%	-84		88%		76%
4 (c)	Proportion of senior phase aged pupils successfully achieving a recognised qualification													
	No. of FT FE students achieved	0			0	0	0	0	0	0		0		0
	No. of FT FE students	0			0	0	0	0	0	0		0		0
	Percentage of FT FE students	0			0	0	0	0	0	0		0		0
	No. of PT FE students achieved	26			10	28	-18	0	29	-29		34		34
	No. of PT FE students	36			25	35	-10	67	35	32		40		40
	Percentage of PT FE students	72.22%			40%	82%	-42	0	84%	-84		86%		86%



Measure		Actual	Target		Actual	Target		Actual	Target		Actual	Target	Actual	Target
		2016/7	2016/7		2017/8	2017/8		2018/9	2018/9		2019/0	2019/0	2020/1	2020/1
	No. of FT HE students achieved	0			0	0	0	0	0	0		0		0
	No. of FT HE students	0			0	0	0	0	0	0		0		0
	Percentage of FT HE students	0			0	0	0	0	0	0		0		0
	No. of PT HE students achieved	3			2	8	-6	0	9	-9		10		10
	No. of PT HE students	6			4	10	-6	9	10	-1		12		12
	Percentage of PT HE students	50%			50%	80%	-30	0%	84%	-84		88%		88%
4 (d)	Proportion of full-time enrolled care experienced students successfully achieving a recognised qualification													
	No. of FT FE students achieved	13			19	12	7	0	13	-13		15		16
	No. of FT FE students	37			49	35	14	45	35	10		40		40
	Percentage of FT FE students	35.14%			38.78%	35%	3.78	0	37%	-37		39%		40%
	No. of FT HE students achieved	1			1	2	-1	0	2	-2		3		3

Measure		Actual	Target		Actual	Target		Actual	Target		Actual	Target	Actual	Target
		2016/7	2016/7		2017/8	2017/8		2018/9	2018/9		2019/0	2019/0	2020/1	2020/1
	No. of FT HE students	2			2	4	-2	1	4	-3		5		5
	Percentage of FT HE students	50%			50%	50%	0	0%	50%	-50		55%		55%
4 (e)	Proportion of enrolled students Full Time FE students aged 16-19 successfully achieving a recognised qualification													
	No. of FT FE students achieved	386			383	409	-26	0	409	-409		432		432
	No. of FT FE students	622			656	650	4	6.21	650	-29		675		675
	Percentage of FT FE students	62.06%	62%	0.1	58.38%	63%	-4.62	0%	63%	-63		64%		64%
5	The number of starts for direct contracted apprenticeships (including industry bodies such as SDS, CITB and SECTT)	124	100	24	73	100	-27		110			120		125
6	Number of full-time learners with work placement	161	100	61	265	200	65	476	180	296		200		220

Measure		Actual	Target		Actual	Target		Actual	Target		Actual	Target	Actual	Target
		2016/7	2016/7		2017/8	2017/8		2018/9	2018/9		2019/0	2019/0	2020/1	2020/1
	experience" as part of their programme of study"													
7	The number and proportion of successful students who have achieved HNC or HND qualifications who have achieved HNC or HND qualifications articulating to degree level courses with advanced standing		87			55			63			73		75
			32%			10%			12%			14%		16%
8	Number and proportion of full-time college qualifiers in work, training and/or further study 3-6 months		978			966			976			987		987
			92%			92%			93%			94%		94%

Measure		Actual	Target		Actual	Target		Actual	Target		Actual	Target	Actual	Target
		2016/7	2016/7		2017/8	2017/8		2018/9	2018/9		2019/0	2019/0	2020/1	2020/1
	after qualifying													
9	SSES Survey - The percentage of students Overall, satisfied with their college experience													
	Number and percentage of full-time FE students	88%				92%			93%			95%		95%
	Number and percentage of full-time HE students	81%				92%			93%			95%		95%
	Number and percentage of part-time FE	89%				92%			93%			95%		95%
	Number and percentage of part-time HE students	95%				92%			93%			95%		95%
10	Gross carbon footprint (three-year period)		1,185			1,117			1,087			0		0

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## Board of Management

### Vision 2020 – Partnership and Collaboration (Updated December 2018)

#### 1 Purpose of the Report

To update the Partnership and Collaboration section of Vision 2020 as part of our mid-term review.

#### 2 Vision 2020 - Partnership & Collaboration (updated December 2018)

Partnership and collaboration are at the heart of what we do – with our learners, Dumfries and Galloway Council, Schools across the region, other stakeholders and employers.

The College has increased its employer engagement activity and all curriculum areas now involve employers in their course design and curriculum planning. This ensures that the curriculum is fit for purpose, meets the needs of the Business community in Dumfries and Galloway (and beyond) and enhances the employability skills of our learners through guest speakers, visits, work placement and direct recruitment.

The DYW group is now well established and the College is a key partner in employer forums, school and other events organised across the region. The initiative allows employers to play a key role in driving forward relationships between pupils and employers across the region.

Links with Primary and Secondary schools across the region have been strengthened and a comprehensive programme of vocational pathways that offer alternative but meaningful routes to employment, with clear progression opportunities linked where possible directly to industry and employers has been developed.

Using the Dumfries and Galloway Regional Skills Assessment, provided by Skills Development Scotland, we are ensuring that our curriculum continues to align to local and national economic needs. We continue to invest in our facilities and in the summer of 2018 completed a significant refurbishment of our engineering facilities in order to ensure we continue to provide training using industry standard equipment. We have an ambition to become a Science, Technology, Engineering and Mathematics (STEM) centre and are seeking to create learning opportunities through to degree level through collaboration with University partners. Funding provided by the South of Scotland Economic Partnership to a joint project with Borders College will assist the College in making significant progress in both these areas.

We will continue to support Scottish Government's ambitions, particularly in respect of inclusive growth, through widening access initiatives and supporting businesses to innovate and grow. The introduction of the Flexible Workforce Development fund will be of particular value in increasing employer engagement and support.

Working with our partners we will continue to focus on tackling unemployment and improving vocational pathways for learners of all ages. Connecting education and employers is essential to make progress on each of these and this will continue to be a priority for Dumfries and Galloway College.

#### 3 Recommendation

Members are asked to note the update.

**Carol Turnbull**  
**Principal**  
**December 2018**

## Board of Management

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### Review of Monitoring and Reporting arrangements for Annual Budget control

#### 1 Back ground and Purpose of the Report

At the Finance and General Purposes committee held on 18 September 2018, the College reported an end of year underlying deficit position of £74,000 for the period August 2017- July 2018. This has subsequently been verified by our external auditors.

This paper is to report on the reasons behind the deficit, the forecast break even position that had been reported and any changes that will be implemented as a result.

#### 2 Reasons for deficit:

Flexible Workforce Development Fund income forecast that was not realised in the period to July 2018. Previous monitoring reports had indicated that income would be £41,000 higher and forecasts had been prepared on that basis. Guidance from SFC was revised during the year to allow some flexibility in the timing of the training delivered by the project, and final figures on training actually delivered were not available until after July.

Costs associated with implementation of technical note issued in respect of National Bargaining agreements not known until June, which amounted to £23,000.

Employee costs associated with a member of staff deciding to leave after a long term absence were not known until August, which resulted in additional costs of £10,000 accrued at the year-end.

These costs did not occur until after the May F&GP committee meeting at which a break-even position had been forecast and reported.

#### 3 Changes implemented as a result of the Review:

- 1 More detailed explanation provided in Budget papers to Committee on assumptions and rationale for forecast positions.
- 2 Ensure ongoing and regular communication with managers particularly where there are new funds/alternative income streams
- 3 To provide for a contingency of £50k in the annual budget – to be released at the end of June if not required.
- 4 The Chair of F&GP and the Regional Chair to be notified as soon as a deficit position is likely to be incurred.

## Board of Management

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### **5 Funding the Deficit**

As the deficit for 2017-18 has been charged against reserves, the budget for 2018-19 will be revised with the aim of ring-fencing the income which was delayed at the year-end, and achieve a surplus for 2018-19 to be returned to reserves.

If a surplus cannot be achieved during the current year, the Board would need to approve the use of historic reserves if necessary to fund any balance deficit that cannot be recovered.

### **5 Recommendation**

Members are invited to discuss the report and approve the use of up to £74,000 of historic reserves to fund any deficit that cannot be recovered by returning a surplus in 2018-19.

Karen Hunter, Head of Finance  
Carol Turnbull, Principal  
November 2018



# Board of Management Evaluation of Board Development Plan 2017-18

Code of Good Governance Criteria  Development Planned for 2017-18	Our performance in the last 12 months	Outstanding Actions to be included in the 2018-19 Board Development Plan
<b>1. LEADERSHIP &amp; STRATEGY</b> <ul style="list-style-type: none"> <li>Board to ensure it has overarching leadership of performance-monitoring by taking stock of which KPIs and other performance indicators are overseen by which committees, and ensuring it makes clear whether it expects committees to examine performance issues in more detail and report progress back</li> <li>Build on existing partnership and collaboration by identifying and focussing new efforts on a few 'hard to reach' strategic stakeholders, e.g. certain employers or parts of the region</li> </ul>	<p>1.1 Review of Board Committees, Remits and Membership</p> <ul style="list-style-type: none"> <li>A review and update of committee remits and membership was undertaken in March 2017.</li> <li>During the Self Evaluation of the Board in January 2018 the Board scored the operation of the Board's Committees very highly</li> </ul> <p>1.2 SLWGs (response to 2015-16 Education Scotland college evaluation)</p> <ul style="list-style-type: none"> <li>Reported to the Board in Oct 2017 - implementation plans approved</li> </ul> <p>1.3 Board Engagement</p> <ul style="list-style-type: none"> <li>Chair of the Board provided a session as part of an All Staff Session</li> <li>Mentoring proposal replaced by a Board Links scheme, linking Board Members to Curriculum Managers. Proposal developed and approved for implementation in September 2018</li> </ul> <p>1.4 Stranraer Strategy</p> <ul style="list-style-type: none"> <li>A Strategy update was presented to the Board in June 2017. A number of key actions were identified. Further employer discussion had led to some development being included in the SOSEP bid, achieving subsequent funding. Roll out of this project will significantly affect the developing strategy</li> </ul> <p>1.5 Vision 2020</p> <ul style="list-style-type: none"> <li>This has been reviewed and the document updated</li> </ul> <p>1.6 Meetings are taking place with local area committees and relevant council committee chairs. This remains an ongoing element of communication</p> <ul style="list-style-type: none"> <li>To 'refresh' relationships and meet new councillors</li> <li>To 'refresh' relationships and meet new MSPs and MPs</li> </ul>	<p><b>1.3</b></p> <ul style="list-style-type: none"> <li>Board Links scheme to be implemented in September 2018</li> </ul> <p><b>1.4</b></p> <ul style="list-style-type: none"> <li>Stranraer Strategy to be finalised</li> </ul>

# Board of Management Evaluation of Board Development Plan 2017-18

Code of Good Governance Criteria  Development Planned for 2017-18	Our performance in the last 12 months	Outstanding Actions to be included in the 2018-19 Board Development Plan
<b>2. STUDENT EXPERIENCE</b> <ul style="list-style-type: none"> <li>Take stock of the range of mechanisms that should be used to ensure the Board engages with students, e.g. existing student member reports to the Board, hear more from student representatives, invitations to attend student events</li> <li>For the Board to consider the review of the Learning and Teaching Committee and its relationship with the Board in the light of the requirements of the new Education Scotland Quality Framework.</li> </ul>	<p>2.1 Ongoing work of the Board Student Engagement Sub-group</p> <ul style="list-style-type: none"> <li>Sub-Group reported back to the Board in March 2018. The objectives of the group had been met</li> </ul> <p>2.2 Student Association new appointments started on 1<sup>st</sup> July 2017</p> <ul style="list-style-type: none"> <li>Induction provided and training opportunities offered and taken up when able to attend</li> <li>Partnership Agreement, Development Plan and Evaluation Plan from SA developed and approved in October 2017</li> <li>Constitution in place – December 2017</li> </ul> <p>2.3 SA to work in partnership with Wallace Hall Academy</p> <ul style="list-style-type: none"> <li>Contact with Wallace Hall Academy has been made and the SA President attended an open meeting at the school to highlight how the links between the college and school</li> </ul> <p>2.4 Learning and Teaching Committee review</p> <ul style="list-style-type: none"> <li>Part of the Board Self Evaluation – as 1.1</li> </ul>	
<b>3. ACCOUNTABILITY</b> <ul style="list-style-type: none"> <li>Review board agendas to make best use of time by ensuring papers for decision or substantive discussion come first and papers for noting, including committee minutes, are not discussed unless members ask the Chair or Secretary beforehand</li> <li>Minutes of committee meetings which meet infrequently to be made available to the Board more quickly, in draft if necessary; more generally ensure all minutes make clear the</li> </ul>	<p>3.1 Board Meetings:</p> <ul style="list-style-type: none"> <li>Draft minutes from Board Committees now coming to the Board to support availability of up to date information</li> <li>Board Members reminded to contribute to the agenda at each meeting</li> <li>Structure and length of Board meetings reviewed as part of Board Self Evaluation in Jan 18</li> </ul> <p>3.2 Board Engagement</p> <ul style="list-style-type: none"> <li>As 1.3</li> </ul> <p>3.4 Training</p> <ul style="list-style-type: none"> <li>All members of the remuneration committee have completed the obligatory national on-line training</li> <li>CDN National Induction Training Workshop – see 5.2</li> </ul>	

## Board of Management Evaluation of Board Development Plan 2017-18

Code of Good Governance Criteria  Development Planned for 2017-18	Our performance in the last 12 months	Outstanding Actions to be included in the 2018-19 Board Development Plan
<p><i>reasons for decisions</i></p> <ul style="list-style-type: none"> <li>○ <i>Take stock of the range of sources of evidence on staff views available to the Board and ensure that sources provide a breadth of information; explore mechanisms for more board member engagement with staff, including clarity of its purpose and how findings are fed back to the Board</i></li> <li>○ <i>Ensure all members of the Remuneration Committee complete the obligatory national on-line training and new board members attend the national induction training workshop</i></li> </ul>	<ul style="list-style-type: none"> <li>○ Regional Chair, Board Members and Board Secretary continue to access CDN workshops and on-line training</li> <li>○ Regional Chair, Board Members and Board Secretary continue to seek and access relevant training opportunities</li> </ul>	
<p><b>4. BOARD EFFECTIVENESS</b></p> <ul style="list-style-type: none"> <li>○ <i>Review the induction programme offered to new board members to ensure it meets their needs, and includes opportunities to meet the Executive Team and other board members</i></li> </ul>	<p>4.1 Review of Board Member Induction programme</p> <ul style="list-style-type: none"> <li>○ Completed in 2016/17, in line with recommendations. Structured programme is adapted to suit individuals</li> <li>○ This also includes a 'Buddy' system for new Board Members</li> </ul> <p>4.2 Continually Review Effectiveness of Board Meetings</p> <ul style="list-style-type: none"> <li>○ This is being continually reviewed</li> </ul> <p>4.3 Provide a Positive Statement about how the Board Operates</p> <ul style="list-style-type: none"> <li>○ This action was reviewed. Decision that this statement is not required as it is implicit in all of the statements made within college leaflets and within the college's 5 year strategic plan, Vision 2020.</li> </ul>	<p><b>4.7</b></p> <ul style="list-style-type: none"> <li>○ Meeting to take place 2018-19</li> </ul>

