Board of Management

Dumfries & Galloway College

Tuesday 20 January 2015

Room 1074b

Meeting	10:30
Strategic session	12:00
Lunch	13:00
Further Session	13:30
Close by	16:00

A G E N D A

Presented by

1   Apologies for Absence

2   Declaration of Interest

3   Minute of Meeting of 16 September 2014 — (attached)

4   Matters Arising

    4.1   D&G Students — (report attached) — JB

5   Chair's Update — BJ

    5.1   Student Association President Update — (verbal update) — SG

6   Principal's Update — (attached) — CT

7   Governance Issues

    7.1   Board Recruitment — (report attached) — JB

    7.2   Code of Good Governance for Scotland's Colleges — (report attached) — JB

8   2013/14 Regional Outcome Agreement Evaluation — (report attached) — CT

9   Student Funding Support — (verbal update) — CT

10 Potential Redundancies — (report attached) — HP

11 Financial memorandum — (report attached) — JB

12 Key Performance Indicators — (attached) — JB

13 College Self Evaluation Report 2013-14 — (attached) — JB

14 Strategic Risk Register — (attached) — JB

15 Hospitality Development — (verbal update) — CT

16 SRUC Memorandum of understanding — (attached) — CT

17 Any Other Business

18 Date and Time of Next Meeting
        Tuesday 28th April 2015 @ 2pm

Board of Management

Minute of Meeting of the Board of Management of Dumfries and Galloway College held on Tuesday 20 January 2015 from 10.30 am in Room 1074b of the Dumfries campus

Members Present:

Brian Johnstone (Chair)	Sam Glendinning
Delia Holland (Vice chair)	Craig McGill
Janet Brennan	Janice Goldie
Hugh Carr (item 10 onwards)	John Henderson
Kenny Henry	Pat Kirby
Carol Turnbull	Stuart Martin
Karen McGahan	

In Attendance: Jannette Brown, Secretary to Board and Vice Principal (Corporate Services & Governance)
Susan Sutherland, Minute Taker and Executive Team Assistant
Helen Pedley, Director of Organisational Development and Facilities
Andy Wright, Vice Principal (Learning and Skills)

1   Welcome and Apologies

The Chair welcomed members to the meeting. Apologies were received from Sandy Burgess, Colin Grant and Andrew Nyondo.

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

2   Declaration of Interest

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

3   Minute of Meeting held on 16 September 2015

The minute of previous meeting of the Board held on 16 September 2015 was approved.

4   Matters Arising

4.1   Item 4.1   D&G students attending college out with Region

Members noted the report on the number of students residing in D&G and studying at neighbouring colleges, ie Ayr, Kilmarnock or City of Glasgow. The statistics reassured the Board that there were no gaps in the curriculum, and that attendance elsewhere appeared to be student personal choice or for a specialist course not offered by the College.

4.2   Item 5   Possible Graduate apprenticeships

The Principal reported that unfortunately Skills Development Scotland had not progressed the possibility of linking with the University of Glasgow Engineering department. However the College was still keen to progress apprenticeships and was discussing a possible route with Lockerbie Academy. The Principal reported that the Chair had arranged a meeting had with the University of Strathclyde to discuss potential links.

5   Chair's Update

5a   The Chair reported on work at national level

- Colleges Scotland(CS) had recruited senior officers to support the main focus committees, ie Learning Skills and Quality, Funding and Finance, Employer Relations, Audit/Corporate

- Colleges Development Network had recruited a new CEO and was focussing on development of college staff and board members
- CS Board progressing recommendations of Developing Scotland's Young Workforce
  - Key recommendation was to have employer led boards locally to bring together employers, colleges and schools
  - Chair and Principal had hosted a meeting at the College with Dumfries and Galloway Council and Dumfries and Galloway Chamber of Commerce to begin the process locally of establishing an "Invest in Young People" group for Dumfries and Galloway region

- National pay bargaining discussions were ongoing, with slow or little progress

Locally, the College was involved in the Crichton Campus Leadership Group, and sub-committees. In response to a query from Delia Holland, the Principal agreed to provide a paper advising of which organisations were on the Crichton Campus, and how these were working together.

Action: The Principal to prepare paper on Crichton Campus organisations

5b   Executive Team Capacity
The Chair reported on concerns raised by the Principal with regard to the Executive Team capacity. One option that could help with capacity would be to remove the Secretary to the Board role from the Executive and employ an external Secretary to the Board. The Chair sought views from the Board as to their preference for an internal or external Secretary to the Board. Following discussion the Board expressed their preference for an internal Secretary, but accepted that an external Secretary would help provide some capacity within the Executive Team. They therefore agreed to recruit externally. This was remitted to the Selection and Appointments Committee to progress.

Action: Secretary to the Board to arrange meeting of Selection and Appointments Committee

5c   Board Development Event
The Chair reported on the excellent board development event held in November 2014, facilitated by Jan Polley. One area that was discussed at the event was the importance of team work and the need to build a strong team. The Chair suggested a way to achieve this was to increase the frequency of board meetings for a period of time, reducing the frequency of some committees and including the business of these committees at Board meetings. In particular, this would benefit new Board Members who could quickly gain experience of the work of most Board committees. The more frequent board meetings would include a focus on the College's stakeholder groups. It was agreed that the Audit committee should not form part of this pilot. The Board agreed to trial these new arrangements for the remainder of the academic session.

Action: Secretary to the Board to prepare revised calendar of meetings reflecting this change for the remainder of the academic session

5.1   Student Association President Update
Sam Glendinning reported on recent and proposed Student Association activities. Student Association Executive members had attended the National Union of Students conference in November which had been a positive experience for all. The Student Association Development Officer had commenced in post and a joint development day for Dumfries and Stranraer executive members was held in Kirkcudbright.

6   Principal's Update

The Board noted the Principal's update on key activities since the previous meeting which had been distributed.

7   Governance Issues

7.1   Board Recruitment

The Secretary to the Board spoke to the report which had been circulated, indicating that the Selection and Appointments Committee recruitment panel had interviewed seven applicants on 7 January 2015 and was recommending five applicants for full membership of the Board. A further applicant would be interviewed at a later date. The Board approved the Committee's recommendation and the Chair would seek approval to appoint from the Cabinet Secretary for Education.

7.2   Code of Good Governance for Scotland's Colleges
The Secretary to the Board spoke to the report as developed by the College Sector, which had been circulated. The code established standards of good practice for college boards and provided essential information for compliance within the legislative framework set out by the Further and Higher Education acts. The Board discussed the report and agreed to adopt the code.

8   Regional Outcome Agreement 2013/14 Evaluation

The Principal spoke to the report, explaining that the College was required to evaluate its performance against targets in the Regional Outcome Agreement 2013/14. The College had made good progress towards all priority impacts, and had achieved its WSUMs target. The Board noted and approved the report.

9   Student Funding Support

The Principal gave a verbal update on the situation regarding student support funding. Historically colleges had been allocated student funding at the start of the year, with the opportunity to apply for in-year re-distribution to meet any shortfall. Where this redistribution could not be met, colleges met any shortfall from its reserves. Following the ONS reclassification, colleges did not have the reserves to do this, which had resulted in a £14M shortfall across the sector. Colleges Scotland had raised this major strategic issue with the Scottish Funding Council (SFC) who had alerted the Scottish Government. The new Cabinet Secretary for Education had called for an explanation and thorough review of the process. In the meantime, the Scottish Funding Council had recently contacted colleges advising of a possible solution.

Hugh Carr joined the meeting at this point

10   Curriculum Review and Potential Redundancies

The Director of Organisational Development and Facilities spoke to the report, giving details of a change in business needs following the Curriculum Review for 2015-16, resulting in a reduction in staff hours in Hair and Beauty and Construction. Following discussion the Board approved the compulsory redundancies and the necessary statutory redundancy payments would apply.

11   Financial Memorandum with Fundable Bodies in the College Sector

A copy of the recently published Financial Memorandum had been distributed to Members. The Vice Principal (Corporate Services and Governance) advised that the Financial Memorandum sets out the formal relationship between the Scottish Funding Council (SFC) and the college sector, and the requirements with which colleges must comply as a term and condition of grant from the Scottish Funding Council. Compliance with this Financial Memorandum rests with the Board and was effective from 1 December 2014.

12   Key Performance Indicators

The Vice Principal (Corporate Services and Governance) spoke to the report which had been distributed. She advised that in respect of WSUMs the College was where it expected to be at this time of the year and was confident of reaching its target by July. The retention and outcome figures were as at 12 January 2015, compared to full years previously and again it was expected that the targets would be reached. In terms of Finance, the College was on target to achieve a very small surplus by the end of March. The position was

being closely monitored to enable any surplus to be transferred to the Scottish Colleges Foundation prior to 31 March 2015. Members noted the report.

13   College Self Evaluation Report

The Vice Principal (Corporate Services and Governance) spoke to the report which had been distributed, explaining that the Scottish Funding Council require each college to provide an annual report, endorsed by the governing body, describing the impact, nature and outcomes of college led quality review activities as well as reviews by professional, statutory and regulatory bodies which had take place in the previous academic year, including commentary on actions to be taken to address any issues identified. The timing of meetings this year due to the reclassification of colleges by the Office for National Statistics (ONS) had meant that the report was considered and approved by the Learning and Teaching Committee on 16 December 2014 and signed on behalf of the Board by the Chair for submission to SFC by the due date. The Board noted and approved the report.

14   Strategic Risk Register

The Vice Principal (Corporate Services and Governance) spoke to the report which had been distributed. She advised of one additional risk, Item 14, regarding the inability of the College to increase its Broadband width, which was of vital importance within a rural setting to enable the College to continue offering a wide range of online courses and increasing demands to use of mobile devises. The Vice Principal (Corporate Services and Governance) would take the opportunity to raise this with appropriate colleagues at the Scottish Funding Council. The Principal advised that she would be discussing the situation with Crichton partners with a view to encouraging broadband providers into the Region. The Board agreed the additional risk, and approved the Strategic Risk Register.

15   Hospitality Development

The Principal reported that the project was nearing practical completion on internal works, with work on the roof to be completed over the following two weeks. The final account would be received at the end of January but would not be settled until the snagging list was completed. All indications were that the project would come in under budget, and this would be monitored closely so that any surplus funds could be transferred to Scottish Colleges Foundation before the end of March. Members noted the position.

16   SRUC Memorandum of Understanding

The Principal spoke to the report which had been circulated, confirming the memorandum of understanding between the College and Scotland's Rural College as means of promoting academic collaboration and organisation co-operation. Members noted the Memorandum of Understanding.

17   Any Other Business

None

18   Date and Time of Next Meeting

Due to the agreed changes to frequency of meetings the date of the next meeting would be advised shortly.

Action: Secretary to the Board to circulate revised calendar of meetings.

Board of Management

Minute of Meeting of the Board of Management of Dumfries and Galloway College held on Tuesday 16 September 2014 from 2.00 pm in Room 2089 of the Dumfries campus

Present:

J Brennan	S Burgess	S Glendinning
J Goldie	K Henry	B Johnstone (Chair)
P Kirby	K McGahan	S Martin
A Nyondo	C Turnbull	

In Attendance: J Brown, Vice Principal, Corporate Services and Governance, and Secretary to Board
H Pedley, Director of Organisational Development and Facilities
A Wright, Vice Principal, Learning and Skills
S Sutherland, Executive Team Assistant

1 Apologies for Absence

Apologies for absence were intimated on behalf of H Carr, C Grant, J Henderson and D Holland.

2 Declaration of Interest

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

3 Presentation and Discussion on ONS – John Ford, SFC

John Ford presented to the Board on the latest information on reclassification and the implications for Scottish colleges.

4 Chair's Update

The Chair gave a verbal report on activity since the last meeting of the Board:

- Developing Scotland's Young Workforce Government Advisory Group has been formed chaired by the Cabinet Secretary for Training, Youth and Women's Employment (Angela Constance). The Chair had been invited to sit on this.
- National pay bargaining – gathering data and information around colleges
- Finance and ONS

He had attended:
- National Economic Conference in Edinburgh
- Crichton Institute Partnership Board
- Community Planning Partnership; preparatory meetings to represent FE and HE sectors
- D&G Strategic Partnership meeting
- Economic Leadership Group to be formed – College involved in early discussions
- Met with Acting Chief Executive of SRUC who visit the College
- Strategic Form for FE (topic: Students Associations and representation)
- Various Colleges Scotland and Regional Chairs meetings

5 Principal's Update

The Principal spoke to the report which had been circulated, updating Members on key College activities since the last meeting.

In terms of Graduate Apprenticeships, meetings were taking place with Skills Development Scotland who are keen to develop a pilot Graduate Apprenticeship in Engineering programme with the College and the University of Glasgow Engineering department.

The Principal advised that an invitation would be issued to employers in the next two weeks to invite interest in the Employer Advisory Boards, as agreed at the previous meeting. The event would take place on 4 November at 5.00 pm in the College and Board Members were encouraged to attend.

In response to a question from S Burgess, the Vice Principal, Learning and Skills advised that he was meeting with Laing O'Rourke, the main contractors for the new Hospital build to discuss skills profiles and training required. The Principal added that the new Hospital development had informed part of the reintroduction of Hospitality into the curriculum when NHS had advised on a lack of skilled staff to prepare fresh food.

Members noted the adjusted Executive Team structure following the departure of Ian Beach. The Principal advised that the strategic capacity of the Team would be monitored and reviewed throughout the year.

6   Governance Issues

6.1   Board Recruitment
The Secretary to the Board reported that the Cabinet Secretary had approved the appointment of four members from the first round of recruitment. They are: Hugh Carr, Janet Brennan, Pat Kirby, and Karen McGahan.

She reminded board members who have not already been recruited through the new process would need to apply in the next round planned for November 2014.   All board members must have been appointed through the new process by 2nd March 2015. The Secretary would contact members individually regarding the second stage of recruitment.

6.2   Amendment to Standing Orders and Constitution
The Secretary to the Board referred the Board to the report and updated document which had been circulated.

She advised that the Board of Management was required to amend its Constitution to reflect recent legislative changes. At its meeting in April the Board approved changes to its Scheme of Delegation and to Terms of Reference of the Board and its sub-committees. In June of this year the Board adopted a new Code of Conduct and from August the Board is required to adhere to the College Sector Board Appointments: 2014 Ministerial Guidance when appointing Board members.

As a result all of the Governance related documents had been brought together into a single manual. Further changes may be required once the outcome of the consultation into the new Financial Memorandum is known.

Members welcomed the single manual and approved it with effect from the date of the meeting.

6.3   Committee Membership Proposal
The Secretary to the Board referred the Board to the report which had been circulated, proposing changes to the membership of Board Committees. She asked anyone with queries or concerns to contact herself or the Chair.

The Chair also reminded Members that each Member could attend any Committee meeting to observe.

Members approved the Committee Membership proposal.

6.4   Board Link with Curriculum/Support Areas

The Secretary to the Board spoke to the report which had been circulated, proposing Board Member links with specific curriculum/support areas to give Members a better understanding of the day to day business of the College. Guidelines for the conduct of such links would be issued. She asked anyone with queries or concerns to contact herself or the Chair.

7   Audit Committee Annual Report

In the absence of the Chair of Audit Committee, the VP CSG referred Members to the report which had been circulated, advising the Board of the activities and decisions of the Audit Committee during Financial period 2013-14 and to provide opinions on matters specified by the Code of Audit Practice.

Members noted the report and the key opinions of the Audit Committee that the financial statements for the period ended 31 March 2014 presented a true and fair view of the state of affairs of the College and of the deficit of income over expenditure, and that the Audit Committee recommended that the Board approve the Financial Statements and Internal Control Statement.

8   Finance and General Purposes Committee Annual Report

In the absence of the Chair of F&GP Committee, the VP CSG referred Members to the report which had been circulated, advising the Board of the activities and decisions of the Finance and General Purposes Committee during Financial period 2013/14.

Members noted the report and the key opinions that:

8.1   The Finance and General Purposes Committee's view on the Board of Management's responsibilities, as described in the Financial Regulations, is that they have been satisfactorily discharged.

8.2   The Finance and General Purposes Committee's view is that the College's financial affairs are planned, conducted and controlled so that its total income is sufficient to meet its total expenditure, and its financial viability is maintained.

8.3   The Finance and General Purposes Committee's opinion is that the financial statements for the period ended 31 March 2014 present a true and fair view of the state of affairs of the College and of the deficit of income over expenditure.

8.4   Accordingly, the Finance and General Purposes Committee recommends that the Board approve the Financial Statements and Internal Control Statement.

9   Financial Statements for the period ended 31 March 2014

The VP CSG referred Members to the financial statements which had been circulated. It was noted that these were for an eight month period, following the change to the financial year end, and that it seemed likely that the next statements would be for a 16 month period as it had just been announced that the financial year end had been changed back to 31 July.

Members discussed the deficit position, and noted that every college in Scotland was in a similar position following the ONS reclassification and change to year end. Colleges Scotland was preparing a media statement on behalf of the sector to answer the inevitable questions once the statements were published.

Following discussion, and taking into account the recommendations of the Audit and Finance and General Committees, the Board approved the financial statements for signature by the Chair and Principal.

10   Minute of Meeting held on 16 June 2014

The minute of previous meeting of the Board held on 16 June 2014 was approved.

11   Matters Arising

11.1   Retention Monies
The Principal reported that following the meeting on 27 May, no letter from Millers had been forthcoming. In the interim further defects had been uncovered. Finally a letter had arrived but this had not been clear on whether Millers accepted the College position. The College's legal team had composed a form of words for a letter in response, clearly stating the College's position, but nothing further had been received. The College was continuing to advise Millers of any latent defects and could continue to pursue the situation. The Board noted the position.

11.2   Dumfries Learning Town
The Principal advised that the Director for Education had advised that there had been little activity over the Summer recess.   The College had issued a position statement in favour of the situation of a Learning Hub on the Crichton Campus which was still the case, but in the meantime was continuing to work closely with schools.

12   Strategic Risk Register

The VP CSG referred Members to the Register which had been issued which highlighted no change since the previous meeting. She advised that the Executive Team felt that in respect of Risk 12 regarding the ONS reclassification, it would be prudent to leave the risk as high until one year of operation of the new arrangements. The Board approved the SRR as at September 2014.

13   Key Performance Indicators

The VP CSG spoke to the report which had been issued highlighting in particular the 25% increase in HE enrolments, the recently audited WSUMs figure which was just above target and that three HNC courses had commenced at Stranraer for the first time in several years which was excellent news, although these may only be sustainable if offered every second or third year. She also brought to the attention of members that retention and outcome targets as laid down in the College's Outcome agreement had been achieved. This session the Principal has issued a challenge to the management team to improve these targets by 3% not the 1% as laid down in the Outcome Agreement.

The Principal advised on a small but steady decrease in overall numbers at Stranraer and alerted members to possible future difficult decisions in terms of the costs of maintaining two centres in theses financially challenging times. The Board asked if they could get a breakdown of full-time enrolments by postcode. The VP CSG would prepare report for next meeting. S Burgess asked if the number of students from Stranraer who travelled to Ayr College is known. The VP CSG agreed find this out and report back at next meeting.

14   Hospitality Development

The Principal reported that the construction work was progressing and was on target and within budget, to date.

15   Any Other Business
None

16   Date and Time of Next Meeting
The next meeting of the Board of Management would take place on Tuesday 20 January 2015.

Members were reminded of the board development event facilitated by Jan Polley on 'leadership, corporate governance and strategy' planned for 11 November 2014.

D&G Residents attending Colleges outwith Region

1   Purpose

The purpose of the attached report is to provide members with information on full-time students attending neighbouring colleges.

2   Report

At the Board meeting on 16 September members requested information of students who reside in Dumfries and Galloway and study at neighbouring colleges. The attached table shows the number of full-time students enrolled at Ayr, Kilmarnock or City of Glasgow Colleges in session 2013/13.

3   Recommendation

Members are requested to note the contents of the attached report.

Course Title	Ayr College	City of Glasgow	Kilmarnock College	Grand Total
ACCESS TO HN SOCIAL SCIENCE			1	1
DIPLOMA OF HIGHER EDUCATION (SOCIAL SCIENCES)		1		1
HIGHER SOCIAL SCIENCES (LEVEL 6)	1			1
HNC ACCOUNTING	1			1
HNC ACTING AND PERFORMANCE	1	1		2
HNC ADMIN & INFO TECHNOLOGY	1			1
HNC ADMINISTRATION AND INFORMATION TECHNOLOGY		1		1
HNC AIRCRAFT ENGINEERING	1			1
HNC APPLIED SCIENCE	1			1
HNC BEAUTY THERAPY	1			1
HNC BUSINESS		1	1	2
HNC BUSINESS MANAGEMENT	1			1
HNC CARE & ADMINISTRATIVE PRACTICE (CARE ROUTE)			1	1
HNC COMPUTING (SOFTWARE DEVELOPMENT)			1	1
HNC CREATIVE INDUSTRIES: MEDIA AND COMMUNICATION		1		1
HNC DIGITAL MEDIA FOR DESIGN AND PRINT		1		1
HNC EARLY EDUCATION & CHILDCARE	1	1	1	3
HNC ENGINEERING: FABRICATION AND WELDING			1	1
HNC FASHION MAKE-UP		1		1
HNC FITNESS HEALTH AND EXERCISE		1		1
HNC HAIRDRESSING		1	1	2
HNC HEALTH CARE	1			1
HNC HOSPITALITY MANAGEMENT	1			1
HNC MARINE ENGINEERING 3/5A		2		2
HNC MARKETING		1		1
HNC MECHANICAL ENGINEERING (ECM)		1		1
HNC MEDIA ANALYSIS & PRODUCTION	1			1
HNC MUSIC	1			1
HNC PHOTOGRAPHY		1		1
HNC RETAIL MANAGEMENT		1		1
HNC SOCIAL CARE		1		1
HNC SOCIAL SCIENCES	1			1
HNC SOUND PRODUCTION	1			1
HNC SPORTS COACHING WITH DEVELOPMENT OF SPORT			1	1
HNC VISUAL COMMUNICATION	1			1
HND 3D COMPUTER ANIMATION		1		1
HND 3D DESIGN / HND 3D DESIGN: PRODUCT DESIGN		1		1
HND ACTING AND PERFORMANCE		1		1
HND AIRCRAFT ENGINEERING	1			1
HND ARCHITECTURAL CONSERVATION		1		1
HND BEAUTY THERAPY		1	1	2
HND BUSINESS		1		1
HND BUSINESS MANAGEMENT	1			1
HND COMPUTER ARTS AND DESIGN		1		1
HND COMPUTER NETWORKING AND INTERNET TECHNOLOGY		1		1
HND COMPUTING (SOFTWARE DEVELOPMENT)		1	1	2
HND COMPUTING: TECHNICAL SUPPORT		1		1
HND CONTEMPORARY ART PRACTICE / HND FINE ART		1		1
HND CREATIVE INDUSTRIES: RADIO		1		1
HND CREATIVE INDUSTRIES: TELEVISION		1		1
HND ELECTRICAL ENGINEERING		1		1
HND EVENTS MANAGEMENT		1		1
HND FURNITURE / HND FURNITURE CRAFTSMANSHIP WITH DESIGN		1		1
HND HOSPITALITY MANAGEMENT	1	1		2
HND INTERACTIVE MEDIA		1		1
HND LEGAL SERVICES		1		1
HND MARINE ENGINEERING 1/5PB		2		2
HND PHOTOGRAPHY		1		1
HND PRACTICAL JOURNALISM		1		1
HND PROFESSIONAL COOKERY		1		1
HND SOCIAL SCIENCES		1		1

Course Title	Ayr College	City of Glasgow	Kilmarnock College	Grand Total
HND SPORT AND HOSPITALITY MANAGEMENT		1		1
HND SPORTS COACHING WITH DEVELOPMENT OF SPORT		1		1
HND SPORTS THERAPY		1		1
HND TOURISM		1		1
HND TRAVEL AND TOURISM / HND HIGHER TRAVEL AND TOURISM		1		1
HND VISUAL COMMUNICATION	1			1
HND VISUAL COMMUNICATION / HND GRAPHIC DESIGN		1		1
HND VISUAL COMMUNICATION / HND ILLUSTRATION		1		1
NATIONAL PROGRESSION AWARD IN CARPENTRY & JOINERY	1			1
NATIONAL PROGRESSION AWARD IN PLUMBING	1			1
NC ACTING & THEATRE PERFORMANCE	1			1
NC ART AND DESIGN: APPLIED ARTS		1		1
NC ART AND DESIGN: PRODUCT DESIGN		1		1
NC BEAUTY AND MAKE UP LEVEL 5			1	1
NC BEAUTY CARE LEVEL 5	1			1
NC BUSINESS (HIGHER)	1			1
NC BUSINESS INTERMEDIATE LEVEL 2	1			1
NC BUSINESS WITH ACCOUNTS			1	1
NC COMPUTER ARTS AND ANIMATION LEVEL 5		1		1
NC DIGITAL MEDIA COMPUTING (HIGHER)			1	1
NC EARLY EDUCATION AND CHILD CARE			1	1
NC ENGINEERING: ELECTRICAL			1	1
NC ENGINEERING: FABRICATION AND WELDING			1	1
NC HEALTH CARE (HIGHER)			1	1
NC HIGHER GROUP AWARD IN EARLY EDUCATION & CHILDCARE	1			1
NC HIGHER HEALTH CARE	1			1
NC HOSPITALITY			1	1
NC IN AERONAUTICAL ENGINEERING	1			1
NC INTRODUCTION TO PROFESSIONAL COOKERY	1			1
NC MUSIC	1			1
NC PROFESSIONAL COOKERY	1			1
NC SHIPPING AND MARINE OPERATIONS		2		2
NC SOCIAL SCIENCES LEVEL 5		1		1
NC SOUND PRODUCTION	1			1
NC SPORT AND FITNESS (SPORT BASED AWARD)			1	1
NCGA HAIRDRESSING LEVEL 5			1	1
NQ ARTS AND CRAFTS	1			1
NQ BIOMEDICAL SCIENCES - LEVEL 6 HIGHER	1			1
NQ CONSERVATION AND RESTORATION		1		1
NQ FASHION - LEVEL 5	1			1
NQ FASHION MERCHANDISING SFC/ESF		1		1
NQ FILM AND BROADCASTING	1			1
NQ GARDEN & LANDSCAPING ENGINEERING			1	1
NQ VEHICLE BODY REPAIR			1	1
NQ VISUAL COMMUNICATION	1			1
PDA MARINE MANAGEMENT		2		2
PLAYWORK & CHILDCARE (INT2)			1	1
PORTFOLIO PREPARATION	1			1
PREPARE FOR A CAREER IN UNIFORMED SERVICES			1	1
PROF DIP MARINE ENGINEERING 3/5 PJ		1		1
ROUTES INTO CARE	1			1
SKILLS FOR WORK CREATIVE INDUSTRIES	1			1
SPD NAUTICAL SCIENCE HND PHASE 3		1		1
SVQ 2 HAIRDRESSING	1			1
SVQ 2 ENGINEERING (PRE-APPRENTICESHIP)			2	2
SVQ 3 CARP & JOINERY	1			1
Grand Total	**43**	**61**	**26**	**130**

Board of Management

Principal's Update

1   Purpose of the Report

To update Members on key College activities.