## Board of Management Evaluation of Board Development Plan 2017-18

Agenda Item No 9.1  
BoM 11.12.18

Code of Good Governance Criteria  Development Planned for 2017-18	Our performance in the last 12 months	Outstanding Actions to be included in the 2018-19 Board Development Plan
	<p>4.4 Succession Planning to be considered by Board Development Committee</p> <ul style="list-style-type: none"> <li>○ Succession planning and review of Committee Membership continues to be regularly undertaken</li> </ul> <p>4.5 To consider the use of Case Studies as part of discussion/development at a board development event</p> <ul style="list-style-type: none"> <li>○ Case Study used at joint Borders/D&amp;G College meeting in November 2017</li> </ul> <p>4.6 Feedback from SLWGs to be fed back to the Board</p> <ul style="list-style-type: none"> <li>○ As 1.2: Paper to the Board in Oct 2017. Implementation plans approved</li> </ul> <p>4.7 Arrange a date for the Chair and Secretary of the Multi-cultural Association to visit the college</p> <ul style="list-style-type: none"> <li>○ Meeting to take place Autumn 2018</li> </ul>	
<b>5. INDIVIDUAL EFFECTIVENESS</b>	<p>5.1 Equality &amp; Diversity Training</p> <ul style="list-style-type: none"> <li>○ Sessions organised with option of 3 dates to facilitate attendance, the first date is June 2018</li> </ul> <p>5.2 CDN Induction Programme – 8 members to attend</p> <ul style="list-style-type: none"> <li>○ 2 Members still to attend, places to be booked for 2018-19</li> </ul>	<p><b>5.2</b></p> <ul style="list-style-type: none"> <li>○ CDN Induction Programme – Two Members still to attend, to attend during 2018-19</li> </ul>
<b>6. RELATIONSHIPS &amp; COLLABORATION</b>	<p>6.1 Joint Meeting with Borders</p> <ul style="list-style-type: none"> <li>○ Meeting held on 20 Nov 17 and attended by Paul Smart. Important strategic issues discussed, action agreed and taken forward</li> </ul> <p>6.2 Stakeholder Involvement/Events:</p> <ul style="list-style-type: none"> <li>○ DYW Regional Board and SOS Enterprise Agency have been involved in events during the year</li> <li>○ South of Scotland Enterprise Interim Partnership Group (SOSEP)</li> <li>○ Learner Journey/Local Schools Stakeholders attended and presented at the Board of Management meeting on 12 Dec 18</li> </ul>	<p><b>6.1 &amp; 6.2</b></p> <ul style="list-style-type: none"> <li>○ Next Joint meeting with Borders College Board – 6 Nov 2018. The Chair of SOSEP is attending.</li> <li>○ Provides the opportunity for collaboration across the South of Scotland</li> </ul>

Board Development Plan 2018-19			
Code of Good Governance Criteria  Board Aims	Developments identified from the Board Self Evaluation and Board Development Day – January 2018 + Actions carried forward from 2017-18	Timescale	Progress / Achieved  October 2018
<b>1. LEADERSHIP &amp; STRATEGY</b>  To improve how we link strategic priorities of the sector with the strategic priorities of the college in order to maximise funding and to inform decision making  To understand and improve how, as Board Members, we affect change within the sector nationally and regionally through an improved internal information system	<b>1.1 Board Engagement</b> o Implementation of Board Links scheme  <b>1.2 Strategic Direction for Stranraer</b> o Stranraer Strategy to be finalised  <b>1.3 Improve Knowledge of Regional College Business</b> o 'Blogs' to be provided by managers within the college and to be read by Board Members  <b>1.4 SoSEP</b> o Ensure good governance arrangements are in place, including appropriate knowledge and leadership for the projects	<b>September 2018</b>  <b>8 March 2019</b>  <b>Ongoing</b>  <b>January 2019</b>	<b>1.1</b> o Commenced September 2018  <b>1.2</b> o  <b>1.3</b> o Implemented and content extremely helpful  <b>1.4</b> o
<b>2. STUDENT EXPERIENCE</b>	<b>2.1</b> o Enhanced training, new support structure and budget for SA, with ongoing feedback to monitor benefits of the change, in particular: <ul style="list-style-type: none"> <li>Improved student voice</li> <li>Support Engagement of students</li> </ul> o To be evaluated in January 2018,	<b>Ongoing</b>  <b>January 2019</b>	<b>2.1</b> o Interim budget update and benefits report received by F&GP Committee in Nov 2018
<b>3. ACCOUNTABILITY</b>	<b>3.1 Board Meetings</b> o Continue to review and improve the effectiveness of meetings	<b>Ongoing</b>	<b>3.1</b> o Introduced indicative times to the agenda

Board Development Plan 2018-19			
Code of Good Governance Criteria  Board Aims	Developments identified from the Board Self Evaluation and Board Development Day – January 2018 + Actions carried forward from 2017-18	Timescale	Progress / Achieved  October 2018
<b>4. BOARD EFFECTIVENESS</b>	<p><b>4.1</b></p> <ul style="list-style-type: none"> <li>Meeting for the Chair and Secretary of the Multi-cultural Association to visit the college to be arranged</li> </ul> <p><b>4.2</b> Board Member Induction</p> <ul style="list-style-type: none"> <li>Further review of Board Member Induction Programme using a suggested checklist developed for consideration</li> </ul> <p><b>4.3</b> Succession Planning</p> <ul style="list-style-type: none"> <li>Continue review and succession planning</li> </ul>	<p><b>December 2018</b></p> <p><b>November 2018</b></p>	<p><b>4.1</b></p> <ul style="list-style-type: none"> <li>Board Member organised this and meeting is scheduled</li> </ul>
<b>5. INDIVIDUAL EFFECTIVENESS</b>	<p><b>5.1</b> CDN Board member Induction Programme</p> <ul style="list-style-type: none"> <li>5 members to attend (2 from 2017-18 and 3 new members from 2018-19)</li> </ul> <p><b>5.2</b> Training</p> <ul style="list-style-type: none"> <li>Regional Chair, Board Members and Board Secretary to continue to access CDN workshops and on-line training</li> <li>Regional Chair, Board Members and Board Secretary to continue to seek and access relevant training and development opportunities</li> </ul>	<p><b>June 2019</b></p> <p><b>Ongoing</b></p>	<p><b>5.1</b></p> <ul style="list-style-type: none"> <li>3 new members booked to attend</li> <li>2 members from 2017-18 to be booked onto a workshop</li> </ul>
<b>6. RELATIONSHIPS &amp; COLLABORATION</b>	<p><b>6.1</b></p> <ul style="list-style-type: none"> <li>Agree a reciprocal arrangement with Ayrshire College for attendance to each other's meetings</li> </ul> <p><b>6.2</b></p> <ul style="list-style-type: none"> <li>Continue joint Board Meetings with Borders College</li> </ul>	<p><b>March 2019</b></p> <p><b>November 2018</b></p>	<p><b>6.1</b></p> <ul style="list-style-type: none"> <li>Agreement made and will commence in March 2019</li> </ul> <p><b>6.2</b></p> <ul style="list-style-type: none"> <li>Meeting hosted by Borders College held on 6 November 2018.</li> </ul>

Board Development Plan 2018-19			
Code of Good Governance Criteria	Developments identified from the Board Self Evaluation and Board Development Day – January 2018 + Actions carried forward from 2017-18	Timescale	Progress / Achieved
Board Aims			October 2018
	<b>6.3</b> <ul style="list-style-type: none"> <li>o Develop/Maintain links with other Stakeholders</li> <li>o Develop collaboration across the South of Scotland</li> </ul>	Ongoing	<b>6.3</b> <ul style="list-style-type: none"> <li>o Visit from Board Member of NHS Board</li> <li>o Linked with, and have two Board Members also on, the DYW Board</li> <li>o The Chair of SOSEP is attending the Joint meeting with Borders College Board on 6 Nov 2018.</li> <li>o Provides the opportunity for collaboration across the South of Scotland</li> </ul>



## Board of Management

### Succession Planning

#### **1. Introduction**

Succession Planning has been on the agendas of the last Board Meetings and was also discussed at the Board Development Committee meeting on 26 November 2018. This paper brings together an update of the issues to be considered and approved.

#### **2. Non-Executive Members Terms of Office ending in March 2019**

Five non-executive Board Members have terms of office that end in March 2019. Each are eligible to have their terms extended and all were contacted regarding their potential extension.

It is to be noted that Stuart Martin will be retiring from the Board in March 2019, but would wish to remain involved and support the college. It was also noted that Ros Francis would consider extending her term of office, but would not be able to commit to remaining as Chair of F&GP after March 2019 due to other commitments

A skills assessment of Board Members was undertaken in November 2018 and the collated results were considered prior to making recommendation to extend terms of office. It is to be commended, that collectively the Board has a comprehensive spread of skills identified as good to strong, across the complete range of skills considered.

Taking due consideration of the information provided, Members agreed the following to be recommended to the Board:

- Delia Holland and John Henderson to be extended for three years
- Barry Graham and Ros Francis to be extended for four years
- Recruitment to fill the vacancy created by Stuart Martin retiring from the Board

These extensions will be subject to approval by Scottish Government Ministers.

#### **3. Succession Planning for Chairs of Board Committees**

There will be a review of the Chairs of the Human Resources, Audit and Finance & General Purposes Committees, along with a review of the Vice Chair and Senior Independent Member role prior to the Board Meeting in June 2019.

Consideration for appointing an interim Chair for the Human Resources Committee will be brought to the Board for discussion and approval.

#### **4. Board Committee Membership**

The committee Chairs of the Finance & General Purposes and Remuneration Committees are looking to recruit new members to increase the membership.



## Board of Management

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### 5. Recommendations

The Development Committee recommend for approval by the Board, the following, (extensions being subject to approval by Scottish Ministers):

- Delia Holland and John Henderson to have their term of office extended for three years
- Barry Graham and Ros Francis to have their term of office extended for four years
- Recruitment to fill the vacancy created by Stuart Martin retiring from the Board
- Recruitment to an interim Chair of the Human Resources Committee following discussion

Brian Johnstone  
Board Chair  
4 December 2018

## Board

### Strategic Risk Register

#### 1 Introduction

- 1.1 The purpose of this paper is to provide the Learning and Teaching Committee with the opportunity to review the College's Strategic Risk Register.

#### 2 The Report

- 2.1 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 22 strategic risks, 6 of which are rated 9 (Amber = Significant risk) or above.

#### 2.2 Committee Reporting

As the Strategic Risk Register is now presented at each committee and members asked to pay particular attention to risks pertaining to the work of that committee, the end column on the risk register has been amended to include the name of the Committee who would have 'oversight' of that risk so that members can focus on these in their discussions. There is still the opportunity to discuss other risks at full Board meetings.

#### Changes have been made to the following:

- **Risk No 3.5 – 'Industrial Relations Problems'.** Likelihood increased to 5 as EIS have announced dispute with Management side and are currently balloting members re taking industrial action.
- **Risk No 3.11 'Failure to meet the SOSEP funded project deadlines'.** This risk has been added after discussion at the previous BoM meeting to highlight the importance of meeting project deadlines and milestones.
- **Risk No 3.12 – 'Failure to reach contractual agreement with CITB regarding delivery of Construction related Apprenticeships'.** Failure to reach contractual agreement with CITB regarding delivery of Construction related Apprenticeships. New risk added as agreement has not been reached and matters are becoming 'business critical'.
- **Risk No 2.1 – Arithmetical error –** Post mitigation score amended to 6 (noted by F& GP committee)
- **Risk No 2.5 –** Comment 'Only £25,000' added under mitigation (recommended by F&GP Committee)

#### 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 2018

Post Holders	Board	Board of Management	HoC	Head of Curriculum	HoSS&G	Head of Student Support & Guidance
	ELT	Executive Leadership Team	HoP&Q	Head of Planning & Quality		
	CLT	College Leadership Team	HoF	Head of Finance		
	PRIN	Principal	HoHR	Head of Human Resources		
	VPL&S	Vice Principal Learning & Skills	HoBD	Head of Business Development		
	VPBD&CS	Vice Principal Business Development	HoCS	Head of Corporate Services		

Score	Impact	Likelihood
1	Routine	Remote
2	Minor	Unlikely
3	Significant	Possible
4	Major	Probable
5	Critical	Very likely

Risk Number	POTENTIAL CONTRIBUTING FACTORS			TREATMENT	POST MITIGATION EVALUATION					
	Risks	Impact	Likelihood	Score	Mitigation Actions	Impact	Likelihood	Score	Monitoring	Responsibility /Committee Oversight
1	Strategic and Structural									
1.1	Failure of College strategy to meet the needs of Dumfries and Galloway Region and/or national priorities (eg Employability, DYW , attainment, articulation)	4	4	16	<ul style="list-style-type: none"><li>Robust strategic planning</li><li>Effective environmental scanning</li><li>Strong partnerships</li><li>Clear links between strategy and practice</li><li>Concerted demands for increased activity levels</li></ul>	4	1	4	<ul style="list-style-type: none"><li>Robust monitoring via ROA</li><li>Clear performance metrics</li><li>Amendment of strategic direction/plans</li><li>Rolling curriculum review</li></ul>	Board, ELT  BoM
1.2	College may be disadvantaged by changes to either UK or Scottish Government policies	4	3	12	<ul style="list-style-type: none"><li>Effective environmental scanning</li><li>Negotiation/influence at national level</li></ul>	4	2	8	<ul style="list-style-type: none"><li>Review of changes and amendment of strategic direction/plans</li><li>Financial strategy sensitivities</li></ul>	ELT  BoM
1.3	College disadvantaged by changes arising from UK leaving European Union	3	4	12	<ul style="list-style-type: none"><li>Negotiation/influence at national level</li><li>Review of activities/ projects</li><li>Responsiveness to new opportunities</li></ul>	2	2	4	<ul style="list-style-type: none"><li>Review of changes and amendment of strategic direction/plans/ curriculum</li><li>Financial strategy not ESF dependent</li></ul>	ELT  BoM

Post Holders	Board	Board of Management	HoC	Head of Curriculum	HoSS&G	Head of Student Support & Guidance
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Risk Number	POTENTIAL CONTRIBUTING FACTORS			TREATMENT		POST MITIGATION EVALUATION				
	Risks	Impact	Likelihood	Score	Mitigation Actions	Impact	Likelihood	Score	Monitoring	Responsibility/ Committee Oversight
<b>2</b>	<b>Financial</b>									
<b>2.1</b>	Change in SFC Funding Methodology and Allocation – Reduction in Funding	3	3	9	<ul style="list-style-type: none"> <li>Negotiation/influence at national level</li> <li>Contingency plans for reduced funding</li> </ul>	2	3	6	<ul style="list-style-type: none"> <li>Advance modelling of new funding methodologies and allocations</li> <li>Monitoring impact of changes</li> <li>Amendment of strategic or operational direction/plans</li> <li>Financial strategy sensitivities</li> </ul>	ELT F&GP
<b>2.2</b>	Failure to achieve institutional sustainability	5	4	20	<ul style="list-style-type: none"> <li>Protection of funding through dialogue with SFC</li> <li>Robust annual budget-setting and multi-year financial strategic planning (from 2018-19)</li> <li>Effective budgetary control</li> <li>Where required, swift action to implement savings</li> </ul>	4	3	12	<ul style="list-style-type: none"> <li>Regular monitoring of budgets</li> <li>Regular review of financial strategy and non-core income sensitivity</li> </ul>	CLT F&GP
<b>2.3</b>	Salary and conditions of service pressures outstrip ability to pay	4	4	16	<ul style="list-style-type: none"> <li>Influence within Employers Association</li> <li>Management of staffing expenditures</li> </ul>	4	3	12	<ul style="list-style-type: none"> <li>Expenditure modelling</li> <li>On-going discussions with staff</li> <li>Financial strategy sensitivities</li> </ul>	ELT HoHR F&GP