2   The Report

2.1.   Enrolments 2014-15
Student numbers remain high and, overall, retention rates appear to have improved on last year.

2.2.   Awards
November was the month for awards – Dumfries and Galloway College was shortlisted in the EAUC (Green Gown); Scottish Qualifications Authority Star and College Development Network's Annual Awards for projects and work with students. The College Marketing Team won silver at the FE First Marketing Awards for Event Management and the College was part of the Scottish Power Energy Network Submission at the recent National Utility Achievement Awards ceremony held in London.

2.3   CREST
The CREST project finishes at the end of January 2015 and the College has achieved its output and financial targets. We await the final report on the overall project.   It is expected that the Business Development Team will take responsibility for the building going forward as we aim to offer commercial and upskilling opportunities to businesses.

2.4   Hospitality & Catering Development
A Practical Completion Certificate has been issued for the Internal Works in respect of the Hospitality Development. Outstanding items currently being addressed are:
- Snagging works
- Collation of Health and Safety file and Operations and Maintenance Manuals
- External Roof Plant and associated Commissioning

We expect to receive the final account at the end of January but indications are that we will be within budget.

2.5   Employer Advisory Boards
The first meeting of the Employer Advisory Boards was held in November 2014 and there was an excellent turnout. The enthusiasm of the businesses to become involved was extremely encouraging and the next event is scheduled to take place on 27 January 2015. A database of businesses in the West of the Region is currently being compiled with the aim of holding a similar event in our Stranraer campus in February/March 2015.

2.6   Developing Scotland's Young Workforce
Individual visits have been held with secondary schools across the region to explore opportunities to work together on delivering some of the key recommendations in Developing Scotland's Young Workforce report. These visits have been encouraging and further development meetings will take place. A key challenge will be the affordability of delivering programmes for the schools as the preferred solutions are different depending on geography and catchment. It is unlikely that economies of scale in terms of student numbers can be achieved and innovative approaches will be developed but dedicated funding will be required in order to ensure the different needs can be met.

2.7   Growth

Scottish Funding Council have offered 1% growth in activity targets for 2015-16 and an allocation of ESF funding (Youth Employment Initiative) which, together, equates to the equivalent of 130 additional full-time FE places, although there is flexibility in how we use this. We have accepted the additional activity but pointed out that our Dumfries Campus is now operating at full capacity and it will be difficult to accommodate any further growth without enhancements to our estates.

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

Carol Turnbull
Principal – January 2015

Board of Management

BOARD RECRUITMENT

1 Purpose

The purpose of this report is to seek approval from the Board of Management to appoint new members to the Board following recent recruitment.

2 Report

When the College was designated as Regional College in March 2014, it had until March 2015 to appoint a new Board. The Board decided to hold two separate open recruitment campaigns, one in May 2014 and the other in December 2014.

The Selection and Appointments Committee agreed to a recruitment panel consisting of Brian Johnstone (Chair), Hugh Carr (Chair of Audit), Rona Gunnell (former Board Member) and Brian Pattinson (Independent Person). In line with Ministerial guidance on College Sector Board Appointments the recruitment process provided clear information on the role of board member, person specification, and assessment criteria to be used. The Board positions were advertised on the Scottish Public Appointments website as well as the Galloway Gazette, Dumfries Newspaper Group, Trinity Newspaper Group, Free Press, Colleges Scotland website, College website, College social media, Business Gateway, Economic Development Dept of D&G Council, Dumfries & Galloway Multicultural Association, DG Voice, and LGBT.

A total of 10 applications were received. The recruitment panel assessed each applicant against the set criteria (as stated in the recruitment information) with eight applicants being invited for interview on Wednesday 7 January 2015. One applicant could not make the interview date and the panel agreed to offer an interview at a later date. Following the interviews the panel is recommending five applicants for full membership to the Board. They are: Delia Holland, John Henderson, Janice Goldie, Stuart Martin and Barry Graham.

3 Recommendation

The recruitment panel of the Selection and Appointments Committee is recommending to the Board the appointment of the above members. Following Board approval the Chair will then seek approval to appoint from the Cabinet Secretary for Education and Lifelong Learning.

Board of Management

CODE OF GOOD GOVERNANCE FOR SCOTLAND'S COLLEGES

1.   Purpose

The purpose of this report is to inform members of the new Scottish Further Education Code of Governance.

2.   The Report

The attached code of governance has been developed by the College Sector. Colleges are required to comply with it as a condition of grant from the Scottish Funding Council. The code establishes standards of good practice for all college boards and provides essential information for compliance within the legislative framework set out by the further and higher education acts.

3.   Recommendation

The Board is asked to discuss and adopt this code.

Hugh Hall
Chair of the Code of Governance for Colleges in Scotland Steering Group
c/o Lesley Whelan
Colleges Development Network
Argyll Court, Castle Business Park
Stirling FK9 4TY

27 November 2014

Dear Hugh

Code of governance for Scotland's Colleges

Thank you for your email of 31 October regarding the new Scottish FE Code. Firstly, I would like to thank the Steering Group for its significant work in developing, for the first time, a distinctive Scottish FE Code of governance. The inclusive process adopted for the development of the Code is to be commended and will, I am sure, go a long way to ensuring it is seen as a practical guide for governors and executive teams.

Embedding the Code into colleges' governance structures and processes will be the key to its success. Given the important role of board secretaries in advising on good governance, it is reassuring they were so centrally involved in drafting the Code. Having reviewed the Code, I am satisfied that it meets the principles of good practice in relation to governance.

I note the continuing role of the Steering Group in keeping the Code under review and overseeing the promulgation of guidance that will help operationalise and embed best practice. We look forward to supporting the Group with this task.

Yours,

Alice Brown
Chair

Foreword

Colleges in Scotland thrive in the heart of their communities, serving the interests of those communities, students, employers, governments and their agencies and other stakeholders. They have an essential and valuable role in Scottish society. In 2013, they delivered learning to over 230,000 students and, over the past eight years, have contributed over £1billion to the Scottish economy. Colleges are also a major employer with 13,500 directly employed staff.

Colleges receive substantial public funding and also operate in an increasingly commercial and enterprising way. They are expected to innovate, pursue new opportunities and take measured risks in delivering what is best for their stakeholders. In recent times, they have gone through major transformational change, embracing regionalisation and post 16 education reforms.

Against this background, it is right and proper that the highest standards of governance and propriety are expected of our colleges and those individuals who serve them. This Code of Good Governance codifies the principles of good governance that already exist in our colleges and promotes accountability and continuous improvement in how colleges are governed.

The Code was developed collaboratively with a wide range of stakeholders including representatives of students and staff. It has been subject to extensive consultation. The Code is based on key principles and has been written in a way that is mandatory and anticipates compliance. All Colleges that receive funding from the Scottish Funding Council and regional strategic bodies will be expected to comply with the Code, exceptions should be rare and will have to be explained publicly.

The Code will be reviewed formally every three years but given the transformational changes that have been underway in the college sector specifically, and developments in good governance more generally, the Code will be kept under ongoing review. It will be supported by supplementary guidance designed to embed and operationalise the principles set out in the Code. Colleges Scotland will act as custodian of this process but, in keeping with the way that the Code was created, the broad church of stakeholders who drew up the Code will be engaged fully in its development and revision.

Colleges have an important individual and collective role to play in promoting economic, social and cultural well-being. We expect this Code of Good Governance to provide the essential underpinning to help discharge that role to the highest standards possible.

Hugh Hall, Chair of the Code of Governance Steering Group
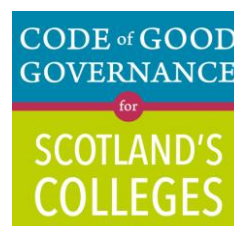
Code of Good Governance for Scotland's Colleges

Governance and the Code

Corporate governance:

- is the way in which organisations are directed and controlled
- defines the distribution of rights and responsibilities among the different stakeholders and participants in the organisation
- determines the rules and procedures for making decisions on corporate affairs including the process through which the organisation's objectives are set
- provides the means of achieving those objectives and monitoring performance.

Scotland's colleges refers to colleges either funded by the SFC or by a regional strategic body for the provision of education. Such colleges can be incorporated or non-incorporated. The overarching purpose of good governance for Scotland's Colleges is to:

- Lead the college and set its strategic direction and values
- Ensure effective management and financial controls to support the student experience within a framework of public accountability and transparency
- Deliver high quality of learning and outcomes.

The Code of Good Governance for Scotland's Colleges has been developed, and is owned, by the college sector. Colleges are required to comply with it as a condition of grant from either the Scottish Funding Council or their regional strategic body. It establishes standards of good governance practice for all college boards and provides the essential foundations for compliance within the legislative framework set out by the further and higher education acts.

There is an expectation that regional strategic bodies will also embrace this Code where relevant.

Boards must not only follow the letter but also the spirit of the Code to ensure good governance. Boards must think deeply, thoroughly and on a continuing basis about their overall tasks and the implications of these for the roles of their individual members. Key to this is the leadership of the Chair, the support given to and by the

Principal, and the frankness and openness of mind with which issues are discussed and tackled by all board members.

Statement of Compliance with Good Governance

Each college should state its adoption of the Code in the corporate governance statement contained in its annual audited financial statements. The Chair, on behalf of the Board, is encouraged to report personally as to how the principles have been applied by the Board. Where, for whatever reason, a college's practice is not consistent, with any particular principle of the Code, it should make this known to the Scottish Funding Council or Regional Strategic Body. This should be done immediately they become aware of an inconsistency and, without exception, in advance of publishing the information. An explanation for that inconsistency must be clearly stated in its corporate governance statement. Colleges will be expected to offer a clear rationale for exceptions in the context of their college's operational model and to identify mitigations.

Principles

Section A: Leadership and Strategy

Conduct in Public Life

A.1   Every college must be governed by an effective board that is collectively responsible for setting, demonstrating and upholding the values and ethos of the organisation.

A.2   The nine key principles underpinning public life in Scotland, which incorporate the seven Nolan principles, must be the basis for board decisions and behaviour. These key Principles are:

- Duty/Public Service
- Selflessness
- Integrity
- Objectivity
- Accountability & Stewardship
- Openness
- Honesty
- Leadership
- Respect

Vision and Strategy

A.3   The board is responsible for determining the college's vision, strategic direction, educational character, values and ethos. For an assigned college, the Board must have regard to the strategy determined by the Regional Strategic Body. Board members have a collective leadership role in fostering

an environment that enables the college to fulfil its mission and meet Scottish Government priorities, for the benefit of students and the community it serves.

A.4   The board must develop and articulate a clear vision for the college. This should be a formally agreed statement of the college's aims and desired outcomes which should be used as the basis for the college's overall strategy and planning processes.

A.5   The board provides overall strategic leadership of the college. The board is responsible for formulating and agreeing strategy by identifying strategic priorities and providing direction within a structured planning framework.

A.6   The board must ensure that a comprehensive performance measurement system is in place which identifies key performance indicators. It must ensure that it scrutinises performance measures and reports in order to determine whether or not the college's vision and mission are being fulfilled and that the interests of stakeholders are being met.

A.7   The board (except in the case of assigned college boards) is responsible for negotiating its outcome agreement with the SFC, to meet the needs of the region and make best use of available funding, consistent with national strategy. The board must ensure effective engagement with all relevant stakeholders in the development of its outcome agreement and monitor performance in achieving the agreed outcomes.

The role and responsibilities of the boards of assigned colleges should be undertaken in the context of the roles and responsibilities of their regional strategic body, which differ depending on whether a college is incorporated or not.   Assigned college boards must contribute constructively to the development of the outcome agreement led in its region by the regional strategic body. The board must support the regional strategic body to monitor performance in achieving the agreed outcomes.

Corporate Social Responsibility

A.8   The board must demonstrate high levels of corporate social responsibility by ensuring the college behaves ethically and contributes to economic development while seeking to improve the quality of life of its workforce as well as of the local community and society at large.

A.9   The board must exercise its functions with a view to improving economic and social wellbeing in the locality of the college. It should have regard to social and economic needs and social inclusion.

A.10   The board must provide leadership in equality and diversity. The board must ensure it fulfils its statutory obligations and duties in respect of equalities legislation.

A.11 The board must seek to reflect in its membership, the make-up of the community through offering maximum opportunity of membership to a range of potential members and removing potential barriers to membership, in partnership with its regional strategic body, as appropriate.

A.12 The board must appoint one of the independent non-executive members to be the senior independent member to provide a sounding board for the chair and to serve as an intermediary for the other board members and the board secretary when necessary. The senior independent member (or Vice-Chair) should also be available where contact through the normal channels of chair, principal, or secretary has failed to resolve an issue or for which such contact is inappropriate.

Section B: Quality of the Student Experience

Student Engagement

B.1 The board must have close regard to the voice of its students and the quality of the student experience should be central to all board decisions.

B.2 The board must lead by example in relation to openness, by ensuring that there is meaningful on-going engagement and dialogue with students, the students' association and as appropriate staff and trades unions in relation to the quality of the student experience. Consultation is essential where significant changes are being proposed.

Relevant and high quality learning

B.3 The board must seek to secure coherent provision for students, having regard to other provision in the college's locality. The board must be aware of external local, national and international bodies and their impact on the quality of the student experience, including community planning partners, employers, skills development and enterprise agencies and employer bodies. The board must seek to foster good relationships and ensure that the college works in partnership with external bodies to enhance the student experience, including employability and the relevance of learning to industry needs.

Quality Monitoring and Oversight

B.4 The board must ensure appropriate mechanisms are in place for the effective oversight of the quality and inclusivity of the learning experience and work with other bodies as appropriate to oversee and monitor this. The board must ensure that the college works in partnership with sector quality agencies and other appropriate bodies to support and promote quality enhancement and high quality services for students.

B.5 The board must expect to see student surveys and monitor action plans that could impact on the quality of the student experience.

Section C: Accountability

Accountability and Delegation

C.1 The board is accountable to students and to other stakeholders, including the public, employers and its local community for the provision of appropriate, high quality education that enhances social and economic well-being. An assigned college is also accountable to the Regional Strategic Body.

C.2 Incorporated colleges must maintain and publicly disclose a current register of interests for all board members.   Board members should declare any conflicts of interest in the business of the meeting prior to the commencement of each meeting of the board and its committees and withdraw from meetings as appropriate or when requested to do so.

C.3 The board must ensure that its decision-making processes are transparent, properly informed, rigorous and timely, and that appropriate and effective systems of financial and operational control, quality, management of staff, risk assessment and management, are established, monitored, continuously improved and appropriately impact assessed.

C.4 Boards may delegate responsibilities to committees for the effective conduct of board business. The minimum committees required are Audit, Remuneration and as appropriate Nominations/Appointments.

C.5 Delegation of responsibilities from, and matters reserved to, the board and its committees must be clarified through a scheme of delegation including the functions delegated by the board to the chair, committees, the principal, the board secretary.

C.6 Boards must consider and have in place procedures to ensure effective working relationships and constructive dialogue amongst the board as a whole and ensure there is effective reporting and two way communication between committees and the board.

Risk Management and Audit

C.7 The board is responsible for the overall management of risk and opportunity. It must set the risk appetite of the college and ensure there is an appropriate balance between risk and opportunity and that this is communicated via the principal to the executive team.

C.8 The board must ensure that sound risk management and internal control systems are in place and maintained. It must ensure there is a formal on-going process for identifying, reporting, evaluating and managing the college's significant risks and review the effectiveness of risk management, business continuity planning and internal control systems.

C.9   The Audit Committee must support the board and the principal by reviewing the comprehensiveness, reliability and integrity of assurances including the college's governance, risk management and internal control framework.

C.10   The scope of the Audit Committee's work must be defined in its terms of reference and encompass all of the assurance needs of the board and the principal. The Audit Committee must have particular engagement with internal and external audit and financial reporting issues.

C.11   The membership of the Audit Committees must consist of non-executive board members who must be independent and objective. The chair of the board must not be a member of the Audit Committee. The role of the college executive is to attend meetings at the invitation of the committee chair and to provide information for particular agenda items.

C.12   The Audit Committee terms of reference must provide for the committee to sit privately without any non-members present for all or part of a meeting if they so decide. The Audit Committee members should meet with the internal and external auditors without the executive team present at least annually.

C.13   At least one member of the Audit Committee should have recent relevant financial or audit experience.

Financial and Institutional Sustainability

C.14   The board is responsible for ensuring the financial and institutional sustainability of the college. College boards are accountable to the Scottish Funding Council or their Regional Strategic Body for the funding they receive from it.   The board must ensure compliance with the SFC/Regional Strategic Body Financial Memorandum and the relevant aspects of the Scottish Public Finance Manual.

C.15   Boards must ensure that funds are used as economically, efficiently and effectively as possible.

C.16   For colleges that are charitable organisations, board members are also charity trustees. Boards must be aware of their responsibilities under charity legislation and ensure compliance with relevant provisions.

Employee Relations

C.17   The board must ensure that the college meets its ethical and legal obligations to its staff. Day to day staff management is delegated to the principal.

C.18   The board is responsible for employment policies and must ensure appropriate consultation arrangements are in place with staff and recognised trades unions.

C.19   Boards should ensure that colleges comply with statutory, contractual and other duties placed on them through the national bargaining process.

C.20   The board must seek to ensure effective dialogue between trades unions and management and should promote positive employee relations.

Section D: Effectiveness

The Board Chair

D.1   The chair is responsible for leadership of the board and ensuring its effectiveness in all aspects of its role. The chair is responsible for setting the board's agenda and ensuring that adequate time is available for discussion of all agenda items, particularly strategic issues. The chair must promote a culture of openness and debate by encouraging the effective contribution of all board members and fostering constructive relations between board members.

D.2   The Board and its committees should have the appropriate balance of skills, experience, independence and knowledge of the college to enable them to discharge their respective duties and responsibilities effectively.

Board members

D.3   The whole board is collectively responsible and accountable for all board decisions. Board members must make decisions in the best interests of the college as a whole rather than selectively or in the interests of a particular group.

D.4   Staff and student board members are full board members and bring essential and unique, skills, knowledge and experience to the board. Staff and student board members must not be excluded from board business unless there is a clear conflict of interest, in common with all board members.

D.5   The board must ensure that the respective functions of governance and management, and the roles and responsibilities of the chair, the principal, the board secretary and individual board members, are clearly defined within a scheme of delegation.

Principal and Chief Executive

D.6   The board must appoint the principal as chief executive of the college, securing approval for the appointment and terms and conditions of the appointment from the regional strategic body if necessary, and must put in place suitable arrangements for monitoring their performance.

D.7   The board must ensure there is an open and transparent recruitment process for the appointment of the principal and obtain approval from the Regional Strategic Body for the appointment and their terms and conditions, where required. Students and staff should have an opportunity to contribute to the recruitment process.

D.8   The board delegates to the principal, as chief executive, authority for the academic, corporate, financial, estate and human resource management of the college, and should ensure the establishment of such management functions as should be undertaken by and under the authority of the principal.

D.9   The board must ensure a clear process is in place to set and agree personal performance measures for the principal. This process should seek the views of students and staff. The chair, on behalf of the board, should monitor, review and record the principal's performance, at least annually, against the agreed performance measures.

D.10   There must be a formal procedure in place for setting the remuneration of the principal by a designated committee of non-executive members. The board may wish to supplement this by taking evidence from a range of sources. In particular, staff and students should have a role in gathering and submitting evidence to the relevant committee.

D.11   The principal has an important role in supporting effective governance. The principal, as a board member, shares responsibility with the chair and the board, supported by the board secretary, for enabling good governance through supporting effective communication and interaction between the board and the rest of the college including staff and students.

D.12   The chair and the principal have a shared responsibility to provide leadership for the college. The principal is the operational interface between the board and the college.

D.13   The board must provide a constructive challenge to the principal and executive team and hold them to account.

Board Secretary

D.14   All board members must have access to a board secretary who has an important governance role in advising the board and individual board members and supporting good governance.   The board secretary should advise the board and executive team on governance, the role of the board and board matters.

D.15   The board secretary must directly support the chair and the board in ensuring that the board receives appropriate, timely and high quality information in a form that allows it to monitor and scrutinise the college's activities and to challenge performance when required. The board secretary must support the chair, the board and the executive team in ensuring compliance with all relevant legislative and governance requirements.

D.16   The board secretary is responsible to the board and reports directly to the chair. The board secretary must be independent of the college executive in relation to their board secretary role. The appointment and removal of the board secretary should be a decision of the board as a whole.

Board Member Appointment, Induction and Training

D.17   There should be a formal and open procedure in place for recruiting and selecting new non-executive board members. Boards must have regard to all relevant Ministerial Guidance on board appointments.

D.18   The board is responsible for ensuring appropriate arrangements are in place for the conduct of student elections and nominations and elections of staff members to the board.

D.19   The chair must ensure that new board members receive a formal induction on joining the board, tailored in accordance with their individual needs. The board secretary should support the chair in the provision of relevant induction for new board members.

D.20   All board members must undertake appropriate training and development in respect of their governance role. The board secretary should support the chair in the provision of relevant training and development opportunities for board members, which should be tailored to meet board members skills and needs. The board secretary must keep records of the development activity of board members, including the chair.

Board Evaluation

D.21   Extension of the term of office of board appointments requires evidence and the Board must ensure appropriate mechanisms are in place to support this**.**

D.22   The board must keep its effectiveness under annual review and have in place a robust self-evaluation process. There should also be an externally facilitated evaluation of its effectiveness every three years to five years.

D.23   The board must agree a process for evaluating the effectiveness of the board chair and the committee chairs. The evaluation of the board chair should normally be led by the vice-chair/senior independent member.

D.24   The performance of regional college chairs will also be evaluated by the Scottish Government, as regional college chairs are appointed by the Scottish Ministers and are personally accountable to them.

Section E: Relationships and Collaboration

Partnership working

E.1   Colleges and/or regional strategic bodies must work in partnership to secure the coherent provision of a high quality of fundable further and higher education in their localities.

E.2   Colleges and/or regional strategic bodies must ensure effective consultation, local and regional planning and must follow the principles of effective

collaborative working: mutual respect, trust and working towards commonly agreed outcomes.

E.3   Boards must ensure effective partnership working with local and national bodies including businesses, public and third sector organisations to develop commonly agreed priorities following the principles of effective collaborative working.

E.4   The board must encourage and support effective partnership working and collaboration within and across regions to address local needs and meet national priorities and specialisms.

Openness and Transparency

E.5   The work of the board and its committees should be communicated appropriately to internal and external stakeholders to support effective and transparent governance.

E.6   The board, via the board secretary, must ensure the board agenda, minutes, policies and appropriate reports are published within appropriate time frames, ensuring and monitoring compliance with freedom of information legislation.

Staff and Students

E.7   The board must encourage a strong and independent students' association and should ensure that the students' association is adequately resourced.

E.8   The board must ensure that the students' association operates in a fair and democratic manner and fulfils its responsibilities. The students' association must have a written constitution, which should be subject to the approval and review by the board at intervals of not more than five years.

E.9   The board and the students' association must establish clear guidelines on relationships and effective communication.

E.10   The board should ensure that it is aware of the employees' and recognised trades unions views on relevant issues. The board should see staff surveys and monitor any resulting action plans. The principal is delegated to operationalise the outcome of board decisions, values and ethos to all staff.

E.11   The principal, on behalf of the board, must ensure that appropriate governance standards are embedded throughout the college.

Dumfries and Galloway Regional Outcome Agreement Self-Evaluation Report AY 2013-14

1   Executive Summary

Priority Impacts identified in the Regional Outcome Agreement for 2013-14:

- An efficient, regional College Structure that meets the needs of Dumfries and Galloway and beyond.
- A curriculum that delivers high-quality, innovative education and training that meets the needs of the local economy and beyond.
- More learners develop the appropriate skills required to get a job, keep a job or get a better job.
- Fewer young people in Dumfries and Galloway and Scotland not in employment, education or training.
- More learners achieve qualifications and progress to further study.
- Increased employer engagement

The College believes it has made good progress in all of these areas, whilst recognising that there are still improvements to be made.

Effective College governance arrangements are in place with the creation of a Regional Board aligned to Scottish Government recommendations. The Regional Chair was appointed (ministerial appointment) in March 2014 and the first round of Board appointments were made in the summer. A further round of recruitment will take place in January 2015.

The College achieved its WSUMS target and continues to develop our curriculum, offering learning opportunities from Access through to degree level in almost all curriculum areas and, working with our University partners, have increased articulation opportunities and the number of University funded Higher National places. The number of 16-19 year olds enrolled on college programmes increased in 2013-14 by 9% compared to the previous year.

Our Princes Trust programmes, aimed at disadvantaged young people continues to be successful and has recently been reported as having the best performing indicators in terms of retention and achievement in Scotland.

Education Scotland conducts and Annual Engagement Visit with the College and last year we received excellent feedback which informed us that our learners are fully engaged in their learning, extremely well supported by their tutors and there were numerous examples of active learning. In addition, the Re-ablement development (working in partnership with NHS and Dumfries and Galloway Council) was identified as an example of best practice.

We continue to develop our link with employers and have a strong commitment to deliver skills training and education that meets the needs of the local and national economy.

Engineering courses have been enhanced through the addition of Performance Engineering Operations Units and employers have informed us that these improve employability and opportunities by providing practical hand skills. We have extended and expanded online courses to businesses in the region through the PDA in Accommodation Management, HNC Social Care, HNC Management, and are exploring demand for new online provision in HNC Hospitality. The number of Modern Apprentices in training with the College increased by 15% from 118 in 2012-13 to 136 in 2013-14.

2 Key Performance Indicators

In 2013-14 the College achieved 42,761 WSUMS exceeding the SFC target of 42,529. Just over 84% of total WSUMS were delivered at the Dumfries campus with almost 16% delivered at the Stranraer campus. A total of 5,739 students enrolled on college programmes which was an increase of 185 (3.3%) on the previous year. 1,632 of these enrolled on full-time programmes which is an increase of 16 students (0.8%) on the previous year. Higher National numbers continue to grow with 393 full-time learners enrolled in 2013-14, compared to 373 in 2012-13.

Overall student retention improved during 2013-14. Retention on full-time FE programmes as 74%, an improvement of 1% on the previous year and 1% below the sector average. Retention of students on full-time Higher Education programmes in 2013-14 was 82%, an improvement of 2% on the previous session and is now in-line with the sector average.

The overall percentage of students achieving successful outcomes improved during 2013-14. Success rates for learners on full-time Higher Education programmes improved by 1% to 71%, which is 2% above the sector average. Success rates for students on full-time FE programmes improved by 1% to 64% in-line with the sector average.