Post Holders	Board	Board of Management	HoC	Head of Curriculum	HoSS&G	Head of Student Support & Guidance
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Risk Number	POTENTIAL CONTRIBUTING FACTORS			TREATMENT		POST MITIGATION EVALUATION				
	Risks	Impact	Likelihood	Score	Mitigation Actions	Impact	Likelihood	Score	Monitoring	Responsibility/ Committee Oversight
<b>2</b>	<b>Financial</b>									
<b>2.4</b>	Financial Fraud	4	3	12	<ul style="list-style-type: none"> <li>Strong financial controls: segregation of duties and review of transactions.</li> <li>Review of impact of any changes in structure or duties</li> <li>Whistleblowing arrangements</li> </ul>	3	2	6	<ul style="list-style-type: none"> <li>Continuous review of financial controls</li> <li>Internal Audit programme</li> </ul>	HoF Audit
<b>2.5</b>	Scotlands Colleges Foundation refuses/withholds funding for key College priorities	5	3	15	<ul style="list-style-type: none"> <li>Only £25,000. Appropriate bid arrangements in place</li> </ul>	3	2	6	<ul style="list-style-type: none"> <li>Monitor and advise Board of Management</li> </ul>	HoF F&GP
<b>2.6</b>	Failure to achieve credit (activity) target	5	3	15	<ul style="list-style-type: none"> <li>Real time monitoring system</li> <li>Identify &amp; implement additional/alternative provision where required</li> </ul>	4	2	8	<ul style="list-style-type: none"> <li>Continuous review of progress v targets.</li> <li>Make provision in budgets for clawback if required</li> </ul>	ELT HoC HoP&Q F&GP
<b>2.7</b>	Insufficient Student Support Funding to meet demand.	4	5	20	<ul style="list-style-type: none"> <li>Strong financial monitoring</li> <li>Possible opportunity to request additional in year funding</li> </ul>	4	4	16	<ul style="list-style-type: none"> <li>Continuous monitoring of demand v funding allocation.</li> <li>Ongoing dialogue with Scottish Funding Council</li> </ul>	PRIN HoF F&GP

Post Holders	Board	Board of Management	HoC	Head of Curriculum	HoSS&G	Head of Student Support & Guidance
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Score	Impact	Likelihood
1	Routine	Remote
2	Minor	Unlikely
3	Significant	Possible
4	Major	Probable
5	Critical	Very likely

Risk Number	POTENTIAL CONTRIBUTING FACTORS			TREATMENT		POST MITIGATION EVALUATION				
	Risks	Impact	Likelihood	Score	Mitigation Actions	Impact	Likelihood	Score	Monitoring	Responsibility /Committee Oversight
<b>3</b>	<b>Organisational</b>									
<b>3.1</b>	Legal actions; serious accident; incident or civil/criminal breach	4	5	20	<ul style="list-style-type: none"> <li>Adherence to legislative and good practice requirements</li> <li>Positive Union relations and staff communication</li> <li>Effective management development programmes</li> </ul>	3	2	6	<ul style="list-style-type: none"> <li>Monitoring and reporting in key areas – eg H&amp;S, equalities, employee engagement</li> <li>Continuous professional development</li> <li>Internal audit programme</li> <li>Staff surveys</li> </ul>	ELT BoM
<b>3.2</b>	Reputational Risk – Loss of reputation with key stakeholders	4	3	12	<ul style="list-style-type: none"> <li>Marketing strategy</li> <li>Positive marketing approaches</li> </ul>	4	2	8	<ul style="list-style-type: none"> <li>Stakeholder engagement</li> <li>Social media monitoring arrangements</li> </ul>	PRIN VPBD&CS HoP&Q BoM
<b>3.3</b>	Disasters – eg Fire, MIS Failure, Failure of Emergency Procedures	5	4	20	<ul style="list-style-type: none"> <li>Sound systems of administration</li> <li>Clear fire and disaster recovery arrangements</li> <li>Staff CPD</li> </ul>	5	1	5	<ul style="list-style-type: none"> <li>Business Continuity Plan including scenario testing</li> </ul>	VPBD&CS VPL&S HoCS BoM
<b>3.4</b>	Failure to meet Prevent and related obligations	5	3	15	<ul style="list-style-type: none"> <li>Prevent training</li> <li>Staff awareness and contingency planning</li> <li>Engagement/practice sharing with local agencies</li> </ul>	5	1	5	<ul style="list-style-type: none"> <li>Business Continuity Plan including scenario testing</li> <li>Information sharing with local agencies</li> </ul>	VPBD&CS HoCS BoM

Post Holders	Board	Board of Management	HoC	Head of Curriculum	HoSS&G	Head of Student Support & Guidance
	ELT	Executive Leadership Team	HoP&Q	Head of Planning & Quality		
	CLT	College Leadership Team	HoF	Head of Finance		
	PRIN	Principal	HoHR	Head of Human Resources		
	VPL&S	Vice Principal Learning & Skills	HoBD	Head of Business Development		
	VPBD&CS	Vice Principal Business Development	HoCS	Head of Corporate Services		

Score	Impact	Likelihood
1	Routine	Remote
2	Minor	Unlikely
3	Significant	Possible
4	Major	Probable
5	Critical	Very likely

Risk Number	POTENTIAL CONTRIBUTING FACTORS			TREATMENT		POST MITIGATION EVALUATION				
	Risks	Impact	Likelihood	Score	Mitigation Actions	Impact	Likelihood	Score	Monitoring	Responsibility /Committee Oversight
<b>3</b>	<b>Organisational (cont.)</b>									
<b>3.5</b>	Industrial Relations Problems (including industrial action)	4	5	20	<ul style="list-style-type: none"> <li>Adherence to legislative and good practice requirements</li> <li>Positive Union relations and staff communication</li> <li>Effective management development programmes</li> <li>Industrial action continuity planning</li> </ul>	4	5	20	<ul style="list-style-type: none"> <li>Regular union/management dialogue</li> <li>Regular employee engagement monitoring</li> <li>Open communication with staff</li> <li>EIS declare dispute, announce intention to ballot staff for industrial action</li> </ul>	ELT HoHR  HR
<b>3.6</b>	Failure to achieve ambitions of ICT strategy; strategy and development is ineffective	4	4	12	<ul style="list-style-type: none"> <li>Planning, careful phasing of changes to processes and systems</li> <li>Effective management of ICT arrangements</li> </ul>	4	2	8	<ul style="list-style-type: none"> <li>Regular review/reporting on milestones, systems effectiveness etc</li> <li>Regular CPD</li> </ul>	VPBD&CS HoCS  Audit
<b>3.7</b>	Breach of ICT/Cyber security	4	3	12	<ul style="list-style-type: none"> <li>Effective management of ICT arrangements</li> <li>Active ICT/data security monitoring and cyber security policy</li> </ul>	4	2	8	<ul style="list-style-type: none"> <li>Staff CPD on cyber security issues</li> <li>Regular security monitoring/testing</li> <li>Cyber resilience plan</li> </ul>	VPBD&CS HoCS  Audit

Risk Number	POTENTIAL CONTRIBUTING FACTORS			TREATMENT		POST MITIGATION EVALUATION				
	Risks	Impact	Likelihood	Score	Mitigation Actions	Impact	Likelihood	Score	Monitoring	Responsibility /Committee Oversight
<b>3</b>	<b>Organisational (cont.)</b>									
<b>3.8</b>	Breach of data security / data protection	5	4	20	<ul style="list-style-type: none"> <li>Effective management of ICT arrangements and GDPR compliance</li> <li>Mandatory staff CPD and awareness raising on data protection (relative to role)</li> </ul>	4	2	8	<ul style="list-style-type: none"> <li>Active data protection monitoring and auditing</li> <li>Effective information and data security policies in operation</li> <li>Regular data security monitoring/testing</li> <li>GDPR Action Plan</li> </ul>	VPBD&CS, HoCS Data users  Audit
<b>3.9</b>	Failure to reach aspirational standards in learning, teaching and service delivery	4	3	12	<ul style="list-style-type: none"> <li>Clear quality arrangements and priority actions</li> <li>Continuous self-evaluation and action planning</li> <li>Rigorous CPD arrangements in place</li> <li>Regular classroom observation and learner feedback arrangements</li> </ul>	3	2	6	<ul style="list-style-type: none"> <li>Comprehensive monitoring of key PIs and student/staff feedback</li> <li>Regular Stop and Review events</li> <li>External review and validation findings</li> </ul>	VPL&S, VPBD&CS HoP&Q HoC  L&T
<b>3.10</b>	Failure to achieve/maintain compliance arrangements, e.g. contracts; awarding bodies; audit.	4	3	12	<ul style="list-style-type: none"> <li>Robust strategic planning and monitoring</li> <li>Effective environmental scanning</li> <li>Strong partnerships</li> <li>Clear links between strategy and practice</li> </ul>	2	2	4	<ul style="list-style-type: none"> <li>Effective internal monitoring/review/verification arrangements</li> <li>External review findings</li> </ul>	PRIN CLT  Audit



Risk Number	POTENTIAL CONTRIBUTING FACTORS				TREATMENT	POST MITIGATION EVALUATION				
	Risks	Impact	Likelihood	Score	Mitigation Actions	Impact	Likelihood	Score	Monitoring	Responsibility /Committee Oversight
3	Organisational (cont.)									
3.11	Failure to meet the deadlines in our successful bid to SoSEP regarding the provision of Hub and Spoke model for Engineering, Construction and Care	3	4	12	<ul style="list-style-type: none"><li>Robust project planning in place and feedback via EMT to Board of Management</li><li>Clear and consistent approach to the project with Borders College</li><li>Independent scrutiny through clerk of works (for building works)</li><li>SFC involvement at all stages of the project</li></ul>	3	3	9	<ul style="list-style-type: none"><li>Curriculum development planning through L&amp;T Committee</li><li>Overall project through regular Board of Management updates</li><li>Further scrutiny through SoSEP Board</li></ul>	PRIN VP BD&CS  VP L&S  BoM
3.12	Failure to reach contractual agreement with CITB regarding delivery of Construction related Apprenticeships.	4	4	16	<ul style="list-style-type: none"><li>National issue, discussions with CITB, SQA now escalated to include SDS and Scottish Government.</li><li>Request to defer new qualification until 2019/20 being considered by SQA regulatory body.</li></ul>	4	4	16	<ul style="list-style-type: none"><li>Principal actively involved in national discussions.</li><li>Detailed scenario planning regarding costs of delivery and impact on college currently being completed.</li><li>Curriculum Manager involved in national forum exploring options.</li></ul>	PRIN VP L&S CM

## Board of Management

### South of Scotland Colleges Joint Vision

#### 1 Background

Members of our board attended a meeting with colleagues in Borders on 6 November 2018. At this meeting we heard presentations from Russell Griggs, Chair of SOSEP, and from Michael Cross, Interim Director, SFC.

We considered and discussed a paper which had been circulated previously by the Chairs and Principals of both colleges on Strategic Implications for the South of Scotland.

It was agreed that the Chairs and Principals would meet again on 8 November to consider matters raised at the joint board meeting and to develop a proposed draft vision for South of Scotland which would then be taken to individual college boards for approval.

#### 2 Draft Vision

A copy of the draft vision is attached.

It was agreed that each Board would consider the draft vision and then the Chairs and Principals will meet again to share the outcomes of discussions and agree a way forward.

#### 3 Consideration and Discussion

All colleagues have seen the initial paper on Strategic Implications, and the majority of our Board Members attended the joint board meeting, however it may be useful to note some of the points raised which in my view have a significant impact.

The creation of the South of Scotland Enterprise Agency will significantly alter the perception and expectations of (particularly public sector) stakeholders. This will have a direct effect on funding.

The colleges have successfully secured significant funding to create a digitally based learning and skills network. This will form the basis of future delivery across the south, and will open opportunities to link directly with business employers, schools, community, and other HE and FE stakeholders.

Key messages from SOSEP and others which might guide our strategy and outcomes include:

- A recognition of the importance of place and geography and how this links to our profile.
- The nature of different small communities requires to be understood
- A focus on young people, their education, training, skills and housing. To lead to attracting more young people to the region
- Digital support for businesses and education
- Clear focus on the success of our hub and spoke model forming the starting point for the ability for more people to be trained while in work
- High level of digital skills, meta skills required
- Learner Journey to be embedded
- Requirement for increased HE opportunities to be available across the south of Scotland
- Opportunities to control/lead partnerships with universities
- College Funding mechanisms, including rural dimension
- Outcome Agreement review

## Board of Management

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I look forward to discussions on the above. I welcome further observations from colleagues.

#### **4 Recommendation**

Board Members are asked to:

- Discuss the content of this paper
- Approve the vision in Appendix 1
- Provide views to be shared with Borders College Chair and Principal

**Brian Johnstone**

**Regional Chair**

**3 December 2018**

## Board of Management

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### Appendix 1

#### Revised vision

The shared ambition of Borders and Dumfries and Galloway Colleges is to improve the economy of the South of Scotland through inclusive growth. We will provide equitable access to businesses, communities and individuals across the South to education, training and skills and to personal, social and economic development opportunities, drawing from the best practice and research globally.

To achieve this Borders and Dumfries & Galloway Colleges are committed to working collaboratively to deliver their provision seamlessly through a digital and physical Skills and Learning Network using a distributed hub and spoke model.

30 November 2018

## Board of Management

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### South of Scotland Skills & Learning Network – Progress Update

#### **1 Purpose of the Report**

To update members on progress.

#### **2 The Report**

Scottish Government required a Progress and Monitoring Report to be submitted on a quarterly basis. This report is prepared by the 2 nominated Vice Principals from Borders and Dumfries and Galloway Colleges, following separate Oversight Group Meetings in each College, and then presented to the Project Board for approval, prior to submission.

The report provides a comprehensive update on progress, as well as financial monitoring information and it is proposed that the most up to date versions are presented to the Board of Management for their information and discussion.

The first Quarterly report is attached for members consideration.

#### **3 Recommendation**

Members are invited to discuss the paper.

***Carol Turnbull***  
***Principal***  
***December 2018***

## Board of Management



### Scottish Government Grants

#### Quarterly Monitoring Report

*(To be completed and returned by the lead SOSEP contact)*

<b>Project Title:</b>	The South of Scotland Skills and Learning Network: Globally Connected, Regionally Focussed Project and Get that Degree – Articulation Project
<b>Delivery Organisation:</b>	Dumfries and Galloway College and Borders College
<b>Geographic Area:</b>	Dumfries and Galloway and Borders
<b>SOSEP Contact:</b>	Cathy Mitchell
<b>Email Address:</b>	<a href="mailto:cmitchell@sfc.ac.uk">cmitchell@sfc.ac.uk</a>
<b>Telephone Number:</b>	0131 313 6699
<b>Grant Period:</b>	From: 08/2018 To: 10/2019
<b>Reporting Period:</b>	From: To:
<b>SG Lead Contact:</b>	Kimberley Daly

**Please select which SOSEP Workplan Theme your project contributes to:**

<b>Overarching</b>	<b>Communities</b>	<b>Farming, Forestry &amp; Land Management</b>	<b>Education &amp; Skills</b>
<b>Key Sectors</b>	<b>Business Support</b>	<b>Infrastructure</b>	<b>Support Costs</b>

*Our Economic Strategy and Programme for Government commit us to driving inclusive economic growth across the South of Scotland that sustains and grows communities, and harnesses the potential of people and resources.*

**Please outline how your project is helping us to deliver on that objective.**

The projects will deliver:

- the creation of hub and spoke model to provide new facilities across the south of Scotland to facilitate digital learning in rural locations; and
- the development of a coherent regional model to deliver increased pathways to higher education for learners in the South of Scotland through articulation

As a result of this investment the curriculum offer in the South of Scotland will better respond to regional need. The project seeks to address the immediate skills gaps identified in the region in key sectors such as energy, construction and engineering, and in care. Through digital connection to the project Spokes it overcomes problems of access and widens choice to individuals, communities and businesses. The Hubs will enable

## Board of Management

opportunities for upskilling and re-skilling to the current and future workforce, improving the competitiveness and productivity of South of Scotland businesses.

The second strand of the project has two stages in supporting the development of a coherent regional model to deliver increased pathways to HE for learners in the South of Scotland, which are recognised to be currently lacking, through articulation.

### PROJECT MONITORING

**Please detail the specific outputs and outcomes delivered, and progress made towards the achievement of agreed milestones during the reporting period.**

Specifically, the funding will be used to support the delivery of:

- Three high quality learning centres that are digitally connected by August 2019;
- Three STEM hubs - physical and content – delivering training in three key economic sectors for the south of Scotland; and delivery of a mini-STEM hub for engineering at Stranraer Centre by August 2019;
- Two pilot digital spokes (Eyemouth High School and the Bridge, Dumfries) connected to the Centres and Hubs and to each other by August 2019;
- Eight further digital Spokes connected to the Centres and Hubs and Spokes by August 2019;
- Ten further digital Spokes connected to the Centres and Hubs and Spokes by August 2020;
- Enhanced volume of learners using articulation routes to successfully achieve higher learning outcomes;
- Routes for articulation in subject areas that support SOSEP priority sector areas; and
- Increased HEI engagement in the South of Scotland region

Progress at this early stage is outlined below.