	WSUMs		Enrolments						
			Full-time					Part-time	Total
	Actual	Target	HE Dfs	HE Str	FE Dfs	FE Str	Total		
2013/14	42,761	42,529	393	-	984	255	1632	4107	5739
2012/13	39,014	38,711	373	-	958	285	1616	3938	5554
2011/12	39,756	39,670	302	-	944	277	1523	4770	6293

Table 1

	Retention (%)				Outcome (%)			
	Full-time Further education		Full-time Higher education		Full-time Further education		Full-time Higher education	
	Actual	Target	Actual	Target	Actual	Target	Actual	Target
2013/14	74	74	82	81	64	65	71	72
2012/13	73	74	80	80	63	63	70	73
2011/12	72	72	78	78	61	61	70	61

Table 2

The following provides a summary of the success rates for students by each equality category compared to the previous academic session

	2012/13		2013/14	
	Enrolments	Success	Enrolments	Success
Disability	649	70%	712	72%

Table 3

Age				
Under 16	239	60%	287	51%
16-17	823	68%	891	61%
18-19	736	68%	782	75%
20-24	785	70%	829	75%
25 and over	2971	78%	2949	84%

Table 4

Gender				
Female	2950	74%	2919	76%
Male	2596	72%	2820	76%

Table 5

Ethnicity (excl Scottish, English, Welsh Irish and Northern Irish)	320	66%	283	73%

Table 6

Religion				
Christian/Protestant	187	71%	323	69%
Roman Catholic	51	73%	86	69%
Other Christian	43	77%	57	74%
Muslim	10	70%	10	65%
Buddhist	10	60%	15	40%
Jewish	1	100%	1	0%
Any other religion	19	47%	17	53%
Not categorised	4026	73%	3414	83%
Prefer not to say	1207	74%	1816	65%

Table 7

Sexual Orientation				
Heterosexual	1391	74%	2318	69%
Gay Man	16	63%	25	56%
Gay Woman/Lesbian	11	55%	12	50%
Bisexual	22	55%	22	55%
Other	16	75%	20	70%
Prefer not to say	4098	73%	3342	82%

Table 8

3   Commitment to Opportunities for All

The number of 16-19 year olds enrolled on college programmes in 2013-14 increased by 9% on the previous year. Articulation routes continue to be developed with our University partners and learners in Care and Childcare have the opportunity to become Associate University Students with UWS and Glasgow University to support learner journey transitions from Further Education to University. Through funding received through Scottish Funding Council Transformational Fund a Learner Journey proposal was developed through partnership with Dumfries Secondary schools to develop a programme of Higher National Certificate programmes designed for flexible delivery and which could be studies in school and college. Higher National Certificate Courses in Social Care, Early Education and Childcare, Fitness, Health and Exercise and Electrical Engineering were developed.

4   Improved progression in access-level provision

Dumfries and Galloway College offers a comprehensive programme from Access level to Higher Education programmes across all curriculum areas. Articulation links with University partners continues to increase and an Honours option has been developed as part of the Degree in Applied Enterprise. The College has an excellent track record in delivering Princes Trust programmes, aimed at disadvantaged young people and many participants progress to further programmes of study and/or into employment opportunities.

5   Industry-linked provision with a focus on employer needs, including involvement of employers in curriculum design.

The College continues to increase employer engagement and develops and delivers programmes working with industry. Examples include: Lines person Technician programmes, developed and delivered in partnership with Scottish Power Energy Network, Contractors, Energy Skills Partnership, and Skills Development Scotland continued to be offered and 36 learners achieved job outcomes as a direct result of this training. A wind turbine technician programme, developed in partnership with Ayrshire College was delivered for the first time, with 18 learners enrolled. Employers in the Hair and Beauty industry worked with the college to advise on curriculum design and delivery and changes have been made as a result of these discussions. Changes have been made to the delivery pattern of Hospitality courses in our Stranraer campus to meet employer needs. Courses now finish at Easter in order to allow employers to recruit learners for the busy summer

period. The College also works with Industry partners to deliver bespoke training and examples include Stena Line to deliver Professional Cookery qualifications (Chef's Certificate) to their staff and Dumfries and Galloway Housing Partnership to deliver a c

6   Current Year Progress

There has been a successful start to 2014-15 with over 1600 learners enrolled on full-time programmes. The introduction of an online enrolment process meant that enrolments could be processed earlier and where applicants chose alternative pathways, the College was able to bring in applicants from waiting lists. As a result, there was little unmet demand for full-time programmes at the College.

The College continues to increase employer engagement activity with the establishment of Employer Advisory Boards in key sectors. These purpose of these is to facilitate employer engagement, input and advice on curriculum matters to ensure the College delivers education and skills development that meets the current and future needs of industry to support the local and national economy, and to ensure the curriculum prepares learners to be job (employment) ready.

The Learner Journey project is being piloted with a small number of pupils from Dumfries secondary schools who are undertaking the Higher National Certificate in Electrical Engineering whilst still at school.

7   Proposed changes to targets in the draft Outcome Agreement 2014-17

As reported previously, there was little unmet demand for full-time places at the beginning of session 2014-15. However, the College is seeking to broaden its portfolio by introducing new programmes in Hospitality and Professional Cookery at its Dumfries campus in 2015-16. Demand for higher level courses in Sport, Care and Engineering is also continuing to grow and the college is currently finalising the Curriculum Development Plan for 2015-16 to accommodate this. As Dumfries and Galloway has been identified as a 'growth' region, we aim to request additional funded activity from the Scottish Funding Council for these and some increased part-time provision. The College has signed a Memorandum of Understanding with SRUC in respect of identifying opportunities for joint curriculum development and delivery and to explore opportunities for shared services. This may also result in a need for additional funded activity. Opportunities that may impact on our Stranraer portfolio are in the early discussion stages.

Carol Turnbull
Principal
October 2014

Board of Management

Curriculum Review and Potential Redundancies

1   Background

A review of the curriculum has taken place for the forthcoming academic session and courses confirmed for delivery for 2015-16. The review took in to consideration current provision, Regional Skills Assessment, PIs, trends, sector demand and employment opportunities. As a result of this the decision was taken to remove plastering from the curriculum offer and to reduce the number of places available for hair and beauty courses.

The removal of plastering has resulted in the reduction of one full time group which was a combination of the National Progression Award and the apprentices from CITB.

The reduction in hair and beauty numbers has resulted in a reduction of four full time groups. All courses currently offered during 2014-15 session continue to be offered in 2015-15 with reduced numbers.

In addition to the above changes there is potential to reduce the number of hours in construction. This is mainly due to changes in course delivery and a reduction in the hours of remission offered e.g. Blended Learning Adviser/TRANSFORM.

2   Redundancy

Due to the changes above there is a requirement to reduce the number of staffing in plastering and hair and beauty. The reduction in plastering equates to approximately 0.5FTE, hair and beauty is 2.0FTE and construction potentially 0.5FTE. Discussions have commenced with plastering and hair and beauty staff to discuss potential options e.g. reduction in hours. Timetables are currently being drafted to identify the reduction required in construction therefore discussion has not commenced with staff. This may therefore result in the need for redundancy if no suitable redeployment opportunities are identified.

The College does not currently have a voluntary redundancy scheme open to staff therefore any redundancies would be based on compulsory redundancy/payments. In order to facilitate the reduction in staffing a voluntary scheme would reduce the need for compulsory redundancies and staff would choose to leave therefore reducing the risk of any future claims for unfair selection for redundancy. A voluntary scheme would however offer better terms than compulsory redundancy and therefore additional cost to the College.

3   Costs

It is not possible to determine exact costs as this will be dependent upon the individuals selected for redundancy however estimated costs can be given based on the most expensive individuals being redundant. For voluntary redundancy the Scheme open in 2011 has been used as an example to calculate estimates.

Compulsory Redundancy   -   £22,000
Voluntary Redundancy   -   £37,000

4   Recommendation

The Board is asked to approve the potential redundancies and consider the option of a voluntary severance scheme.

Financial Memorandum with Fundable Bodies in the College Sector

Contents

FINANCIAL MEMORANDUM

Introduction

Purpose of this document

1. This Financial Memorandum (FM) sets out the formal relationship between the Scottish Further and Higher Education Funding Council (SFC) and fundable bodies[1] in the college sector, and the requirements with which fundable bodies must comply as a term and condition of grant from SFC.

2. The FM also makes it a term and condition of grant from SFC that Regional Colleges and Regional Boards comply with the requirements of the Scottish Public Finance Manual (SPFM) and sets out the special actions and derogations, which have been agreed with the Scottish Ministers.

Scope of this document

3. This FM applies to Regional Colleges and other colleges[2], Regional Boards and other Regional Strategic Bodies which receive payment of grant from SFC.

Definition

4. In this document the term 'institution' is used in place of 'fundable body in the college sector'. The term 'chief executive officer' refers to an institution's Principal or equivalent officer.

Compliance with the Financial Memorandum

5. The responsibility for ensuring that the institution complies with this FM rests with the governing body of the institution. Questions about the interpretation of the FM may be raised with officers of SFC at any time.

6. Where the institution's interpretation of the FM differs from that of SFC, the SFC will seek, wherever possible, to reach agreement in a spirit of partnership with the institution. However, the SFC's interpretation of this FM shall be final.

Effective date

7. This FM shall take effect from 1 December 2014.

Structure of this document

8. The FM is in four parts:

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[1] As defined by the Further and Higher Education Act (Scotland) 2005, as amended by the Post-16 Education Act (Scotland) 2013.

[2] In this context, a college is a fundable post-16 education body that is not a higher education institution.

Part 1: defines the relationship between SFC and the institution and the responsibilities of each for the proper stewardship of public funds	*Parts 1 and 2 apply to Ayrshire College, Borders College, Dumfries and Galloway College, Dundee and Angus College, Edinburgh College, Fife College, Forth Valley College of Further and Higher Education, Newbattle Abbey College, New College Lanarkshire, North East Scotland College, Sabhal Mòr Ostaig, West College Scotland, West Lothian College, Regional Board for Glasgow Colleges, and the University of the Highlands and Islands*
Part 2: contains the general requirements that apply to all institutions	
Part 3 (A): contains additional requirements for Regional Strategic Bodies	*Part 3 (A) applies to Regional Board for Glasgow Colleges, New College Lanarkshire, and the University of the Highlands and Islands.*
Part 3 (B): contains additional requirements for Regional Colleges and Regional Boards	*Part 3 (B) applies to Ayrshire College, Borders College, Dumfries and Galloway College, Dundee and Angus College, Edinburgh College, Fife College, Forth Valley College of Further and Higher Education, New College Lanarkshire, North East Scotland College, West College Scotland, West Lothian College, and Regional Board for Glasgow Colleges.*
Part 4: contains additional requirements non-assigned, non-incorporated colleges	*Part 4 applies to Newbattle Abbey College and Sabhal Mòr Ostaig.*

Part 1: The relationship between SFC and the institution

Responsibilities of the Scottish Funding Council

1. SFC is the national, strategic body with responsibility for funding further and higher education, research and other activities in Scotland's colleges, universities and other higher education institutions. Its funding decisions support the Scottish Government's national priorities.

2. SFC is a Non-Departmental Public Body (NDPB) of the Scottish Government and undertakes its functions under the terms of the Further and Higher Education (Scotland) Act 2005 (the 2005 Act), as amended, including by the Post-16 Education (Scotland) Act 2013. In particular, SFC may make grants, loans or other payments to the governing bodies of colleges and Regional Strategic Bodies for the provision of further education, higher education, research and related activities.

3. The legislation also confers certain duties and responsibilities on SFC, including securing coherent, high quality further and higher learning provision, and the undertaking of research.

4. Under the terms of the 2005 Act, SFC may attach terms and conditions to the payment of grant made to institutions. It is a term and condition of grant payment from SFC that the institution's governing body and its designated officers comply with the requirements set out in this FM.

Accountability

5. SFC is accountable to the Scottish Ministers for the use of public funds provided to it under the terms of the relevant legislation.

6. The Chief Executive of SFC has also been appointed Accountable Officer under the terms of the Public Finance and Accountability (Scotland) Act 2000 and is responsible and accountable to the Scottish Parliament for ensuring that funds provided to SFC are used for the purposes for which they have been given, and in ways that comply with the conditions attached to them. The Accountable Officer has a personal responsibility for the propriety and regularity of the public finances provided to SFC, and for ensuring that funding is used economically, efficiently and effectively.

Assurance

7. In order to meet his or her responsibilities, the Chief Executive of SFC must be satisfied that the governing body of the institution meets the requirements of this FM as a condition of receiving grant funding from SFC. SFC will therefore

seek financial management and other information from the institution but, as far as possible, will rely on data and information that the institution has produced to meet its own needs. If further information is required, SFC will make a specific request in the context of its commitment to efficient regulation.

8. Where SFC has concerns or insufficient information to provide the assurance required, it will, in the first instance, seek to resolve matters with the chief executive officer of the institution. Where this has not proved possible, or in the case of significant concerns, SFC's Accountable Officer will inform the chair of the governing body and the institution's chief executive officer in writing – and without delay – and will specify what action is required to address these concerns.

9. Where circumstances warrant it, SFC's Accountable Officer may suspend the payment of any or all grants to the institution. SFC may also use its powers to attend and address a meeting of the governing body.

What the institution can expect of SFC

10. SFC will conduct its affairs to high standards of corporate governance and public administration. It will maintain a complaints procedure and a separate appeals process for funding decisions.

11. SFC will act reasonably on the basis of the fullest available evidence and objective analysis. Subject to any legal requirement to observe confidentiality, it will be open and transparent with the institution, and with other stakeholders, and will give or be prepared to give a public justification of its decisions.

12. SFC recognises that the institution is an autonomous body. SFC will not substitute its judgements for those which are properly at the discretion of the institution. In particular, SFC will seek to maximise the discretion of the institution to use grants provided to it by SFC.

13. In discharging its responsibilities, SFC will seek to make regulation efficient and effective.

14. SFC will seek at all times to work in a spirit of partnership with the institution, including maintaining regular dialogue with the institution and, where appropriate, its representative bodies. The aim of that partnership will be to help the institution deliver its strategic priorities through the agreement of an Outcome Agreement with SFC, and ensure that SFC can deliver its priorities and undertake its statutory and other functions. SFC recognises that the institution may also undertake activities, and have to comply with legislation and regulation, which may fall outside the scope of this partnership.

15. SFC will allocate and pay grant to the institution in accordance with current published policies and procedures. The institution will be consulted in advance and given reasonable notice of any significant change to these policies and procedures and of significant changes in overall funding levels.

SFC's governance requirements of the institution

16. The SFC must be able to rely on the whole system of governance, management and conduct of the institution to safeguard all funds of the institution deriving from the Scottish Ministers and achieve the purposes for which those funds are provided.

17. SFC requires the governing body to comply with the principles of good governance set out in the Code of Good Governance for Scotland's Colleges. SFC also requires the governing body to ensure that:

- Public funds are used in accordance with relevant legislation, the requirements of this FM and only for the purpose(s) for which they were given. Strategic, Capital or other grant funding must only be used for the purpose for which it is provided by SFC
- Subject to any legal requirement to observe confidentiality, the institution will be open and transparent with the SFC and other stakeholders, and will give, or be prepared to give, a public justification of its decisions in relation to the use of public funds
- The institution strives to achieve value-for-money and is economical, efficient and effective in its use of public funding
- There is effective planning and delivery of the institution's activities in accordance with its mission and its Outcome Agreement agreed with SFC
- The institution plans and manages its activities to remain sustainable and financially viable. An institution is being managed on a sustainable basis if, year on year, it generates sufficient income to cover its costs and allow for maintenance of and investment in its infrastructure (physical, human and intellectual) at a level which enables it to maintain adaptive capacity necessary to meet future demands
- The institution has a sound system of internal management and control, including an audit committee, an effective internal audit service, and adequate procedures to prevent fraud or bribery
- The institution has an effective policy of risk management and risk management arrangements
- The institution has regular, timely, accurate and adequate information to monitor performance and account for the use of public funds. Such information will be made available to SFC on request, as necessary, for the exercise of its functions and to gain assurance

- The institution is engaged actively in continuously enhancing the quality of its activities and involves students and other stakeholders in these processes

18. As well as being accountable directly to the governing body for the proper conduct of the institution's affairs, the chief executive officer is also accountable directly to SFC's Accountable Officer for the institution's proper use of funds deriving from the Scottish Ministers and its compliance with the requirements of this Financial Memorandum.

19. The chief executive officer of the institution must inform SFC's Accountable Officer without delay of any circumstance that is having, or is likely to have, a significant adverse effect on the ability of the institution to deliver its education programmes, research and other related activity, including delivery of its Outcome Agreement with SFC. He or she must also notify SFC's Accountable Officer of any serious weakness, such as a significant and immediate threat to the institution's financial position, significant fraud or major accounting breakdown or any material non-compliance with any requirement of this FM.

Revisions to the Financial Memorandum

20. SFC will make changes to the requirements in this FM only after consulting institutions or their representative bodies.

Part 2: General requirements

1. Unless otherwise stated, the following general requirements apply to the institution.

Financial Memorandum

2. It is a term and condition of grant payment from SFC that the governing body of the institution and its designated officers comply with the requirements set out in this FM.

Post-16 Education Body criteria

3. In undertaking its functions, the governing body of the institution must keep under review and have in place satisfactory provision in relation to the list of matters set out in section 7 (2) of the 2005 Act, as amended by the Post-16 Education (Scotland) Act 2013.   This requirement does not apply to Regional Boards as these are not Post-16 Education Bodies.

Outcome Agreement

4. The institution must deliver its Outcome Agreement with SFC.

Payment of SFC Strategic, Capital or other Grants

5. Where the SFC makes a payment to the institution of a Strategic, Capital or other grant, the institution will be required to comply with any additional requirements attached to the grant, as well as with this FM.

Changes to grant payments

6. If the Scottish Ministers revise their payment of grant to SFC, then SFC reserves the right to make in-year adjustments to its payment of grant to the institution. In this case, SFC and the institution may renegotiate the institution's Outcome Agreement.

Repayment of grant

7. If the institution fails to comply with the requirements of this FM, and any other specific terms and conditions attached to the payment of grant from SFC, it may be required to repay SFC any sums received from it and may be required to pay interest in respect of any period during which a sum due to SFC in accordance with this or any other condition remains unpaid.

8. If, in the reasonable opinion of SFC, any provision set out in this FM is not observed by the institution, SFC will be entitled, in respect of the payment of grant from SFC:

- In the case of funding by way of grant: to require immediate repayment of any and all grants or any part or parts of any grants at any time after the SFC becomes aware of such failure to observe (without prejudice to further demands until the whole of all sums made available by way of grant shall have been paid in full)
- In the case of funding by way of loan (notwithstanding the terms of any agreement attached to the same): to require immediate repayment of the whole or part of each such loan at any time after SFC becomes aware of such failure to observe (without prejudice to further demands until the whole of all sums made available by way of loan shall have been repaid in full).

Public sector pay policy

9.	The institution must have regard to public sector pay policy set by the Scottish Ministers.

Tuition fees

10.	Where applicable, the institution must charge student tuition fees at the levels set by the Scottish Ministers under either the Student Fees (Specification) (Scotland) Order 2006 or the Student Fees (Specification) (Scotland) Order 2011, whichever is applicable.[3] However:

- the tuition fee levels set by the Scottish Ministers under the Student Fees (Specification) (Scotland) Order 2006 do not apply to students who do not have a relevant connection with the United Kingdom and Islands or are not excepted students within the meaning of the Education (Fees and Awards) (Scotland) Regulations 2007; and
- The tuition fee levels set by the Scottish Ministers under the Student Fees (Specification) (Scotland) Order 2011 do not apply to students who do not have a relevant connection with Scotland or are not excepted students within the meaning of the Education (Fees) (Scotland) Regulations 2011, but any tuition fees charged to students from the rest of the United Kingdom must not exceed £9,000 per year[4].

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[3] The level of tuition fees in 2014-15 for full-time undergraduate first degree students is £1,820. The same fee applies for PGDE and PGDipCE courses. A higher medical fee £2,895 applies only to continuing students. For full-time higher education courses at sub-degree level, a fee of £1,285 should be charged.

[4] At the moment, this £9,000 limit is not set by legislation but will be once an order is made under section 9D of the Further and Higher Education (Scotland) Act 2005 (as inserted by the Post-16 Education (Scotland) Act 2013.).

Disposal of exchequer funded assets

11.   In disposing of exchequer funded assets, the institution must follow the guidance in the relevant procedure notes on the SFC website as amended from time-to-time.

Student activity

12.   Where appropriate, the institution must provide data returns requested by the SFC by the deadlines and to the standards specified. Our <u>Student Activity Data Guidance</u> for Colleges can be found on the SFC website.

Student support guidance

13.   Where appropriate, the institution must follow SFC's <u>Student Support Guidance</u>.

European Social Funds

14.   Where the institution is in receipt of European Social Fund funding, it must follow SFC's <u>ESF guidance.</u>

Audit and accounting

15.   The governing body must appoint an audit committee and ensure the establishment and maintenance of effective arrangements for the provision of internal and external audit. For incorporated colleges and Regional Boards, Audit Scotland will appoint external auditors.

16.   The Audit Committee must produce an annual report to the governing body of the institution.

Accounts direction

17.   The institution must follow the SFC's current <u>Accounts Direction</u> in the preparation of its annual financial statements.

Internal audit

18.   The institution must have in place an effective internal audit service. The operation and conduct of the internal audit service must conform to the professional standards of the Chartered Institute of Internal Auditors. For incorporated colleges and Regional Boards, the operation and conduct of internal audit must comply with Public Sector Internal Audit Standards and, where relevant, the Scottish Public Finance Manual.

19. The institution must inform SFC when an internal auditor is appointed and must inform SFC immediately if the internal auditor is removed or departs before the end of their term of office.

20. The internal audit service must provide the governing body and senior management of the institution with an objective assessment of adequacy and effectiveness of risk management, internal control, governance, and value-for-money.

21. The internal audit service must extend its review over all the financial and other management control systems, identified by the audit needs assessment process. It must cover all activities in which the institution has a financial interest, including those not funded by SFC. It must include review of controls – including investment procedures – that protect the institution in its dealings with organisations, such as subsidiaries or associated companies, Arms-Length Foundations, students' associations, and collaborative ventures or joint ventures with third parties.

22. The head of internal audit must produce an annual report for the governing body on its activities during the year. The report must include an opinion on the adequacy and effectiveness of the institution's risk management, internal control, and governance. The report must be presented to the institution's audit committee and a copy sent to SFC.

Value for money

23. The institution must have a strategy for reviewing systematically management's arrangements for securing value for money.

24. As part of its internal audit arrangements, the institution must obtain a comprehensive appraisal of management's arrangements for achieving value for money.

External Audit

25. The external auditor must be entitled to receive all notices of and other communications relating to any meeting of the governing body which any member of the governing body is entitled to receive. They must also be entitled to attend any such meeting and to be heard at any meeting which they attend, on any part of the business which concerns them as auditors.

26. The external auditor must also be entitled to attend the meeting of the governing body or other appropriate committee at which the institution's annual report and financial statements are presented.

27. The external auditor is expected to attend, as a minimum, any meetings of the audit committee where relevant matters are being considered, such as planned

audit coverage, the audit report on the financial statements and the audit management letter. It is the responsibility of the secretary to the audit committee to notify the external auditor of such meetings.

28. The external auditors, notwithstanding responsibilities to their clients, are expected to co-operate fully with any enquiries or routine monitoring that the SFC undertakes.

29. The institution must not in any way limit SFC's access to the institution's external auditors.

Part 3: Additional Requirements for Regional Strategic Bodies, Regional Colleges, and Regional Boards

Part 3 (A): Additional requirements for Regional Strategic Bodies

1.   The following additional requirements apply to Regional Strategic Bodies only:

- Regional Board for Glasgow Colleges (known as the Glasgow Colleges Regional Board)
- New College Lanarkshire (known as the Lanarkshire Board)
- University of the Highlands and Islands.

Financial Memoranda

2.   The institution must put in place a financial memorandum with each of its assigned colleges, which sets out the formal relationship between the Regional Strategic Body and the assigned college, and which contains the terms and conditions for the use of grant to the assigned college. The financial memoranda should be agreed in advance with SFC's Accountable Officer.

Scottish Public Finance Manual

3.   The institution must ensure that its assigned incorporated colleges follow the requirements of the SPFM except where any special actions or derogations have been agreed with the Scottish Ministers.

Part 3 (B): Additional requirements for Regional Colleges and Regional Boards

4.   The following additional requirements apply to Regional Colleges and Regional Boards:

- Ayrshire College
- Borders College
- Dumfries and Galloway College
- Dundee and Angus College
- Edinburgh College
- Fife College
- Forth Valley College of Further and Higher Education
- North East Scotland College
- West College Scotland
- West Lothian College
- New College Lanarkshire.
- Regional Board for Glasgow Colleges

Scottish Public Finance Manual

5. The institution must follow the requirements of the Scottish Public Finance Manual, except where any special actions or derogations have been agreed with the Scottish Ministers.

6. The derogations and actions in the following paragraphs have been agreed with the Scottish Ministers and must be read in conjunction with the SPFM. Where reference is made to the SPFM, please refer to the relevant section for the detailed requirements.

7. In cases where the SPFM requires bodies to notify or request prior approval from the Scottish Government, the institution must, in the first instance, contact SFC.

Borrowing

8. All borrowing by incorporated colleges will require the approval of the Scottish Ministers. Requests to borrow must be submitted to the SFC in the first instance.

9. Under the terms of Schedule 2B to the Further and Higher Education (Scotland) Act 2005, inserted by the Post-16 Education (Scotland) Act 2013, Regional Boards may not borrow money.

Cash management and banking

10. Grant payment will not be made in advance of need, as determined by the level of unrestricted cash reserves and planned expenditure. Unrestricted cash reserves held during the course of the year should be kept to the minimum level consistent with the efficient operation of the institution and the level of funds required to meet any relevant liabilities at the year-end. Grant-in-aid not drawn down by the end of the financial year shall lapse. Grant-in-aid shall not be paid into any restricted reserve held by the institution. Transfers to arms-length-foundations are permitted.

11. Banking arrangements should ensure they offer best value and comply with the Banking section of the SPFM. The Scottish Ministers have approved a derogation which delays the move to the Government Banking Service (GBS) to 2016-17 at the earliest.

12. The institution may extend existing banking arrangements provided they are not extended beyond Financial Year 2016-17. Any extension beyond Financial Year 2016-17 requires the agreement of the Scottish Ministers.

13. The institution can operate bank overdraft facilities to assist it in managing the timing of income and expenditure through its bank account. Overdrafts should not be used as a means of increasing borrowing.

Contingent commitments

14. The institution must seek SFC's prior written consent if it intends to lend or give a guarantee, indemnity or letter of comfort. The value of the guarantee should be equal to the total contingent liability over the term of the guarantee. In all cases, the institution must take steps to restrict the contingent liability to a minimum and should undertake a careful appraisal of the risks before accepting any contingent liability.