Dumfries and Galloway College appointed a design team which will be led by Oberlanders Architects.

The design team have been working with the user groups within the College to work on initial designs of the three areas we are developing.

Planning permission has been granted for the extension at Stranraer which should help reclaim some time at the later stages.

Project teams are in place and meet on a weekly basis at minimum to discuss progress on each area. Meetings have also been held between key individuals at both colleges to ensure collaborative needs are being met.

#### **Dumfries and Galloway College highlights.**

**STEM Hub Dumfries** – Following regular and detailed conversations with the users of the new STEM hub, the architects have adapted and modified the drawings and have produced plans for final sign-off. Users views have been taken in account and the proposed plans are both practical and striking in their appearance. After signing off by the college's EMT plans area ready for submission for full planning.

**Mini STEM Hub Stranraer** – Drawings have, again, been completed and have been shared and agreed with the users. Feedback has been extremely positive. The architects have

## Board of Management

submitted plans for final sign-off by the college and, as with the plans at Dumfries, they will be submitted for final planning approval.

**Care Academy progress** – Users and the Curriculum Manager for Care have worked closely with architects and are progressing with the finer details of the plans, which including reminiscence room, particular lighting etc. Things are well placed in this aspect of the project and feedback from all involved is positive.

**Digital Spoke and Hub** – Key staff within the Local Authority have agreed to be on the project team within Dumfries and Galloway. The ICT manager for Dumfries and Galloway (newly appointed) has met with key stakeholders and has identified the ICT capacity for “The Bridge” which has good provision for connectivity. ICT manager has confirms that most school in the region have 500mbps connectivity. Both colleges have agreed a minimum ICT specification for “Spokes” and will shortly agree minimum spec for the Hubs too. ICT infrastructure audit for Stranraer will be carried out in the coming week. At this stage this element of the project is progressing well.

**Curriculum development** – Courses have been identified for delivery commencing in August 2019. Academic staff are currently working on developing a three year rolling curriculum plan for delivery through the project..

- **Care** will be developing an SQA National Progression Award (NPA) in Health and Social Care: Promoting Re-ablement (which is an SCQF level 6 award) course over the next 2 academic blocks and will offer this course from August. This will be complemented by HN in social services which is being developed by Borders College.
- **Engineering** – good progress is being made by our engineering colleague on the provision of an HNC in engineering to be delivered digitally. Units within the course may well also be used in short courses for “upskilling”. As with the care course this will be developed over the next 2 academic blocks and is scheduled for delivery in August 2019.
- **Renewables** – Dumfries and Galloway College also plans to offer our 12 weeks CREST course through this project, and again, good progress on developing this course has been made.
- **Short courses / Upskilling** – The Head of Service for short courses, open learning and work based learning has produced a new curriculum plan and is currently deciding upon a small number of courses to offer via the project.

To assist with the digital development of existing material, to make it suitable for digital delivery, the college currently sourcing a specialist in this field to assist curriculum staff.

In line with the above progress the college has started the process of staff development to ensure that curriculum staff have the necessary skills to deliver digitally. The Head of HR has commenced an audit around digital skills. This will allow targeted training to support staff deliver a digital course.

### **Borders College Highlights**

Borders have appointed an Architect and QS to the project, and contract notice has been submitted on PCS portal with return date of 1st October 18. Working groups have been agreed and detailed works around the key elements of the program are underway.

The pilot spokes at Eyemouth and Earlston High Schools have commenced with school delivery now taking place. Evaluation and review of the service is now in progress. We are



## Board of Management

currently compiling specifications and contacting suppliers for quotes concerning the creation of the Hubs at Galashiels.

**Please confirm whether the project is progressing as anticipated. If not, please outline any constraints or challenges experienced over the reporting period, and the actions taken / being taken to address them.**

There has been slippage from the original project development plan. This slippage is due to the timing of the announcement of funding.

After a review of the architects tenders we are confident that the project will be delivered on time and will not be affected in any way by the current slippage. However, current projections show an underspend in Financial Year 2018/19.

The architects are still in the process of designing and scoping the requirements for the Hubs, and they estimate that they will be able to provide an accurate timeline and revised projections for expenditure by the end of November. A full update on spend in Financial Year 2018/19 will be available once we receive these projections.

### FINANCIAL INFORMATION

**Please provide a detailed breakdown of actual expenditure to date for the reporting period, compared to planned expenditure detailed in your grant letter.**

## Board of Management

*Spend up to end of October. October final figures tbc*

Expenditure	Revenue/ Capital	Planned	Actual	Variance
Planning application	Revenue	£5,000	£5,000	-
Hub development (Gala) - IT software/services	Revenue	£0	£480	(£480)
Hub Development STEM/Care (Gala/Hawick) - Staff Training/Dev	Revenue	£0	£834	(£834)
Hub development (Gala/Hawick) - Project Management + 50% overall PM	Revenue	£4,622	£0	£4,622
Spoke development 1 - staff training	Revenue	£0	£179	(£179)
Spoke development 2 - equipment	Revenue	£0	£2,985	(£2,985)
Spoke development 3 - Project Management	Revenue	£0	£4,504	(£4,504)
Professional fees-Dumfries Renewable Technologies Centre	Revenue	£50,000	£9,036	£40,964
Professional fees-Stranraer Engineering	Revenue	£28,000	£7,146	£20,854
Professional fees-Dumfries Care Hub and STEM Centre	Revenue	£9,500	£7,146	£2,354
Professional Fees Hawick STEM and Care Hub	Revenue	£9,500	£1,170	£8,330
<b>TOTAL</b>		<b>£106,622</b>	<b>£38,480</b>	<b>£68,142</b>

**Please comment on any variance between planned and actual expenditure.**

- Some slippage of professional fees due to the timing of the start of the project, but architects are confident that this will not impact the target date for completion.
- A more accurate projection will be available when the proposals have been signed-off
- Virements between budget lines are expected to be proposed when cost estimates are updated
- Underspend on professional fees due to invoicing method. The original plan was for invoicing in stages however we have agreed 10 monthly instalments of £17,864.

**Do you anticipate that the full amount awarded in the current financial year will be claimed by 31<sup>st</sup> March? If not please tell us of any expected underspend.**

- Completion of the building work is expected to be July '19, in line with the original proposal/ estimated costs to 31 March 2019 are estimated to be £2.9m

**Print Name:**

**Signature:**

## Board of Management

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**Date:**

**Please return your completed report to:** Kimberley Daly, South of Scotland Team, Scottish Government, 5 Atlantic Quay, 150 Broomielaw, Glasgow, G2 8LU or by email to: [Kimberley.Daly@gov.scot](mailto:Kimberley.Daly@gov.scot)

## Board of Management

### South of Scotland Skills & Learning Network – Governance and Monitoring Arrangements

#### **1 Purpose of the Report**

To update members on governance and monitoring arrangements for the above project.

#### **2 The Report**

The Principal wrote to Scottish Funding Council asking for clarification on governance and monitoring arrangements in September 2018. Letter and response from SFC attached (Appendix 1).

Since that date, arrangements have been put in place as per Governance and Monitoring Structure diagram attached (Appendix 2). It has been agreed that, at this point, a Project Manager is not appropriate as there are a number of complex elements that make up the project, all of which require subject expertise, but this will be kept under review. A Project Coordinator has been appointed to ensure joint monitoring and update reports are available for the Programme Board.

A copy of the Oversight Group structure for Dumfries and Galloway College (Appendix 3) and a list of members of and terms and reference for the Project Board (Appendix 4) are also attached for information.

#### **3 Recommendation**

Members are invited to discuss the paper.

***Carol Turnbull***

***Principal***

***December 2018***

19 September 2018

Michael Cross  
SFC  
Interim Director, Access, Skills and Outcome Agreements  
97 Haymarket Terrace  
EDINBURGH  
EH12 5HD

Dear Michael

**South of Scotland Skills and Learning Network Project – SOSEP**  
**Get that degree – Articulation Project – SOSEP**

I am writing to enquire as to next steps in terms of financial and governance arrangements in respect of the above projects which were approved by SOSEP Board earlier this year. Specific queries relate to:

**1 Confirmation/Offer of Funding**

To date, we have not received any formal confirmation or offer of funding from Scottish Funding Council in respect of either of the above projects. Can I ask when we are likely to receive this as we have started work on both of these projects and are beginning to incur costs?

**2 Claims Processing and Expenditure monitoring and reporting**

Likewise, we have not yet received any guidance in terms of the financial arrangements such as how we will be able to 'pull down' this funding and what sort of claims/expenditure reporting we will be required to provide along with dates for reporting. As we are now incurring costs relating to these projects, we need to understand how we can claim these against the projects.

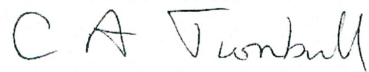
**3 Governance**

We were informed by SFC that a Programme Board would be established by SOSEP to ensure appropriate governance and monitoring and reporting arrangements. To date, we have not received any further correspondence on this matter. Are you able to clarify what these arrangements will be, or should I approach the SOSEP executive team directly?



I would be grateful for an early response to these queries so that delivery of the project is not delayed. We cannot continue to incur costs without formal agreements regarding total funding allocations, and guidance relating to financial and claims processes. We are also conscious that appropriate governance arrangements require to be in place.

Yours sincerely

A handwritten signature in black ink, reading "C A Turnbull". The letters are cursive and slightly slanted to the right.

**Carol Turnbull**  
**Principal**

cc  
**Brian Johnstone**  
**Angela Cox**  
**Tony Jakimciw**



Our ref: 253281581

10 October 2018

Carol Turnbull  
Principal & CEO  
Dumfries & Galloway College  
Bankend Road  
Dumfries  
DG1 4FD

Dear Carol,

**FUNDING TO DELIVER “THE SOUTH OF SCOTLAND SKILLS AND LEARNING NETWORK – GLOBALLY CONNECTED, REGIONALLY FOCUSED” PROJECT AND REGIONAL ARTICULATION**

Thank you for your letter of 19 September 2018 about the College's joint SoSEP projects: *South of Scotland Skills and Learning Network Project*; and the *'Get the Degree' Articulation Project*. I will address your questions in the order in which you raised them.

**Confirmation/Offer of Funding**

SFC has received confirmation of funding from the Enterprise and Cities Division at the Scottish Government for both the skills network and regional articulation projects. In order to move to the next stage - and to finalise our Offer of Grant letter - we need the following information from you and from Borders College:

- an update on the procurement workstream;
- monthly actual/projected spend until 31 March 2020; and
- an Equality and Human Rights Impact Assessments on the impact of the project

Each college will receive a separate of Letter of Grant outlining the joint arrangements.

**Claims Processing and Expenditure Monitoring and Reporting**

Guidance on monitoring and reporting will be detailed in the Offer of Grant letter, including on provision of quarterly progress reports and financial reporting as necessary for SOSEP's Executive Team. Additionally, the SoSEP funding is ring fenced: the Colleges will be able to draw down the required funding through the monthly cashflow returns submitted to SFC.

**Governance**

As set out in the proposal acceptance from SoSEP, we expect the project to be overseen by, and accountable to, a joint Programme Board. I attach the suggested project management diagram for the project, including the structure of the Programme Board.

I should be clear that it is for the Colleges to establish this joint board, as opposed to SoSEP, using the membership in the attached diagram and remit outlined below:

- the joint programme board should produce a business plan for the project which then drives the design, space and costings;
- project manager(s) should be accountable to the joint board for delivering on time on budget;
- any technical appointments should be the responsibility of the joint project board

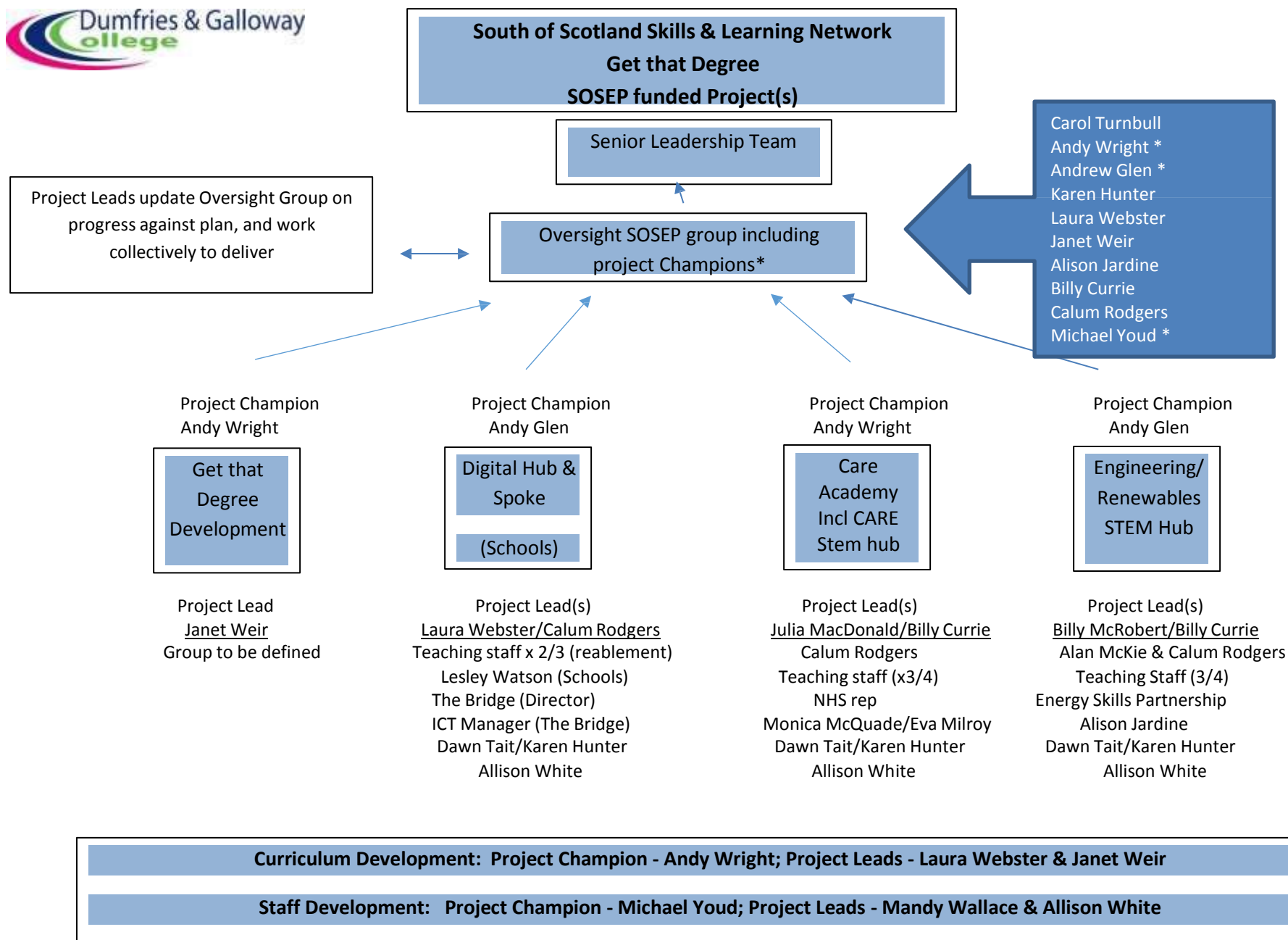
It is important this work is undertaken quickly to reinforce our collective ambition for tight and purposeful project governance. As ever, we stand ready to help and support.

I hope this helps, and I look forward to hearing how the projects are progressing.