15. The institution should also provide assurance that, in the event of the contingent liability arising, it can be met from within the institution's own resource, or that appropriate insurance cover has been arranged.

16. However, SFC's written consent is not required for such arrangements if the indemnity is of a standard type contained in contracts and agreements for 'day-to-day' procurement of goods and services in the normal course of business.

Delegated financial limits and annual reporting requirements

17. The institution's specific delegated financial limits are set out in **Appendix A**. The institution must obtain SFC's prior written approval before entering into any undertaking to incur any expenditure that falls outwith these delegations.

18. Prior SFC approval must always be obtained before incurring expenditure for any purpose that is, or might be considered, novel, contentious or repercussive or which has or could have significant future cost implications.

19. What might be regarded as novel or contentious inevitably involves a degree of judgement. Novel would include proposed expenditure or financial arrangements of a sort not undertaken previously or which is not standard practice. Contentious would include proposed expenditure or financial arrangements where there was any doubt as to its regularity – for example, its compliance with relevant legislation or guidance – or its propriety – for example, compliance with the standards expected of publicly funded bodies or their officials. Proposed expenditure or financial arrangements that might be considered to be sensitive politically would also be regarded as contentious.

20. In addition, any frauds that are detected must be reported to SFC as and when they occur.

21. The institution must establish appropriate documented internal delegated authority arrangements consistent with the Delegated Authority section of the SPFM and this FM.

22. **Appendix A** also sets out the levels for certain categories of expenditure above which the institution should report annually to SFC. The report should describe the number of instances and total cost, by category of expenditure.

Donation of surplus funds to arms-length foundations

23. The institution may donate any surplus on its income and expenditure account as at 31 March each year to its arms-length foundation. The donation must take place in the financial year in which it arises, and is subject to sufficient cash and resource cover being available.

Duties to provide information on certain expenditure as required by The Public Services Reform (Scotland) Act 2010

24. As soon as is reasonably practicable after the end of each financial year, the institution must publish a statement of any expenditure that it has incurred during that financial year on or in connection with the matters described below.

   - Public relations,
   - Overseas travel,
   - Hospitality and entertainment,
   - External consultancy.

25. As soon as is reasonably practicable after the end of each financial year, the institution must publish a statement specifying the amount, date, payee and subject-matter of any payment, relating to any of the matters listed above, made during that financial year which has a value in excess of £25,000.

Early departures of staff

26. The institution must follow the requirements of the SPFM in determining settlement agreements, severance, early retirement and redundancy arrangements and payments. In addition, the institution must have regard to the principles of good practice in managing early departures of staff contained in Audit Scotland's May 2013 report: _Managing early departures from the Scottish public sector._

27. In line with the requirements of the SPFM, the institution's severance scheme must be approved by SFC. Provided a severance payment is within the parameters of a scheme, which has been approved by the SFC, there will be no need for the institution to seek approval to the individual payment from SFC.

28. However, special severance payments in excess of £1,000 must be approved by SFC, except where provision for such payments has been included in a severance scheme approved by SFC. (See Appendix A)

External business and management consultancy contracts

29. Any external consultancy contracts with a value of more than £100,000 must be approved in advance by the SFC.

Impairments, provisions and write-offs

30. Assets must be recorded in the Balance Sheet at Depreciated Replacement Cost for Land and Buildings and at Historic Cost less depreciation for Equipment in accordance with the Financial Reporting Manual (FReM). Where an asset, including investments, suffers impairment, it is important that the prospective impairment and background is communicated to the SFC at the earliest possible point in the financial year to determine the budget implications. Any significant movement in existing provisions or the creation of new provisions must be discussed with the SFC.

31. Write-off of bad debt and/or losses score against resource Departmental Expenditure Limits (DEL).

Income generation

32. The institution will be able to retain all commercial income, gifts, bequests or donations received. These funds will be in addition to any grant or funding the institution receives from the SFC.

Insurance

33. The Scottish Ministers have agreed a derogation whereby institutions can extend their current commercial insurance arrangements for three years to 31 July 2018.

Investments

34. The institution must not make any investments of a speculative nature without the prior written approval of SFC.

Procurement and payment

35. The institution's procurement processes must reflect the relevant guidance contained in the Advanced Procurement for Universities and Colleges, and relevant policy and advice issued by the Scottish Procurement Directorate. Procurement must be undertaken by appropriately trained and authorised staff and treated as a key component of achieving the institution's objectives consistent with the principles of Best Value, the highest professional standards and any legal requirement.

36. Any proposal to award a contract without competition (non-competitive action) must be approved in advance by SFC. Specific delegated authority is given to award a contract without competition for £25,000 or less without advance approval. (See Appendix A)

Delegated financial limits and annual reporting requirements for Regional Colleges and Regional Boards

Delegated financial limits

External Business and management consultancies	£100,000
Special severance payments	£1,000
Operating leases-non property	£250,000
Procurement non-competitive action	£25,000

Annual reporting requirements

Extra contractual payments	£5,000
Compensation payments	£5,000
Ex-gratia payments	£1,000
Claims waived or abandoned	£3,000
Write-off of bad debt	£3,000
Losses	£3,000
Overseas student irrecoverable loss	£6,000
Fraud loss	£5,000

Part 4: Additional requirements for non-assigned, non-incorporated colleges

1. The following additional requirements apply to non-assigned, non-incorporated colleges:

    - Newbattle Abbey College
    - Sabhal Mòr Ostaig.

Insurance

2. The institution is responsible for taking out and paying for adequate insurance in respect of its assets and activities.

Granting of security

3. As a result of a condition in SFC's Framework Document with the Scottish Government, the institution must seek SFC's prior written consent if it intends to offer as security for a loan any land or property which has been provided, improved, or maintained with the aid of grant.

Capital finance

4. As a condition of SFC's Framework Document with the Scottish Government, SFC is required to "make provision for the monitoring and control of borrowing by institutions to protect the public investment in institutions and to maintain accountability for the use of exchequer funds". In order that SFC can discharge this requirement, it has in place a threshold for capital finance above which the institution requires SFC's consent to undertake any new borrowing.

5. The governing body of the institution, in line with the Code of Good Governance for Scotland's Colleges, must, as a matter of course, satisfy itself that all of the following requirements on capital finance are met:

    - The institution can demonstrate its ability to repay the finance, and to pay interest thereon, without recourse to requesting additional grant from SFC
    - The institution can demonstrate that its ability to maintain financial and academic viability will not be impaired as a result
    - The institution can demonstrate the value to be generated by the transaction, whether it involves refinancing, or purchase of any new investment or assets, the acquisition of which is to be financed by the borrowing
    - The institution can demonstrate that any such new investment or asset acquisition is in accordance with the institution's strategic plan and, where appropriate, its estate strategy

6. For the purposes of this document, 'capital finance' includes borrowing, finance and operating leases, and other schemes, such as private finance initiative projects, non-profit distribution projects, loan support projects and revolving credit facilities where borrowing is the substance of the transaction, in line with relevant accounting standards.

When the Council's formal consent is required in respect of capital finance arrangements

7. The institution must obtain prior written consent from SFC before it undertakes a level of capital finance where the annualised costs of all capital finance (being the sum of the servicing and capital repayment costs of each loan or other arrangements spread evenly over the period of the relevant loan or arrangement) would exceed 4% of

   - Total income as reported in the latest audited financial statements; or
   - The estimated amount of total income for the current year, if that is lower.

8. In assessing total capital finance commitments, the institution must ignore low-value financial commitments, provided that the combined annualised servicing costs of such financial commitments do not exceed 0.5% of total income.

9. A revolving credit facility should be considered in the same way as an overdraft facility; for example, in terms of the institution's maximum exposure over the term of the facility. An even annual cost of capital finance is assumed, unless the institution can demonstrate otherwise. The institution is required to provide the annualised cost of the capital finance calculation with any request to SFC for borrowing consent.

10. The institution must also seek consent from SFC before raising capital finance on the security of assets in which the Scottish Ministers have an interest. For the purposes of this document, such an interest exists where the institution has used funds provided by the Scottish Ministers to acquire an interest in or to develop any land, building or other asset, and where those funds were provided subject to a condition which has the effect of requiring the institution to obtain Scottish Ministers' consent before raising capital finance on the security of those assets.

11. The Scottish Ministers have directed that SFC will exercise their functions in relation to any such interests.

12. In seeking SFC's approval, the institution must demonstrate to SFC, in writing, its compliance with the requirements set out above.

Contingent commitments

13. The institution must seek SFC's prior written consent if it intends to lend or give a guarantee, indemnity or letter of comfort. The value of the guarantee should be equal to the total contingent liability over the term of the guarantee. In all cases, the institution must take steps to restrict the contingent liability to a minimum and should undertake a careful appraisal of the risks before accepting any contingent liability.

14. The institution should also provide assurance that, in the event of the contingent liability arising, it can be met from within the institution's own resource, or that appropriate insurance cover has been arranged.

15. However, SFC's written consent is not required for such arrangements if:

   - An actual or effective value is less than 4% of total income as reported in the latest audited financial statements or of the estimated amount of total income for the current year if that is lower; or
   - the indemnity is of a standard type contained in contracts and agreements for 'day-to-day' procurement of goods and services in the normal course of business.

Severance payments

16. The institution must adhere to the following principles when taking decisions about severance payments, including settlement agreements:

   - The actions of those taking decisions about severance payments, and those potentially in receipt of such payments, must be governed by the standards of personal conduct set out by the Committee on Standards in Public Life (the Nolan Principles)
   - The governing body must take account of SFC's expectation of the institution in this FM regarding the use of public funds.

17. Based on the principles above, the following requirements must be met:

   - Institutions must have in place a clear policy on severance payments
   - Severance packages must be consistent with the institution's policy and take into account contractual entitlements, for example, salary and period of notice, and any applicable statutory employment entitlements. This means that, when entering into employment contracts, care must be taken not to expose the institution to excessive potential liabilities
   - The institution's policy must include a formal statement of the types of severance arrangements that should be approved by the Remuneration Committee or equivalent and approved formally by the governing body. These must include any severance package that is proposed for a member

of the senior management team, in recognition of the particular level of accountability that is attached to senior management positions, and also any severance package that would exceed a maximum threshold agreed by the governing body

- Where a severance package exceeds the maximum threshold agreed by the governing body, the institution must consult with SFC's Accountable Officer prior to approving the proposed severance package
- The remuneration committee or equivalent, when overseeing and approving severance arrangements for staff, must ensure that all decisions are recorded
- Negotiations about severance packages and payments must be informed, on both sides, by legal advice where appropriate
- When a severance arises following poor performance on the part of an individual, any payment must be proportionate and there should be no perception that poor performance is being rewarded
- Final year salaries must not be inflated simply to boost pension benefits
- Notice of termination of appointments must not be delayed in order to generate entitlement to payments in lieu of notice

18. The institution must ensure its internal auditor includes a regular review of systems for the determination and payment of severance settlements in their strategic audit plan.

19. The institution must seek the view of its external auditor if it plans to make what it considers to be any novel or potentially contentious severance payments, including those that exceed the maximum threshold agreed by the governing body.

20. The institution's external auditor must review severance settlements. Such a review will normally take place after settlements have been agreed (normally as part of their financial statements audit) and should be carried out by senior audit staff because of the complexity and sensitivity of the issues. If final settlements do not materially conform to the terms of this FM, auditors must report the facts to the institution in their management letter, and inform members of the governing body. The auditors must also recommend that the institution informs the SFC immediately.

21. Where there are settlement agreements, and it is felt that a confidentiality clause is necessary, this must not prevent the public interest being served and must be consistent with the institution's whistleblowing policy.

Board of Management

Key Performance Indicator Report

	WSUMs		Enrolments						
			Full-time					*Part-time*	*Total*
	Actual	**Target**	HE Dfs	HE Str	FE Dfs	FE Str	Total		
2014/15 **	38,271	42,529	473	35	884	214	1606	2036	3642
2013/14	42,598	42,529	393	-	984	255	1632	4098	5730
2012/13	39,014	38,711	373	-	958	285	1616	3938	5554
2011/12	39,756	39,670	302	-	944	277	1523	4770	6293

** as at 12th January 2015

	Retention (%)				Outcome (%)			
	Full-time Further education		**Full-time Higher education**		**Full-time Further education**		**Full-time Higher education**	
	Actual	**Target**	**Actual**	**Target**	**Actual**	**Target**	**Actual**	**Target**
2014/15**	85	75	93	82	**n/a**	**67**	**n/a**	**74**
2013/14	74	74	82	81	64	65	71	72
2012/13	73	74	80	80	63	63	70	73
2011/12	72	72	78	78	61	61	70	61

**as at 12th January 2015

➤ **Finance at 31.12.14**	*Actual YTD (£M)*	*Flexed Budget YTD*	*Variance YTD*	*Revised Projection*
Income	£8.880	£8.910	£0.030	£18.275
Expenditure	£8.638	£8.599	£0.039	£18.248
Operating Surplus (Deficit)	£0.242	£0.311	£0.069	£0.027

Context

The Scottish Funding Council asks that each college provide an annual report, endorsed by the governing body, describing the impact, nature and outcomes of college led quality review activities as well as reviews by professional, statutory and regulatory bodies which have taken place in the previous academic year, including commentary on actions to be taken to address issues identified.

This report provides the requested information under three key principles which inform and underpin quality assurance and enhancement; *high quality learning, student engagement and quality culture*.

This report has been derived from college wide internal reviews, learner engagement contributions, performance indicator data and external reports. The arrangements for reporting have been overseen by the Quality and Curriculum Committee for consideration by the Board of Management who fully endorsed the final report on October 2014.