Yours sincerely,



Michael Cross  
Interim Director – Access, Skills & Outcome Agreements  
0131 313 6670  
mcross@sfc.ac.uk





**South of Scotland Skills and Learning Network  
Project Board Meeting  
Terms of Reference**

**Membership**

Joint Chair – Angela Cox - Principal of Borders College  
Joint Chair – Carol Turnbull - Principal of Dumfries & Galloway College  
Project Sponsor – Cathy Mitchell - Assistant Director Scottish Funding Council  
Project Advisor – Ruairaidh MacNeil – Inverness Campus Project Director Highlands & Islands Enterprise  
Project Lead Borders College – Hazel Robertson - Vice Principal Finance and Corporate Services  
Project Lead Dumfries & Galloway College – Andy Glen - Vice Principal Business Development and Corporate Services  
Project Co-ordinator – Lynne Retallick – Finance Manager Borders College

**Deputies (optional attendance)**

It is expected that all members attend the Project Board meeting. Where this is not possible through annual leave, sickness or other circumstances an appropriate representative may be asked to attend.

**Quorum**

For decision making at least the Project Sponsor or a nominated deputy and at least 1 Principal or Vice Principal from each College should be in attendance.

**Reporting Arrangements**

A fortnight highlight report via email will be distributed among the Project board by the Project Co-ordinator.

A quarterly update newsletter will be circulated to all staff and key stakeholders across both Colleges.

**Purpose**

The Project Board Meeting has the responsibility to drive forward and deliver the outcomes and benefits of the Project as outlined in the project agreement.

**Roles and Objectives:**

To undertake this responsibility effectively the Project Board will:

- Exercise functional and financial authority to support the project
- Receive reports from the project leads and co-ordinator and monitor progress/authorise slippage
- Consider and approve or reject any requests for change in project scope
- Review risks, issues and exceptions and determine appropriate course of action based on recommendations from the project manager
- Develop a benefits realisation plan and monitor progress on delivery of outcomes

College Regional Boards will be updated on project progress through the Principals update report. Where procurement levels are over 100k the respective Regional Board will be responsible for approval.

The SFC retain overall responsibility for the financial delivery of the project as set out in the Confirmation/Offer of funding letter.

### **Frequency of Meetings**

Week commencing 12<sup>th</sup> November 2018

Week commencing 17<sup>th</sup> December 2018

Week commencing 18<sup>th</sup> February 2019

Week commencing 29<sup>th</sup> April 2019

Week commencing 5<sup>th</sup> August 2019

Week commencing 30<sup>th</sup> September 2019



## **Board of Management**

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### **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 and the Region, to feedback from various meetings and to encourage further discussion.

#### **2. Colleges Scotland (CS)/National/Sector**

- 2.1.** Non-Executive Directors Conference, Scott Moncrieff
- 2.2.** Met with new Outcome Agreement Director for South of Scotland
- 2.3.** Attended DYW Government National Advisory Group Meeting with Colleges Scotland Chair
- 2.4.** Attended CDN Annual Awards and was delighted to congratulate our two winners, for Sustainability and Colleague of the Year (Princes Trust Team Leader)
- 2.5.** CDN Audit Committee
- 2.6.** CS Audit Committee
- 2.7.** National Regional Chairs Meeting with Scottish Government

#### **3. Regional Business**

- 3.1.** Attended joint board meeting at Borders College plus meetings with Borders Chair
- 3.2.** Various one to one meetings with board colleagues
- 3.3.** Attended Board Committee meetings

#### **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  
4 December 2018

# Board of Management

## Principal and Chief Executive Report – December 2018

### 1 Purpose of the Report

To provide members with an update on key college and Policy initiatives.

### 2 The Report

#### 2.1 Awards

The College was very successful at the recent CDN awards, winning the Colleague of the Year Award (Alison Martin for her work and achievements with the Princes Trust) and a highly commended in the Sustainability category. (Whole College Sustainability Ethos, attitude, leadership and drive).

#### 2.2 Memorandum of Understanding with Glasgow School of Art

A MoU was recently signed with Glasgow School of Art to develop the final 2 years of a bespoke BA Hons in Creative Industries that will build on our HND and be delivered in Dumfries. We believe this collaboration will help us to address issues of widening participation and will also give Creative students the opportunity to remain in the region if they choose to do so for their studies. Over time, we also hope this will attract international students into the region.

#### 2.3 SPEN Green Economy Funding

The college has been successful in securing £195,000 that will allow us to provide access to a wider range of renewables technologies, which will be showcased in our new renewables STEM centre. The technologies will be used to provide practical solutions for our heating, power and water solutions as well as being used as vital teaching tools for the renewables sector.

This will provide an opportunity to engage directly with local businesses in a bid to strengthen and boost the region's green economy. The technology will also be used to provide much needed support for local vulnerable groups to ensure this facility benefits all areas of our

#### 2.4 College Sector Contractual Arrangements with Construction Industry Training Board

There had been no further movement since the last update provided in October, but a meeting is scheduled for 4 December and I may be able to provide a verbal update at the BoM meeting.

#### 2.5 Scottish Rural Parliament

Scottish Rural Parliament was hosted in Stranraer this year with many of the activities and events held in our Stranraer Campus. Hospitality students and staff were involved in the Reception evening and this provided an excellent opportunity for work experience.

#### 2.6 Employers Association and National Bargaining

EIS are currently balloting members for Industrial Action following the rejection of the pay award offer by the Management side. At the time of preparing this paper, the outcome is not known but a verbal update will be provided at the Board meeting, if available.

#### 2.7 Inward Investment Opportunity

I have been in dialogue for over a year now with a hotel company who are considering investing in the area. I was required to sign a non-disclosure agreement as negotiations are still at a sensitive stage but I understand the deal is almost at conclusion. This would create approximately 190 new jobs in the region and some of our hospitality team are now working with the company to develop appropriate training qualifications to provide a skills pipeline

## Board of Management

that will commence in August 2019. A robust marketing campaign will also be undertaken to attract applications for hospitality courses.

### **2.8 Joint University and College Principals Event**

A joint Ministerial event with college and university principals took place on Tuesday, 20 November 2018 at Edinburgh Napier University which was chaired by Mike Cantlay, Chair of the Scottish Funding Council (SFC). In my role as Chair of the College Principals' Group (CPG) along with Andrea Nolan, Convener of Universities Scotland, we shared a platform alongside Aileen McKechnie, Director of Advanced Learning and Science, Scottish Government and the Minister for Further Education, Higher Education and Science, Richard Lochhead MSP. The Minister focused his address on the Outcome Agreements and Letter of Guidance.

### **2.9 South of Scotland Education and Skills Theme Group**

The most recent meeting of this group focused on the progress thus far in the development of the Skills Investment Plan for the South of Scotland. An update was provided by Skills Development Scotland and comments and suggestions were made by members attending. It is hoped that the final report will be available to the SOSEP Board early in 2019.

### **2.10 Additional Support for Mental Health**

The 2018-19 Programme for Government entitled "[\*Delivering for today, investing in tomorrow\*](#)" was published on Tuesday 4 September 2018. The Programme includes a commitment by the Scottish Government in relation to mental health to expand provision of counsellors in schools, colleges and universities. Specifically, to provide, '*...more than 80 additional counsellors in Further and Higher Education over the next four years.*' Consultation is currently taking place on the best way to roll this out, taking account of the need for integration with existing NHS services and the support already available in schools.

## **3 Recommendation**

Members are asked to note the update.

Carol Turnbull  
Principal  
December 2018

## Board of Management

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## Board of Management

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

#### 1 Introduction

The purpose of this report is to update the Board of Management on recent developments in the Students' Association.

#### 2 Events/Training/Partnerships

##### **Sports Development Training, Learning and Coaching Workshop – Thursday 25<sup>th</sup> October.**

Continuing work in our new partnership with the Dumfries and Galloway Sports Activities Manager, Olly Driver, and his team. In January there will be 15 – 20 Leadership and Coaching training Courses available to staff and students, the only cost to the individual would be give up some time to volunteer. This would be great for their CV's and give them experience for leading and coaching in the future. The workshop also showcased mini fun fitness activities that we can fit around college timetables, using limited space in classrooms.

##### **Wellbeing Meeting with Alison McAughtrie – Monday 29<sup>th</sup> October.**

We have been working on Alison's idea of activity weeks. We have brainstormed how to make this a 6 week rolling activity tracker, focusing on mindfulness, Mental Health awareness, and how to deal with stress in and out of college. Each week has a different activity, highlighting a different aspect of Mental Health, and how to deal with it each week. Small prizes for completion of each 6 weeks.

##### **CoH Sync Mental Health Partnership – Wednesday 7<sup>th</sup> November.**

Following on from our new partnership in the Stranraer Campus, we now have a partnership with the Nithsdale counterpart for the Dumfries Partnership. They are going to give students and staff wellbeing and mindfulness classes, sessions talking to classes about Mental Health and wellbeing. Once a month there will be a drop in and also booked face to face sessions with a qualified Mental Health Practitioner. The first drop in was on **Wednesday 29<sup>th</sup> November**. There will also be a follow up to any staff and students who may need from their answers within the opt-in form. This will be all EU funded, so have no cost to the college.

##### **NUS Rural Mental Health Workshop, Stirling, Wednesday 21<sup>st</sup> November.**

This workshop focused on the mental health, loneliness and isolation of students and communities that are rural. As we are the only college in Dumfries and Galloway, we have students from all over the region. Some of our students face extra difficulties due to transport and being isolated socially, this workshop highlighted this and ways we could be more inclusive and supportive.

**The above new partnerships and activities are going to really help us as a college to gain higher accreditation for the NUS Healthy Bodies Healthy Minds Campaign. We currently have one out of 5 available stars!**

##### **Equality & Diversity and LGBT Wednesday 7<sup>th</sup> November.**

Delving into the issues that can arise with the LGBT community in regards to changing facilities, Gym Inductions, and how they can be treated. This was a great discussion that established issues, and how as a college we can overcome them, creating a safe and inclusive community.

##### **NUS Responsible Futures - Thursday 8<sup>th</sup> November.**

This workshop gave us great enthusiasm in what we could achieve on both campuses to increase our sustainability, and educate our students in responsible habits and the issues that our environment is facing. By December we will have a plan in place to encourage students and staff to be more responsible for their own futures, in an active and enjoyable way.

##### **NUS Healthy Bodies Healthy Minds –Monday 12<sup>th</sup> November.**

This workshop was designed to give us a vision on how we want to provide the campaign to our students. The campaign focuses on Mental Health, Physical Health, and Smoking Cessation and Prevention. We will provide this campaign to give staff and student's advice and information in an enthusiastic environment, which will hopefully improve their mental and physical wellbeing. This should help with student retention, concentration, and a more enjoyable college journey.

## Board of Management

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### **NUS Zones Conferences, Stirling Thursday 22<sup>nd</sup> November.**

A number of issues and topics were addressed and discussed throughout this workshop, including Brexit, Students with disabilities, Gender based violence, and current NUS campaigns. I also attended workshops about Student Association needs and funding, and Campaign Strategies.

### **3. Meetings**

The President and Vice President have attended various meetings since the last Learning & Teaching Committee meeting, including:

- Community Sports & Activities Manager / Disability Sports / Community Sports & Clubs Meeting follow-up. –Stranraer Campus.
- NHS CoH Sync Mental Health and wellbeing Partnership.
- Sports Development Training and Coaching.
- Wellbeing meeting with Alison McAughtrie (Library), 6 weeks rolling wellbeing activities.
- Joint Board of Management Meeting - Borders College.
- LGBT and Sue Livermore (Equality and Diversity Officer) with Gym induction discussion.
- Kaleidoscope
- Equality and Diversity Student Consultation.
- South of Scotland Regional Investment Plan. (Gave a great insight into the reasons that people are leaving Dumfries and Galloway after study.).
- NUS – Healthy Bodies Healthy Minds.
- NUS – Responsible Futures.
- NUS – Student Mental Health Agreement meeting with Katie Gowing
- Partnership Agreement signed with Carol Turnbull, highlighting ambitions and goals for the year, with an increase in student engagement.
- Education Scotland – Meeting with Neal Black, (Education Scotland & past President at Glasgow)
- Equality & Diversity Committee, and Drop-in
- CoH Sync Meeting, Nithsdale Clinic Thursday 6<sup>th</sup> December
- Princes Trust Graduations, both campuses
- DYW Meeting and supper
- Young Scot Learner's Journey Project

### **4. Moving forward**

Upcoming activities for the next month and onwards include;

- Campaign for Smoke Free Campus! Dumfries and Stranraer.
- Health & Wellbeing Plan with the new NHS Mental Health Partnership, Dumfries and Stranraer.
- Expand upon Student Association Clubs & Societies starting.
- Work in Partnership with DG Vibes and online platforms to promote Student Association Activities and interests.
- Volunteering Award to be offered to Student Executive, Student Council and Class Reps who work in partnership with the Student Association.
- Continue working in partnership with SPARQS, NUS and Education Scotland to access training, campaigns and events
- Promote our key focuses this year; Mental Health & Sustainability.
- Raise funds and awareness for our chosen charity – 'Support in Mind'.
- NUS – Work towards higher accreditation for Healthy Body Healthy Minds
- NUS – Work towards accreditation for Responsible Futures
- NUS – Mini Environmental Projects; on campus and in the community.
- NUS – Student eats; including setting up 'grow your own course'.
- Christmas Children's Choir, Stranraer campus.
- Upcoming – Sustainability push, single use plastics. Ongoing, awaiting water bottles.
- Upcoming – VR activity with Battlestations LTD, Dumfries and Stranraer – December
- Upcoming – Christmas Jumper day, both campuses

## Board of Management

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- Upcoming – Stranraer Jam Sessions(Jingle Jam, Wednesday 12<sup>th</sup> December), to be brought to Dumfries from January.
- Upcoming – Stranraer Mural Meeting, Wednesday 12<sup>th</sup> December.
- Upcoming –Physical Activity Wigtownshire meeting, followed by Walk Leaders training, Thursday 13<sup>th</sup> December.
- Apex Christmas Lunch – Stranraer, Tuesday 18<sup>th</sup> December.
- Upcoming – 10 minutes fun fitness to fit in through the college day, ongoing from December.
- Upcoming – Details of our amazing end of year event! Get your teams ready!

Full details of activities for the coming year are available on the Student Association working plan. Any relevant additions and events will be added throughout the year.(Appendix 1)

### **6. Recommendation**

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

Nikki-Marie Vjatschslav  
President  
Students' Association

November 2018



## Board of Management

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# Student Association

# Working Plan

# 2018-2019

## Board of Management

### August 2018

<u>Event</u>	<u>Date</u>	<u>Notes</u>
Welcome speeches	W/C Monday 13 August	Input from President and Vice President at student welcome sessions.
NUS training (in-house)	Wednesday 15 August	NUS lead and change training and NUS plan of work session for 2018/19.
Fresher's Week	Monday 20 August– Friday 24August	Both campuses. Various organisations, information and entertainment available. Organised with support from Quality.
Graduation ceremony	Wednesday 22 August	SA Executive helping with Leavers Destination survey.
Strategic and Operational Plan / Partnership agreement planning meeting	Monday 27 August	SA Exec, Quality Manager and Student Engagement Officer
Board of Management training	Monday 27 August	SA Exec meeting with Brian Johnston and Ann Walsh.
Police Scotland meeting	Wednesday 29 August	SA Exec meeting with community police officer.
Education Scotland meeting	Friday 31 August	SA Exec meeting with Juliet McAlpine.
Induction meetings	Various across month	Meetings between SA Executive and key college staff members.

## Board of Management

### September 2018

<u>Event</u>	<u>Date</u>	<u>Notes</u>
Student ideas/clubs and societies	W/C Monday 3 September W/C Monday 10 September	Sign-up sheets outside the SA.
Learning and Teaching Committee	Tuesday 4 September	Attended by President and Vice President.
World Suicide Prevention week	Tuesday 11 September (Dumfries) Thursday 13 September (Stranraer)	Manned information stands by Police Scotland (Risk Unit) and display by SA.
Lunchtime football	Wednesday 19 September (Stranraer) Monday 24 September (Dumfries)	Overseen by SA Exec, SA Liaison Officer and Student Engagement Officer. Run by students.
SPARQS Training (in-house)	Friday 21 September	SPARQS attending college to provide That's Quality training for SA Executive.
Equality and Diversity training	Tuesday 4 <sup>th</sup> September	Attended by President and Vice President.
Macmillan Coffee Morning (Stranraer)	Friday 28 September	
Charity decision	Throughout month	Information provided to Students. <ul style="list-style-type: none"> <li>• Support in Mind Scotland</li> <li>• Trussell Trust &amp; Apex</li> </ul>

## Board of Management

### October 2018

<u>Event</u>	<u>Date</u>	<u>Notes</u>
Macmillan Coffee Morning (Dumfries)	Monday 1 October	Attended and organised by President and Vice President.
Board of Management	Tuesday 9 October	Attended by President and Vice President.
World Mental Health Day	Wednesday 10 October	Interactive display done outside SA by Vice President
Halloween	Wednesday 31 October	Display done outside SA by President
Black History Month	Throughout month	Display done outside SA by Vice President

### November 2018

<u>Event</u>	<u>Date</u>	<u>Notes</u>
Anti-bullying week	W/C Monday 12 November	Display done outside SA by Vice President and Princes Trust Students
Children in Need	Friday 16 November	Guess the sweets in the jar done at both campuses
Learning and Teaching Committee	Tuesday 20 November	Attended by SA President
College open doors and Christmas market	Thursday 22 November	Attended by SA Vice President with fundraising activities for chosen charity.

## Board of Management

### December 2018

<u>Event</u>	<u>Date</u>	<u>Notes</u>
International volunteers day	Wednesday 5 December	
Board of Management	Tuesday 11 December	
Christmas Hamper Appeal (Trussell Trust and Dumfriesshire and Stranraer Foodbank)	Throughout month	
Student Christmas event	TBC	

### January 2019

<u>Event</u>	<u>Date</u>	<u>Notes</u>
Refreshers and Health Week	W/C Monday 14 January	
Burns Night	Friday 25 January	
Health & Social Services Curriculum Day	TBC	
Early years and Supported Programmes Curriculum Day	TBC	

## Board of Management

### February 2019

<u>Event</u>	<u>Date</u>	<u>Notes</u>
Student Volunteering Week / Saltire Awards / Volunteering Award	W/c Monday 19 February	
Learning and Teaching Committee	Tuesday 26 February	
Business Curriculum Day	TBC	
Creative Industries Curriculum Day	TBC	

### March 2019

<u>Event</u>	<u>Date</u>	<u>Notes</u>
International Women's Day	Friday 8 March	
Board of Management	Tuesday 19 March	
Hair & Beauty Curriculum Day	TBC	
National No Smoking Day	TBC	<a href="https://nosmokingday.org.uk/">https://nosmokingday.org.uk/</a>

## Board of Management

### April 2019

<u>Event</u>	<u>Date</u>	<u>Notes</u>
Engineering Curriculum Day	TBC	
Built Environment Curriculum Day	TBC	
Student Association Self-Evaluation	Throughout month	

### May 2019

<u>Event</u>	<u>Date</u>	<u>Notes</u>
Learning and Teaching Committee	Tuesday 14 May	
End of year celebration	TBC	
Sport Curriculum Day	TBC	
Executive Handover	TBC	

### June 2019

<u>Event</u>	<u>Date</u>	<u>Notes</u>
Board of Management	Tuesday 4 June	



## Board of Management

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### Student Association Projects for academic session 2018/19

- NUS Healthy Bodies, Healthy Minds (emphasis on health and well-being, including mental health, sporting activities and smoking awareness)
- NUS Responsible Futures (incorporating sustainability, climate change and the United Nations Sustainable Development Goals)
- Student communication channels, particularly on-line communication

### Student Association Charities for academic session 2018/19

- Support in Mind Scotland
- Trussell Trust & Apex (Foodbanks) - Christmas

## Learning for Leading/Board Links Scheme

### Background

The Board Links scheme was implemented in September 2018, with the first 'paired' visits to be initiated by the linked Board Member. The link is designed to create a dialogue between the staff and students in Curriculum Areas and the members of the Board of Management. It is intended to allow all parties to gain a better understanding of the roles played by each in the delivery of the College's business. The link should begin with a visit to the College by the Board Member, but may develop into a regular dialogue and relationship if desirable.

It was agreed that the Board Secretary would collate the summary reports and provide an update to the Board at each Board Meeting, from December 2018, with the content of the visit remaining confidential to those involved. The purpose of the report being to confirm that the linked visits are taking place and to enable the Board to share the experiences of their colleagues and to learn more about the work of the college.

### Visits Reported to the Board Secretary that took place during October and November 2018

First meetings are underway, see table below. Initial feedback is that Members have found the college staff they have met to be enthusiastic and welcoming and the meetings informative.

Curriculum Area	Board Member	First Meeting Held	Report Received	Being organised
Building Environment	Brian Johnstone	√		
Business, Accounting & Computing	Naomi Johnson	√		
Care (& Princes Trust)	Janet Brennan	√	√	
Childcare	Barry Graham			√
Creative Industries	Pat Kirby	√	√	
Hair & Beauty	John Henderson			√
Hospitality & Sport (Passport to FE)	Delia Holland	√	√	
Engineering & Automotive	Rob Orr	√	√	
Business Development Unit	Stuart Martin			

### Recommendation

Members are invited to note the report and share any learning or experiences with colleagues that will help with learning more about the work of the college.

## Board of Management

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### Digital Skills Strategy 2018/2023 Summary Report

## Board of Management

### Foreword

Digital skills are crucial for the development of Dumfries and Galloway College and will become central for all courses delivered for our learners of the future at the College – this is so important that we cannot ignore it as an organisation.

Technology will transform the way we live our lives and the way we learn. It will connect us in new and different ways. It will put more power into the hands of our learners and employers. It will create a base and a momentum for the college for innovation in learning this will redefine our relationship with all our key stakeholders including learners, employers, communities and schools across the region.

### Introduction and Context

An effective digital skills approach will pull together teaching, learning and assessment and make all our supporting processes stronger to support learning.

Our unique geography and population spread within the region provide us with the ideal opportunity to embrace and lead on digital skills and technology for a sustainable and future proofed service delivery to our students.

This is against a back drop of an increased pace of change within industry and is supported nationally by the Scottish Government.

***“Digital, isn’t optional. Digital transformation is a global phenomenon, happening at pace across our economy and is a core driver of productivity and inclusive economic growth.”***

(Keith Brown, Cabinet Secretary Economy, Jobs and Fair Work 2017.)

What are digital skills and digital literacy? - Cornell University defines digital literacy as **“the ability to find, evaluate, utilize, share and create content using information technologies and the internet.”**

## Board of Management

### Our Vision for Digital skills

At Dumfries and Galloway College, we recognise that the pace of technological change will transform the way we engage with all our key stakeholders.

The Digital Skills Strategy sets out the ways in which we will connect our staff, students and other key stakeholder in a range of new and different ways.

It will give more power to all our staff and all our service users creating new exciting approaches for all to learning, teaching and training. It will create new foundations for the college, will act as a catalyst for innovation, and will redefine the colleges' relationship to the learners, employers, schools and communities we collaborate with.

The College Digital Skills Strategy is in line with the Key Themes of the College Mission:

- Learners come first
- The changing needs of the economy are met
- Innovation, Collaboration and Creativity are Core to what we do

This Digital Skills Strategy also fits with existing college outcomes outlined in our Vision 2020 Strategy of:

- Providing opportunities to access and progress through education and training at all levels
- Delivering education and training that is a route to employment, Career development and is aligned to

local and national economic need

- Be the first choice for recruitment, training and development of the workforce
- Enable communities to grow and develop through local education and training
- Support more businesses to start up, grow and diversify
- Enable people to build their independence and confidence in a supportive environment

The College has a well developed range of other strategies and policies. This Digital Skills Strategy will complement and enhance the following documents:

- Procurement Strategy
- Equality and Diversity Framework
- Learning and Teaching Strategy
- Access and Inclusion Strategy
- Learner Engagement Strategy
- Vision 2020
- Human Resource Strategy
- Estates Strategy

## Board of Management

### Our Digital Skills Strategic Outcomes

#### The Vision

By 2023 the college is recognised as being the most innovative, vibrant, open, inclusive, forward thinking user of digital skills and technologies in the Further Education Sector for Scotland.

#### Strategic Outcomes

##### *Digital Vision 2023 Strategic Outcome 1*

Dumfries and Galloway College will be equipped from a digital perspective to deal with the challenges we face in the future to support Dumfries and Galloway as a region and all key stakeholders.

- All staff at the college will be involved in its shape and development
- All of our Staff will be supported to take responsibility for their own development
- Staff will ensure but in from our learners to support the Digital Vision
- Provide digital learning that will support development of STEM opportunities across the region and tackle the current gender gaps for learning and teaching across the college

##### *Digital Vision 2023 Strategic Outcome 2*

Digital technology will be used across the College in a consistent, holistic, fully integrated and sustainable way.

- The process may include a range of steering groups as collective across the organisation, with
- Managers will take ownership of their own area for progressing the use of digital technology
- All staff across the College will need to be involved and invest themselves into a digital culture

##### *Digital Vision 2023 Strategic Outcome 3*

Our learners will be equipped to thrive in the modern workplace by being able to embrace digital technologies and have the skills they need to thrive in a modern society and workplace.

- The College will match learning and teaching with industry needs
- The College will work with employers to promote opportunities for training and learning.
- Embedding the Digital Vision into all our Strategies, Policies and Processes
- Focus our education and training systems on improving our range of digital skills and capacities

##### *Digital Vision 2023 Strategic Outcome 4*

We will create a Digital Supportive Community to enhance our partnership working with public sector organisations, businesses, universities and other stakeholders to tackle current shortages in digital skills across the region.

## Board of Management

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- Develop Digital Skills Capabilities for all Staff and Learners
- Provide infrastructure that offers support for all to improve digital skills capabilities
- Provide opportunities for all staff and learners to be involved in conversations on digital literacy, and help in developing these new approaches
- Understand existing approaches as an organisation to digital literacy and benchmark these skill levels as an organisation

DRAFT



## Remuneration Committee

**Minute of the Meeting of the Remuneration Committee of the Board of Management of Dumfries and Galloway College held on Tuesday 6 March 2018 at 1 pm in Room 2009**

**Present:** Delia Holland (Chair) John Henderson  
Ian White

**In attendance:** Ann Walsh, Secretary to the Board  
Heather Tinning, Executive Team Assistant

### **1 Welcome and Apologies for Absence**

The Chair welcomed members to the meeting. Apologies were intimated on behalf of Brian Johnstone.

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 Minute of Previous Meeting**

The Minute of the Remuneration Committee meeting held on 25 September 2017 was approved.

### **4 Matters Arising**

#### **4.1 Recommendation of College Development Network Remuneration Training**

The Regional Chair had recommended the training to other Board Members at the Board meeting of 10<sup>th</sup> October 2017. The Chair advised that all members of the Remuneration Committee had now completed the CDN online training module for Remuneration Committee Members

#### **4.2 Executive Team Pay Award - Recommended to the Board**

The Board approved the last Pay Award for the Executive Team at Board meeting of 10<sup>th</sup> October 2017

#### **4.3 Principal's Pay Award Recommended to the Board**

The Board approved the last Pay Award for the Principal at Board meeting of 10<sup>th</sup> October 2017

## Remuneration Committee

### 5 Principal's Interim Performance Review (Confidential Report for Committee Members only)

The Chair spoke to the Confidential Interim Report for 2017/18 which had been issued to Remuneration Committee members for information, reminding the Committee that the Board authorises the Chair of the Board to complete the Principal's review, which is reported to members for discussion and approval. Members discussed their concerns that some of the objectives were not measurable in the report, for example Regional Outcome Agreement detailed as Good Progress, although members are aware that some external information may not be available during the period under review. The Board Secretary reported on an update from the Chair of Board regarding supporting evidence for the 2016/17 objective, including:

- Retention and Attainment 2016/17 – Retention discussed at Learning & Teaching (L&T) Committee meetings. The Chair advised that although Retention is discussed there, it is not the L&T Committee's role to ensure that the Principal achieves measured objectives.
- Destination Stats – not available until September 2018. Although it was suggested that internal statistics could be available

**Decision:** The Committee are happy with the Principal's performance, however would seek more evidence based information where possible for 2016/17 review, and for 2017/18 more measurable objectives detailed in the report.

**Action:** The Chair will advise the Board Chair of the Committee's decision

### 6 Strategic Risk Register

The Chair spoke to the Strategic Risk Register, which had been issued reporting on the new risk added:

- Risk No 14 – 'Non-compliance with GDPR'  
Interviews will take place for a Data Protection Officer, to be based in College one day per week. Services to be shared with Ayrshire College and the Royal Conservatoire of Glasgow.

The Board Secretary advised that the Strategic Risk Register is now presented at every Board Committee meeting to allow for attention to be given on risks relevant to individual committees, this being good governance. Previously the Strategic Risk Register was only presented at the Audit Committee who have responsibility for ensuring that good systems are in place and remit the Register to the Board of Management for approval. The Chair spoke of her concern over the duplication of discussion with the Strategic Risk Register, having attended previous Committee meetings.

Members noted the Strategic Risk Register.

### 7 Any other business

None.

### 8 Date and Time of Next Meeting

The date and time of the next Remuneration Committee is Tuesday 5<sup>th</sup> February 2019 at 2 pm. Members will be notified if an earlier meeting is required to take place.

## Board Development Committee

### Minute of the Meeting of the Board of Management of Dumfries and Galloway College at its Board Development Committee held on 6 March 2018 at 2 pm in 2009

**Present:** Delia Holland (Vice Chair) and Chair of this meeting  
John Henderson Stuart Martin  
Hugh Carr

**In attendance:** Ann Walsh, Secretary to the Board and Minute Taker

#### 1 Welcome and Apologies

Apologies had been received from Brian Johnstone, Chair of the Committee and the Board. Delia Holland, chairing on his behalf, welcomed all to the meeting. 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 Note of Discussion held on 25<sup>th</sup> October 2017

Approved

#### 4 Matters Arising

There were no matters arising that are not on the agenda

#### 5 Board Evaluation and Development

##### 5.1 Report and Actions from 23 January 2018 Development Event

The Secretary to the Board presented the paper which contained proposals for development. These had been identified through individual development reviews with the Chair of the Board, the Board Self Evaluation exercise, and followed by discussion that brought this together into proposals during the Development Event held on 23 January 2018. Members were asked to note this report and to support development of the following proposals:

- Training/Briefing on finance and audit – Board Member may choose to attend
- Session from OSCR – Board Member may choose to attend
- Board Links – proposal for the Board as a whole
  - To undertake further work and to propose a model for Dumfries and Galloway College
- CDN Training - to continue the good take up of training/development available
- Extend networking opportunities with other colleges
- Board Meetings - leave meeting length as it is at the moment, the balance between involving Board Members and not being overwhelmed with papers seems to require this time at present. Next steps - To trial putting times to agenda items
- Improve strategic knowledge/priorities in the sector
- Review and Improve Induction packs:
- Stakeholders – continue to develop relationships and information sharing

## Board Development Committee

Discussion followed mainly around two proposals. Firstly, the Board Links proposal, it was agreed that any concerns regarding this from the Principal should be clarified. Secondly Board Meetings, length and agenda where a reduction in the length would be welcome. However, the proposals were supported as it was noted that meetings are on a journey of improvement, being continually reviewed,

**Decision:** All Proposals were approved to be developed and the Board to be informed of the proposals being taken forward at the meeting on 13 March

**Actions:** The Chair of the Board to ask the Principal to clarify her position on Board Links and to notify members of the committee of the results of that discussion

### 5.2 Board Development Plan Progress Report

Committee members reviewed the Board Development Plan 2017/18, noting progress to date and discussed outstanding actions. The following was agreed, taking these into account, the plan is on target to be completed within the timescales set:

- 1.1 Review of the role and responsibilities of each Board Committee; no additional action is required as the self-evaluation (Jan 2018) scored very highly, and confirming no change required.
- 1.2 Action complete - monitoring by L&T not required
- 2.3 Confirmation regarding development is required
- 4.3 Discussion – general feeling that this is stating what we already do and is implicit is all of the statements made within college leaflets etc and within Vision 2020. This item to be removed
- 4.6 – As 1.2, Action complete - monitoring by L&T not required

**Actions:** The Secretary to the Board will amend the plan as discussed and obtain clarity around the plans around the partnership working with Wallace Hall (Section 2.3).

### 6 Dates of Board and Committee Meetings for 2018/19 - draft

The dates were approved subject to some discussion around achieving the preparation of draft minutes of committee meetings to be available for Board Meetings. One option being to move the Board Meetings back by one week, enabling 3 weeks between the last of the Committee Meetings and the Board Meeting.

**Action:** Secretary to the Board to discuss logistics with the Chair and Principal before confirming the dates with Board Members

### 7 Members Term in Office

The Chair wished to highlight and to congratulate the Regional Chair's appointment for a further two years. The Secretary to the Board highlighted that 5 other Board Members, have terms ending during 2018. Two of these are student members, two are non-executive members and one a staff member. The process for the staff and student members will be undertaken prior to the end of June 2018. The Regional Chair will/has discussed this with those Members. There was discussion around it being helpful to have an agreed process for identifying Board Members' intentions and options when their end of term date is nearing, maybe 6 months in advance to help with future planning.

Members noted the information given regarding the dates and appointments required this year

## Board Development Committee

### 8 Committee Membership & Succession Planning

The Chair of the Board had included this item on the agenda, as he had wished to discuss and get the Committee's thoughts regarding succession planning, how to harness the great range of talent that we have on the Board and ideas on length of tenure of Committee Chairs. As he was unable to attend, the Chair for today advised that she had discussed this item with him prior to the meeting in which he has said that he is not planning to make any changes prior end of the academic year at the earliest, and so discussions could be started today, and he would be arranging a future meeting where these can be continued.

Discussion followed which included suggestions such as having Chairs of Committees having a fixed term, how to succession plan and recruit to the position of Committee Chair. A question was raised regarding any formal process required when recruiting Committee Chairs.

**Actions:** Today's Chair will feed-back to the Chair of the Board

A Board Development Committee meeting to be arranged by the Secretary to the Board where discussions will be continued.

The Secretary to the Board will clarify any formal requirements when recruiting a Committee Chair

### 9 Strategic Risk Register

The Secretary to the Board advised that the Strategic Risk Register is now presented at each Board Committee meeting to allow for attention to be given on risks relevant to individual committees, this being good governance. Previously the Strategic Risk Register was only presented at the Audit Committee who have responsibility for ensuring that good systems are in place and remit the Register to the Board of Management for approval. It was suggested that this procedure be monitored to avoid duplication of discussion.

### 10 Any other business

None

### 10 Date and time of next Meeting

Meeting of the Development Committee to progress Succession Planning discussion – to be arranged

Pre-Board Development Committee Lunch – Tuesday 18 September 2018 at 12:45pm

Development Committee Meeting – Tuesday 23 October 2018 at 2pm

## Learning & Teaching Committee

**Minute of meeting of the Learning and Teaching Committee of the Board of Management held at the Dumfries Campus on Tuesday 4 September 2018 from 2.00 pm in Room 2097**

**Members present:** Pat Kirby (New Chair) Delia Holland (Outgoing Chair)  
John Henderson Sue Livermore  
Ian White Barry Graham  
Ailsa Paton Nikki Vjatschslav

**Curriculum representatives:** Gillian Pearce (Stranraer) Peter Woods (Dumfries)  
David Denholm (Dumfries)

**In attendance:** Andy Wright, Vice Principal (VP) Learning and Skills  
Andy Glen, Vice Principal (VP) Business Development & Corporate Services  
Janet Weir, Head of Curriculum  
Laura Webster, Head of Curriculum  
Brian Johnstone, Regional Chair  
Henri Veys-Crocker, Head of Planning and Quality  
Ann Walsh, Secretary to the Board

**Minute Taker** Heather Tinning, Executive Team Assistant

### 1 Welcome and Apologies

Delia Holland opened and welcomed all to the meeting, including new Board Members and new attendees of the Learning and Teaching Committee and in particular the new Chair, Pat Kirby.

Apologies for absence were intimated on behalf of Carol Turnbull, Rob Orr and Naomi Johnson.

### 2 Declaration of Interest

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

### 3 Presentation: South of Scotland Enterprise Partnership (SOSEP)

The VP Business Development & Corporate Services gave a presentation on the South of Scotland Skills and Learning Network which is a joint project between Dumfries and Galloway and Borders Colleges, funded by South of Scotland Economic Partnership to the value of £6.6m

Alongside this project the college has been asked to submit a Full Business Case for some green energy funding which would include the installation of renewable heating into the new build.

The committee discussed the impact of this project on the capacity of the senior management team and were advised that responsibility for delivery of the project is shared amongst a number of managers, with the VP Business Development and Corporate Services, project managing the building work and the VP Learning & Skills involved in curriculum development and training of staff. There is some funding for additional support. The committee also discussed the requirement for ongoing revenue funding support and, potentially, growth in the form of additional credits.

Delia Holland asked for thanks to be recorded to the Executive Team and to both colleges for their work involved in submitting the bid under strict time constraints.

## Learning & Teaching Committee

It was discussed and agreed that this would be a Standing Agenda Item for this committee, with updates relevant to the Learning & Teaching Committee. The project will report more fully into the Board of Management

**Actions:** To become a standing agenda item for future Learning and Teaching Committee meetings and Board meetings.

### **4 Minute of Meeting of 22 May 2018**

The Minute of the Meeting of 22 May 2018 was approved. Delia Holland asked for thanks to be recorded to Naomi Johnson for Chairing the last Learning and Teaching Committee meeting.

### **5 Matters Arising**

#### **5.1 Complete a Report on the Actions within the SA Operational Plan for 2017/18 – and provide to the Board**

The VP Business Development & Corporate Services reported that the previous Student Association Executive Team submitted a paper to the Board at the meeting on 5 June 2018.

#### **5.2 Employer Engagement – Options to measure effectiveness**

The VP Business Development & Corporate Services advised that the college is awaiting guidance from the SFC on a tool which will allow effectiveness to be measured. Meantime, Curriculum Managers continue to include feedback from Employers into the Self-Evaluation process. In terms of developing measures an example was given of Employer Engagement that has helped shape and design the curriculum.

**Actions:**

- Options to enable effectiveness to be measured are still to be identified. The Principal to be asked to report back on the presentation to College Principals delivered in September on this subject.
- The Heads of Curriculum to include a section on Employer Engagement Forums, and the impact this has made, within their update reports at the next Learning and Teaching Committee meeting.

#### **5.3 Completion of Mainstream Programme Summary, then to Board for approval**

The VP L&S confirmed that the Mainstream Programme Summary had been provided to the Board at its meeting on 5<sup>th</sup> June 2018.

#### **5.4 A further visit to the Bridge to be arranged**

The VP L&S advised that the Executive Team Assistant had been progressing arrangements for a further visit to the Bridge and asked that she provide an update. The Executive Team Assistant advised that the original dates offered were not suitable for the majority of members and that she would be pursuing an alternative date.

**Action:** The Executive Team Assistant to offer members another date to join a tour of the Bridge

#### **5.5 Regional STEM Strategy**

Head of Curriculum Janet Weir reported that the development of the STEM Strategy for the region is progressing. A Regional Group had formed with Academic Partners, including Crichton Campus Academic Partners, Dumfries and Galloway Council, Skills Development Scotland and Schools Representation. A Sub Group will look at formulating differing components of the strategy from the Government and how to implement in the region. The next meeting with partners takes place this term, when the Regional Stem Strategy will be finalised.



## Learning & Teaching Committee

**Action:** The Head of Curriculum Janet Weir to include an update on progress made, within her Update report at the next Learning & Teaching Committee meeting.

### 5.6 Story Box

John Henderson reported that this item was shown on Border Life. All items have been sent to Kenya and Sri Lanka.

- Delia Holland now handed over to the new Chair of the Learning & Teaching Committee, Pat Kirby. Delia also thanked all who had assisted her in her role, past and present.
- Delia received thanks from the Regional Chair and, the Principal on behalf of the whole college and the committee for her time, enthusiasm and support over the years she has been Chair of this committee.

## 6 Student Association

### 6.1 Student Association (SA) Update, and

The VP Business Development & Corporate Services advised that the SA President Nikki Vjatschslav and Vice President Ailsa Paton have recently taken up their new positions. The SA President and Vice President reported on current activities within their new roles including fundraising, clubs and activities moving forward. The SA President reported on introducing monthly department days.

### 6.2 Operational Plan for 2018-19 Update

The draft Operational Plan for 2018-19 will be presented at the next Learning & Teaching Committee meeting

### 6.3 Student Structure

The VP Business Development & Corporate Services provided an update to the committee on a proposal put forward in terms of where the SA President and Vice President sit in the organisation. They are currently line managed by the Quality Manager and it is proposed that they may be supported instead by the Marketing & Admissions Manager.

The Student Class Reps and Curriculum Reps will continue to sit under Quality. The Curriculum Reps will become the Student Council, giving an extra link to the classroom for the SA President and Vice President. Discussion included the student rep position on the Learning & Teaching Committee.

#### **Actions:**

- The draft Operational Plan for 2018-19 will be presented at the next Learning & Teaching Committee meeting
- Class/Curriculum Rep functions to be discussed at the next Learning & Teaching Committee meeting

## 7 How Good is Our College

### 7.1 Annual Self-Evaluation Report 2017-18

The VP Business Development & Corporate Services and Head of Planning and Quality provided an update on the Self-Evaluation Action plan published in January 2018. The VP Learning & Skills reported that the CMIS programme which the college uses provides a breakdown of retention and attainment in all areas. Barry Graham added that the school/college results this year for Psychology were the highest they have been.

## Learning & Teaching Committee

### 7.2 Evaluative Report and Enhancement Plan (EREP) 2018-19 Process

Preparations are underway to complete the next report, to meet the deadline of the end of September 2018. This will be presented to the Board on 9 October 2018 with the possibility of further discussion at the next Learning and Teaching Committee meeting.

### 8 SI – Regional Outcome Agreement (ROA)

#### 8.1 College Regional Outcome Agreement 2017-18 Update

The VP Learning & Skills provided an update to members on the ROA matrix which included:

- In terms of targets - the percentages are built into the ROA
- In terms of credits - credits are over delivered
- In terms of ethnic background – over exceeding targets
- In terms of schools – very positive, although not for Senior Phase engagement

The VP Learning & Skills asked members to note and take comfort that more objectives are being achieved. However retention and attainment in some areas remains an issue.

### 9 SI Learning and Skills

#### 9.1 Key Performance Indicators (KPIs)

The VP Business Development & Corporate Services spoke to the report which had been issued, reporting on:

- 1% improvement on retention for Further Education, Full-time (FE FT)
- Although welcome, there remains room for improvement and this year retention is a priority.
- A Best Practice tool is in place which will assist with looking at the retention and attainment issues
- Some courses that have previously performed well have declined in terms of attainment

There was some discussion around the potential benefits of providing Course Assessment Plans for the learner, giving an overview on the number of assessments and when they take place.

Following a request for the national figure to be included in the report, the VP Business Development & Corporate Services advised that the national figure is normally confirmed nearer to the end of the calendar year.

**Action:** The figures to be presented again to the Learning & Teaching Committee when national figures are available.

#### 9.2 Curriculum Update

The VP Learning & Skills spoke to the report which had been issued, which included an update on the enrolment figures for 2018/19:

- At this present time, the College, following early learner withdrawals, now has 1336 full time learners, giving a shortfall of 297 below target, across the College.
- In terms of schools, this year around 630 learners – last year approximately 350 enrolments
- In terms of progress with schools, 100 young learners following Senior Phase Pathways – last year approximately 50 learners
- Main sector with lower Full Time learners is the Care Sector

The VP Learning & Skills reported that the college had been shortlisted for the College Development Network (CDN) Awards on 25<sup>th</sup> October, in terms of:

## Learning & Teaching Committee

- Colleague of the Year Award
- Sustainability Award

### 9.3 SI Heads of Curriculum Updates

#### Head of Curriculum - Janet Weir

The paper provided by Head of Curriculum Janet Weir provided an update on her cross-college remit and activity. She highlighted that:

- The first meeting of the Crichton Campus Joint Academic Strategy Group (JASG) Entrepreneurship and Entrepreneurial Skills Working Group has taken place. A proposal has been taken forward to deliver a student event during Global Entrepreneurship Week (12 – 16 November 2018), followed by a competition mid-March.
- A Digital Skills Strategy for the College is being finalised. HR are planning to establish the level of digital skills that staff have across the College, using a digital toolkit.
- Feedback has been sought on curriculum design with regard to articulation with Napier

In terms of the recent structure in the college, the VP Business Development & Corporate Services advised that the Organisation Chart was currently being updated.

#### Head of Curriculum – Laura Webster

The Head of Curriculum Laura Webster spoke to the report which provided an update on her cross-college remit and activity, including:

- In her new position, cross college working with Head of Curriculum Janet Weir
- Passport to College retention of 77%, with an outcome of 62% based on group awards. Second Cohort up and running
- Working on school/college transition
- Looking at funding for more Foundation Apprenticeships for next session

The Chair thanked the Heads of Curriculum for their reports.

### 9.4 Learner Support and Guidance Procedure

The VP Learning & Skills reported that the Learner Support and Guidance Procedure will be signed off by the Executive Leadership Team (previously Executive Management Team). The Procedure had been presented to the Committee for information.

#### Actions:

- The Chair asked that members direct any comments on the Procedure to the VP Learning & Skills, via the Executive Team Assistant
- The Procedure to be included on the next Learning & Teaching Committee agenda

## 10 Quality Audit Reports/Surveys

### 10.1 Complaints Statistics July 2018

The VP Business Development & Corporate Services spoke to the report which had been issued providing a summary on the complaints statistics as at July 2018. The VP Business Development & Corporate Services advised that the Management Team oversee any main issues of concern.

**Action:** The VP Business Development & Corporate Services to check with Quality and advise the committee on the process of complaints not closed within 20 days

## Learning & Teaching Committee

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### 11 Strategic Risk Register

The VP Business Development & Corporate Services spoke to the report, which had been issued. The Risk Register is presented at each Board Committee, and members are asked to discuss actions relevant to their individual Committee.

Members discussed the risks relevant to the Learning & Teaching Committee and identified potential risks, to be fed back to the Principal:

- Decline in F/T enrolments
- SoSEP funded project - what should go into the register?
- Are there any risks around Flexible Curriculum Design

**Action:** The Secretary to the Board to inform the Principal of the potential risks identified

### 12 Any other business

#### 12.1 HND Photography

The Head of Planning & Quality reported that a HND Photography student has been asked to take official photographs at Colleges Scotland Parliamentary Reception on 25<sup>th</sup> September.

**Action:** Members to contact Brian Johnstone directly if interested in attending the Reception

#### 12.2 Prince's Trust

Delia Holland attended the Prince's Trust, Team 31 Graduation evening on 26 July 2018. She praised the programme and the achievements of the Students. Delia described the evening as very moving and inspiring. During discussion it was agreed that a request is made for the Prince's Trust Team to give a presentation to the Learning & Teaching Committee at the next meeting.

**Action:** The Secretary to the Board to liaise with the VP Learning & Skills to organise for a presentation from the Prince's Trust Team

### 13 Date and Time of Next Meeting

The next meeting of the Learning and Teaching Committee will take place on Tuesday 20<sup>th</sup> November 2018 at 2 pm.

## Finance & 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 Tuesday 18 September 2018 at 12 noon in Room 2009, Dumfries Campus.**

**Present:** Ros Francis (New Chair) Sue Livermore  
Carol Turnbull

**In attendance:** Karen Hunter, Head of Finance  
Andy Glen, Vice Principal Business Development & Corporate Services  
Brian Johnstone, Regional Chair  
Ann Walsh, Secretary to the Board

**Minute Taker:** Heather Tinning, Executive Team Assistant

### **1 Welcome and Apologies for Absence**

In her position as new Chair of the Finance & General Purposes Committee, Ros Francis welcomed all to the meeting, including new member Sue Livermore and Chair of the Board Brian Johnstone.

Apologies for absence were intimated on behalf of John Henderson (outgoing Chair) and Karen McGahan.

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 Minute of Meeting of 22 May 2018**

The Minute of the Finance and General Purposes Committee meeting held on 22 May 2018 was approved.

### **4 Matters Arising**

#### **4.1 College Arms Length Foundation (ALF) – follow up with Trustees**

The Principal confirmed that the process to wind down the College Arms Length Foundation has started. The ALF will be formally closed, following submission of the end of year accounts.

#### **Actions:**

- The Principal to update the Finance & General Purposes Committee once the ALF is formally closed.

#### **4.2 2018/19 Budget (recommended to the Board)**

The 2018/19 budget was approved by the Board in June 2018

#### **4.3 Evaluation of Income v Benefits for the Student Association**

Following discussion, it was agreed to report on the Student Association budget at the next Finance & General Purposes Committee meeting. In terms of the Student Association (SA) budget, the Regional Chair suggested to consider the wider purpose and benefits of the SA when considering costs. The Vice Principal Business Development & Corporate Services would report back on any review they conduct, suggesting that November might be a good time.

## Finance & General Purposes Committee

### Actions:

- Student Association accounts for 2017-18 to be prepared
- The Vice Principal Business Development & Corporate Services will report back on the Student Association budget and the benefit gained from this spend, at the next Finance & General Purposes meeting
- The Student Association budget to be included within the next budget report

### 5 Draft Annual F&GP Committee Report 2017/18

The Head of Finance spoke to the suggested Annual F&GP Committee Report 2017/18, highlighting the key activities and decisions of the committee for the Financial Period of 2017-18. Members agreed the report subject to inclusion of the following amendments:

- Item 3.3: To update this section to include all attendees
- Item 6: Change to refer to the 2017 financial statements which were formally approved during the period covered by the report
- Item 7: To include:
  - reference to monitoring the impact of the South of Scotland Economic Partnership (SOSEP) STEM developments
  - continued uncertainty over SFC grant funding and budgets, cash and working capital
  - reference to the deficit out turn for 2017-18 and the planned review of this by the Finance & General Purposes Committee

During discussion, the Chair suggested that a paper come to the November meeting on planned Committee work for the year and asked committee members to engage

**Action:** The Draft Annual F&GP Committee Report 2017/18 to be amended for presentation to the Board at meeting on 9<sup>th</sup> October 2018

Members noted the draft Annual F&GP Committee Report for 2017/18.

### 6 Estates/Facilities Update

The Chair welcomed the Head of Corporate Services. He spoke to the report which had been issued, reporting on the key updates on Facilities developments.

He referred to a table that included spend from the Scottish Funding Council Capital Grant 2018-19. He advised that slight savings are likely to be made by using local contractors, but any savings must be used for work identified within this list and all spend has to be identified on a financial return submitted to the Scottish Funding Council. Members noted and discussed one of the areas of concern with regard to the investment in ICT. The Principal reported on the Colleges Scotland Colleges Spending Review Submission for Scottish Government and advised that the Executive Leadership team are re-prioritising budgets moving forward.

In terms of the new Catering Contract with the firm Aramark, a 3-year appointment, the Head of Corporate Services reported that Aramark are looking to work with and involve the Hospitality students, which was well received by committee members.

The Chair thanked the Head of Corporate Services for the update.

Members noted the report.

## Finance & General Purposes Committee

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### 7 National Bargaining - Update

The Principal provided an update on National Bargaining, including:

- Migration Award
- Cost of Living Award
- EIS Consultative Ballot

The Principal reported that she and the Head of HR are attending an Employers Association Residential this week, at which further discussions will take place on National Bargaining including ratification on the pay offer for Support Staff.

Members noted the update.

### 8 Cash Flow Report

The Head of Finance spoke to the report, highlighting key points to note:

- Projected cash flow for next year, will be updated to include the SoSEP funded projects, for which a separate cash flow spreadsheet will be established
- Balance of cash at March 2019 expected to be very low. Finance team are monitoring the situation closely
- The final payment for Lennartz is due next month

In answer to a question with regard to the SoSEP projects, the Principal confirmed that although there is clarity on the division of expenditure between the two colleges, there is no clarity on any advance payments. The cash flow prediction is based on what expenditure is incurred and drawn down from the Scottish Funding Council.

**Action:** The cash flow to be included in the Financial Update moving forward

The Head of Finance reported on recent discussions at a Funding meeting on the Scottish Funding Council and calculation of depreciation spend, and the change of methodology.

Members noted the Cash Flow report including the forecast movements and closing bank balances for period 2018-19.

### 9 5 year Financial Forecast Return

The Head of Finance spoke to the report, which had been issued highlighting key points to note:

- Main figures for return are based on Scottish Funding Council scenarios
- The out-turn for 2017-18 for forecast are based on June Management Accounts, rather than year end. Forecast to be amended to reflect the draft accounts
- The return has been prepared for the Scottish Funding Council to meet the submission date of 28<sup>th</sup> September 2018

The VP Business Development & Corporate Services reported on a recent meeting with Scottish Funding Council representatives, looking at the demographics model, advising that the model highlighted some anticipated growth – however nothing has been agreed at this stage.



## Finance & General Purposes Committee

**Action:** The Head of Finance to revise figures to include the impact of National Bargaining once final offers have been agreed

**Decision:** Members approved the Financial Forecast Return, based on the assumptions provided by the Scottish Funding Council, and noted the projected out-turn based on the alternative scenarios.

### 10 Draft Financial Statements 2017-18

The Head of Finance spoke to the report, which had been issued, as a first draft to be presented to the Auditors next week, reporting on key points to note:

- A change this year in terms of disclosure of underlying results
- Pension adjustments are significant
- In terms of underlying position, the Head of Finance reported on the operating deficit of £74,000.

The Chair requested that we look at the timing of circulating the draft Financial Statements to Finance & General Purposes Committee members, possibly in advance of the November agenda, allowing more time for members to view the draft statements.

**Actions:**

- The full draft Financial Statements for 2017-18 to be presented at the next Finance & General Purposes Committee meeting
- The Head of Finance to circulate the draft Financial Statements to the Finance & General Purposes Committee, following review by the Auditors, to include the narrative and draft figures
- In terms of the deficit, the Principal and Head of Finance to review the reasons behind the deficit, the forecast breakeven position and lessons learned. Paper to come to November meeting

### 11 Aged Debt Report

The Head of Finance spoke to the report which had been issued, as an update on debt figures at the end of July 2018. The Chair noted the much improved position on aged debt and asked whether the aged debt report could now come annually.

Members noted that the Bursary balance from AY 2016/17 is presenting a higher balance than normal.

**Decision:** The Aged Debt Report to be presented annually to the Finance & General Purposes Committee, following confirmation from the Head of Finance with reference to the wording in the Financial Procedures

**Action:** The Head of Finance to check the Financial Procedures regarding the suggested change to present the report annually

Members noted the aged debt balances at July 2018 and approved the proposed balances for write-off.

### 12 Strategic Risk Register

The Principal spoke to the Strategic Risk Register, advising that there were no significant changes to the risks. The Principal advised that she had undertaken a review of the Risk Register over the summer in terms of presenting the register in a new format. The revised Risk Register will be presented to the Audit Committee on 19 September 2018 for adoption, to be used going forward. The Principal advised that the revised Risk Register identifies who is responsible for managing the risk.

## Finance & General Purposes Committee

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The Chair queried the purpose of the Strategic Risk register coming to every Committee meeting. She felt that strategic risks could not be mapped to Committees and that by the time the document was discussed at Board it had become tired. The Regional Chair agreed to raise at Audit Committee.

**Action:** The Principal to re-visit risk number 2 in terms of the narrative on the budget to reflect the draft budget presented today

Members approved the Strategic Risk Register presented to the committee, allowing for the amendment of risk number 2, and presentation of the revised Risk Register at the next Finance & General Purposes Committee meeting.

### **13 Any other business**

None.

### **14 Date and time of Next Meeting**

The date and time of the next Finance and General Purposes Committee is Tuesday 20<sup>th</sup> November, 12 noon.

## Audit Committee

### Minute of the Meeting of the Audit Committee of the Board of Management of Dumfries and Galloway College held on 19 September 2018 at 2 pm in Room 1074b

<b>Present:</b>	Hugh Carr (Chair) Naomi Johnson (via telephone)	Robbie Thomas (via facetime) Carol Turnbull
<b>In attendance:</b>	Andy Glen (Vice Principal) Brian Johnstone (Regional Chair) Ann Walsh (Board Secretary)	Karen Hunter, Head of Finance Philip Church (RSM)
<b>Minute Taker</b>	Heather Tinning (Executive Team Assistant)	

#### 1 Welcome and Apologies

The Chair welcomed all to the meeting.

Apologies were intimated on behalf of Stuart Martin, Pat Kirby.

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 Minute of Meeting of 18 May 2018

The Minute of the meeting of 18 May 2018 was approved.

#### 4 Matters Arising

##### 4.1 GDPR e-learning training

The Vice Principal Business Development & Corporate Services reported that from a headcount of 320 staff, 33 were still to undertake the training. The breakdown of this includes 11 new employees who are working through their induction training, 7 employees who have circumstances that explain why they have not yet completed and 5 where the college is awaiting approval of new licences. The remaining employees are being followed up via their line manager.

Members noted that all Board Members had completed the GDPR e-learning training.

##### 4.2 GDPR Policy – (Interim approval from the Board Meeting on 5 June 2018)

The Vice Principal Business Development & Corporate Services reported that the Data Protection Officer had suggested some minor changes to the policy, around data disposal and data management.

**Action:** The revised GDPR Policy to be brought back to the Committee for approval

#### 5 Internal Audit Reports

The Internal Audit Reports are included in the published annual internal audit report

##### 5.1 Action Tracking Spreadsheet

The Head of Finance presented the spreadsheet, reporting that the Action Tracking Log is reviewed at the monthly College Leadership Team meeting. From 11 actions, 6 have been completed with 3 in progress. Two actions have recently been added.

## Audit Committee

### 5.2 GDPR Audit

Philip Church (RSM) spoke to the GDPR Audit, the first report on finalisation of 2017/18 work. Overall the college has progressed well in terms of compliance. In answer to a question Philip Church reported that the college was on a par with other colleges.

The Principal reported that the Business Systems Manager is liaising with the Data Protection Officer in terms of advice and guidance for Board Members with regard to GDPR. In terms of any slippage with the implementation date, the Principal advised that the senior member of staff identified for the risk ownership is responsible for ensuring that actions are complete in advance of the target date or to advise of reasons for slippage.

#### **Actions: Detailed Findings**

- **Data Ownership** - the implementation date identified as 31<sup>st</sup> August to be checked by the Business Systems Manager
- **Data Security System Level Controls** – the Vice Principal Business Development and Corporate Services to check if Office 365 is on an annual licence

Members noted the report and agreed good progress in terms of GDPR. Philip Church (RSM) advised that a further review of GDPR can be provided when required.

### 5.3 Student Support Funds

Philip Church spoke to the report, an annual report as a requirement of the Scottish Funding Council. Philip reported on the two low priority management actions, and overall advised a substantial assurance report for the college.

Members noted the report.

### 5.4 Student Activity Data

Philip Church spoke to the report, an annual report as a requirement of the Scottish Funding Council. As part of the report, two medium management actions were raised, both relating to part-time students in terms of attendance criteria and course dates.

Members noted the report.

### 5.5 Progress Report

Philip Church spoke to the Progress Report, advising that the Internal Audit Plan was approved on 17<sup>th</sup> May 2018. The report allows progress against delivery in the Interim Audit Plan. Philip advised that since the previous meeting, three reports have been completed.

Members noted the Internal Audit Progress Report.

### 5.6 Annual Internal Audit Report & Opinion (2017-18)

Philip Church spoke to the report, which provides an annual opinion based on work undertaken 2017-18, covering eight reviews during that period. Philip advised that in terms of Risk Management the college received a positive assurance. The audit opinion is that the College has an adequate and effective framework for risk management, internal control and economy, efficiency and effectiveness. In terms of the six audits undertaken of the Control environment four reasonable and two substantial opinions were identified.

## Audit Committee

Members noted the report, and the reasonable assurance identified for the college.

### **6 Audit Scotland Reports**

#### **6.1 Scotland's Colleges 2018**

The Head of Finance spoke to the report, highlighting key points to note:

Key Messages to college, including:

- Colleges underlying financial position
- Cost of pay harmonisation approximately £50m per year
- Audit Scotland have highlighted the risks to financial sustainability going forward and the lack of robust medium/long term financial plans

In terms of the Estates Condition Survey, the Scottish Funding Council stipulate that the capital maintenance has to be spent on addressing the areas identified in the Estates Condition Reports. All capital investment requests now go through Scottish Funding Council.

In terms of the SOSEP Projects, the majority of the costs are based on capital investment.

Members noted the Scotland's Colleges 2018 report.

#### **6.2 2016/17 Audit of Edinburgh College**

The Head of Finance presented the Audit of Edinburgh College 2016/17 for information, reporting on the findings that Edinburgh College is on track to return to a sustainable financial position.

#### **6.3 2016/17 Audit of New College Lanarkshire**

The Head of Finance presented the Audit of New College Lanarkshire 2016/17 for information, reporting on the financial difficulties incurred around pay costs and budgeting in terms of National Bargaining.

Members noted the Audit Reports.

### **7 2017/18 Draft Audit Committee Annual Report**

The Chair of Audit spoke to the draft Annual Report, seeking comments from Audit Committee members.

The revised report to include:

- GDPR Review (section 4.3)
- Cyber Security, which has been achieved

**Action:** The Head of Finance to update for submission to the Board at meeting on 9<sup>th</sup> October

Members noted the report

### **8 Cyber Security**

The Vice Principal Business Development and Corporate Services spoke to the report which had been issued, advising that the college achieved the Cyber Security certificate ahead of schedule in February 2018. A new ICT Manager is due to take up post in September, who will have responsibility for Cyber

## Audit Committee

Security moving forward. The Vice Principal Business Development and Corporate Services asked all members to remember and update to the latest software version on the iPads when prompted.

Members noted the report.

### **9 APUC Shared Services changes**

The Vice Business Development and Corporate Services asked members to note the paper for information only, which had been shared, following correspondence from APUC with regard to a transfer of shared service agreement from APUC Ltd to HEFESTIS Ltd.

Members noted the changes made by APUC, with respect to the provision of shared services to the college.

### **10 Strategic Risk Register**

The Principal spoke to the report which had been issued, advising that over the summer period she undertook to revise the format of the Risk Register and together with the previous version of the Register, presented the revised register to the Committee for comment.

Discussion continued on the 'ownership' of the risk and the need to present the Strategic Risk Register at every Board Committee meeting. The Regional Chair advised that the benefit of presenting at each committee allows individual committees to focus on areas of interest, giving the committee an 'oversight' of relevant risks. The role of the Audit Committee is to give Board the assurance that the systems are working. The Principal advised that the Strategic Risk Register is discussed and reviewed monthly at the College Leadership Team meeting, then presented to each Board Committee and Board meeting.

**Decision:** The Committee approved the Framework and Strategic Risk Register with the addition of one more risk under Financial, around Student Support Funding which may be insufficient to meet our needs

**Actions:**

- The Principal to update the Strategic Risk Register to be presented at the Board meeting on 9<sup>th</sup> October

### **11 Any other Business**

None.

### **12 Date and time of Next Meeting**

The next meeting of the Audit committee is to take place on Tuesday 13 November 2018 at 2pm.

### **13 Good Governance – (Annual discussion with Internal Auditors without members of college staff)**

To be carried forward to the next meeting.