Endorsement by Governing Body

On behalf of the Board of Management of Dumfries and Galloway College, I confirm that we have considered the college's arrangements for the management of quality of the learning experience for academic year 2013-14, including the scope and impact of these. I further confirm that we are satisfied that the college has effective arrangements to maintain and enhance the quality of its provision. We can therefore provide assurance to the Council that the quality of the learning provision at this institution continues to meet the requirements set by the Council.

Brian Johnstone
Chair of the Board of Management of Dumfries and Galloway College

1   High Quality Learning

Dumfries and Galloway College continues to make good progress against targets. In 2013-14 the College achieved 42,761 WSUMs exceeding the SFC target of 42,529. Just over 84% of total WSUMs were delivered at the Dumfries campus with almost 16% of WSUMs being delivered at the Stranraer campus. A total of 5739 students enrolled on college programmes last session an increase of 3.3% (185 enrolments) on previous year. 1,632 of these enrolled on full-time programmes which is an increase of 0.08% (16 enrolments) on the previous year. HE numbers continue to grow with 393 full-time learners enrolled in 2013-14, compared to 373 in 2012-13. A total of 4107 students enrolled on part-time programmes as increase of 4.3% (169 enrolments)

The overall student gender balance in session 2013-14 was similar to last session and fairly evenly spread as the following grid shows:

	All students		Full-time students		Part-time students	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
Female	2919 (51%)	2958 (53%)	808 (49.5%)	809 (51%)	2111 (51%)	2149 (55%)
Male	2820 (49%)	2596 (47%)	824 (50.5%)	807 (49%)	1996 (49%)	1789 (45%)
Totals	**5739**	**5554**	**1632**	**1616**	**4107**	**3938**

The student age range in session 2013-14 was similar to last session and like the gender balance fairly evenly spread as the following grid shows:

	All students		Full-time students		Part-time students	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
Under 16	288 (5%)	239 (4%)	61 (4%)	65 (4%)	227 (5%)	174 (4%)
16-17	891 (16%)	823 (15%)	457 (28%)	498 (31%)	434 (11%)	325 (8%)
18-19	782 (14%)	736 (13%)	430 (26%)	439 (27%)	352 (9%)	297 (7%)
20-24	829 (14%)	785 (14%)	330 (20%)	328 (20%)	499 (12%)	457 (12%)
25 and over	2949 (51%)	2971 (54%)	354 (22%)	286 (18%)	2595 (63%)	2685 (69%)
	5739	**5554**	**1632**	**1616**	**4107**	**3938**

In session 2013-14, 90% of college enrolments were from students living within the Dumfries and Galloway region a similar pattern to previous session as follows:

	All students		Full-time students		Part-time students	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
DG1 & 2 Dumfries	2250 (39%)	2285(41%)	733 (45%)	720 (45%)	1517 (37%)	1565 (40%)
DG3 Thornhill	122 (2%)	161 (3%)	37 (2%)	46 (3%)	85 (2%)	115 (3%)
DG4 Sanquhar	161 (3%)	103 (2%)	55 (3%)	29 (2%)	106 (3%)	74 (2%)
DG5 Dalbeattie	163 (3%)	124 (2%)	48 (3%)	47 (3%)	115 (3%)	77 (2%)
DG6 Kirkcudbright	180 (3%)	178 (3%)	40 (2%)	40 (2%)	140 (3%)	138 (4%)
DG7 Castle Douglas	360 (6%)	294 (5%)	103 (6%)	95 (6%)	257 (6%)	199 (5%)
DG8 Newton Stewart	329 (6%)	406 (7%)	99 (6%)	116 (7%)	230 (6%)	290 (7%)
DG9 Stranraer	644(11%)	526 (9%)	195 (12%)	206 (13%)	449 (11%)	320 (8%)
DG10 Moffat	108 (2%)	112 (2%)	28 (2%)	29 (2%)	80 (2%)	83 (2%)
DG11 Lockerbie	341 (6%)	408 (7%)	102 (6%)	115 (7%)	239 (6%)	293 (7%)
DG12 Annan	407 (7%)	383 (7%)	141 (9%)	120 (7%)	266 (6%)	263 (7%)
DG13 Langholm	37 (1%)	39 (1%)	0 (0%)	5 (0%)	35 (1%)	34 (1%)
DG14 Canonbie	6 (0%)	6 (0%)	2 (0%)	3 (0%)	6 (0%)	3 (0%)
DG16 Gretna	40 (1%)	37 (1%)	9 (1%)	13 (1%)	31 (1%)	24 (1%)
Outside D&G	591 (10%)	492 (9%)	40 (2%)	32 (2%)	551 (13%)	460 (12%)
Totals	**5739**	**5554**	**1632**	**1616**	**4107**	**3938**

Overall student retention improved during 2013-14. Retention of students on full-time FE programmes was 74% an improvement of 1% on last session and 1% below the sector average. The College focussed on the following FE areas where retention was below the college target:
- Engineering improved by 7% to 79%
- Technology (Stranraer) improved by 3% to 75%
- Hair and Beauty (Stranraer) improved by 7% to 77%
- Hair and Beauty declined by 6% to 63%
- Care declined by 5% to 65%

Retention of students on full-time HE programmes last session was 82%, an improvement of 2% on the previous session and is now in line with the sector average. The College focussed on the following HE areas where retention was below the college target:

- Electrical Engineering improved by 29% to 79%
- Social Care improved by 2% to 67%
- Computing improved by 16% to 91%

The overall percentage of students achieving successful outcomes improved during 2013-14. Success rates for learners on full-time HE programmes improved by 1% to 71%, which is 2% above the sector average. The College focussed on the following HE areas where successful outcomes were below the college target:

- Accounting improved by 6% to 63%
- Computing HND improved by 11% to 40%
- Computing HNC improved by 31% to 96%
- Electrical Engineering improved by 49% to 74%
- Social Care improved by 8% to 56%

Success rates for students on full-time FE programmes improved by 1% to 64% in-line with the sector average. The College focussed on the following FE areas where successful outcomes were below the college target:

- Hospitality (Stranraer) improved by 28% to 73%
- Health and Social Studies (Stranraer) improved by 15% to 74%
- Technology (Stranraer) improved by 5% to 61%
- Care remained the same at 57%
- Hair and Beauty declined again by 8% to 45%

All full-time programmes have been subject to self evaluation and where appropriate action plans have been developed for those programmes with poor success rates.

The following provides a summary of the success rates for students by each equality category compared to the previous academic session. A more detailed report regarding equality will be prepared as part of the annual Equality Outcome monitoring report due to be published in March 2015.

	2012/13		2013/14	
	Enrolments	Success	Enrolments	Success
Disability	649	70%	712	72%

Age				
Under 16	239	60%	287	51%
16-17	823	68%	891	61%
18-19	736	68%	782	75%
20-24	785	70%	829	75%
25 and over	2971	78%	2949	84%

Gender				
Female	2950	74%	2919	76%
Male	2596	72%	2820	76%

Ethnicity (excl Scottish, English, Welsh Irish and Northern Irish)	320	66%	283	73%

	2012/13		2013/14	
	Enrolments	Success	Enrolments	Success
Religion				
Christian/Protestant	187	71%	323	69%
Roman Catholic	51	73%	86	69%
Other Christian	43	77%	57	74%
Muslim	10	70%	10	65%
Buddhist	10	60%	15	40%
Jewish	1	100%	1	0%
Any other religion	19	47%	17	53%
Not categorised	4026	73%	3414	83%
Prefer not to say	1207	74%	1816	65%

	2012/13		2013/14	
Sexual Orientation				
Heterosexual	1391	74%	2318	69%
Gay Man	16	63%	25	56%
Gay Woman/Lesbian	11	55%	12	50%
Bisexual	22	55%	22	55%
Other	16	75%	20	70%
Prefer not to say	4098	73%	3342	82%

All curriculum teams completed the self evaluation process at the end of academic year 2013-14, with input from learners relating to grading, impacts and actions. The process has six key themes, including how *innovative, flexible, reflective, supportive, successful and engaging* learning and teaching is across the curriculum. The improvement of learning and teaching across all college programmes is a key initiative for the college supported by the introduction of new arrangements for self evaluation and evaluation of learning and teaching. This has facilitated teams in planning for high quality learning and teaching. The introduction of Learning and Teaching Mentors to support staff in their development is another key initiative for the College. Mentors work with staff to agree supportive development action plans. The Mentors also delivered a range of bespoke workshops during the staff development week to support improvements in learning and teaching.

Examples of positive changes to the curriculum as a result of more detailed self evaluation of programmes include:

- Creative Industries despite having generally high PIs, are now delivering for 14/15 SQA National Certificates that are more current for learners and better support progression to SCQF level 6 for photography, visual communications and art and design.
- Construction have introduced the new entry level 1 programme with the new BTEC award, this brings with it greater support for learner engagement and planning, with up to date resources.
- Accounting and Business teams are working towards a more holistic approach for learner assessment where this can be achieved; this will be rolled out for 14/15.
- Computing HNC learners where introduced to the new framework during 2013/14 which immediately addressed the poor KPI issue for retention and outcomes ,these learners will now progress onto the new HND framework which should also achieve a positive response in terms of PIs
- Health and Social Care programmes continue on some courses to have poor PIs. During self evaluation it has been raised that a move towards more vocational pathways from higher academic demands will address this issue, for instance using the new reablement qualification alongside and academic programme will help address PIs.

- Hair and Beauty, a programme area with a trend of poor PIs are introducing a more suitable entry approach to their programmes with learners starting on access programmes during the first weeks being supported to ensure correct levels of learning are in place to support the learners for 14/15.
- Supported programmes are developing a new programme with Dumfries and Galloway Employability and skills team called" project search" to support real transition employment opportunities for its learners into the region.
- The Engineering area following employer engagement for 14/15 now offers the Performance Engineering Operations Level 2 Qualification across all it's HE and NC level work, to support regional need. It also is now delivering the HNC Electrical Engineering Programme as the pilot roll out with three local burgh schools through a blended learning approach. Alongside this the Engineering programme area continues to work closely with Scottish Power and its subcontractors to deliver the Overhead Lines Technician programme to support the region ,this will also include for 14/15 additional development in Jointing and Up skilling for further workforce development.
- The Sports area now have a bespoke gym area and further discussions with the Crichton Estates team have ensured new sports pitches are available for learners on the campus and also for Scotland's Colleges Sports development. New programmes have been introduced at BTEC level 3 and a new HNC in Coaching and Developing Sport are now available for learner pathways.
- The Hospitality area in Stranraer has introduced a new City and Guilds qualification for learners' which better supports learner need and also reflects industry practice. This was introduced following extensive research, but also to support the new Hospitality development at the Dumfries Campus for 15/16.

The self evaluation process is focused on learner impact, and across the college learners are kept informed of supporting action plans and progress related to the impact on their learning and teaching. The process is also now updated throughout the year and is not left to one off dates for meetings to take place. As well as the examples of curriculum change mentioned above, the following issues were raised which impact on learners progress and have been raised during self evaluation for some programmes:

- Give learners better guidance on where they are with assessments and where they are with targets related to assessment needs.
- Courses having better assessment plans and learners understanding these demands.
- Ability for learners who miss assessments to be able to reschedule assessments outside of normal learning time.
- Changes in academic weeks, in some areas, resulted in high loads of assessments at peak times
- Some learners felt there had been a reduction in support time with academic staff and this was impacting on their progress.
- LearnNet (College virtual learning environment) was often identified as a positive tool for learners to use but it was also identified inconsistent quality and quantity of the resource for learners.
- Learners in some areas would still like a greater input from employers, industry, guest speakers and industrial visits.

Course teams continue to improve the contextualisation of essentials skills and make these more vocationally relevant for learners. A new concept for enterprise and business is to be developed during 2014-15. Contextualisation of core skills still continues to be developed and in some areas these are now delivered by vocational staff as part of the programme, good progress has been made with communication and IT, but there are still issues around the contextualisation of numeracy.

A positive example of essential skills development was where a local artist who is a labyrinth expert and experienced outdoor leader, worked with Creative Industries learners where he combined the learners own art and design knowledge with numeracy and communication core skills in one single activity to create a labyrinth in the colleges own grounds.   There continues to be strong evidence across curriculum areas of a focus on the 4 capacities for Curriculum for Excellence and the embedding of these into vocational work through real projects, live briefs and citizenship activities. The new learning and teaching mentor team during observations have key prompts related to Curriculum for Excellence. Some curriculum areas still demonstrate widespread examples of volunteering and work placement, and in Care and Childcare work placement coordinators are in place to support the demand for this.

Computing still focus on essential skills for vendor qualifications that develop skills related to employer need but these are now delivered at a different time of the academic year due to the impact on full time PIs.

The College is establishing Employer Advisory Boards for Construction, Engineering, Care, Childcare, Creative Industries, Hospitality, and Hair and Beauty with a clear remit to work with the college in ensuring curriculum is fit for employer need, essential skills are in line with employer need and issues around volunteering and work placements with the sector can further be improved. The college remains committed to a Citizenship Week each year which gives learners at all levels an opportunity to develop confidence, self esteem and work across other curriculum areas and supports Curriculum for Excellence values, but for 2014-15 an approach how to captures this and build into learner qualifications is being looked at. Learners still compete in national, regional and sector based competitions to a very high standard and with excellent results, examples include Stranraer Beauty students getting to the National finals competition in Blackpool, our supported programme learners took part in the "Special Olympics" and returned with two gold's two silvers and two bronze awards. The college and its programmes continue to ensure Employability skills and Essential skills are embedded into course design particularly on its FE portfolio.

2   Student Engagement

Following discussions with staff and feedback from learners a modified self evaluation process was rolled out in 2013-14. Where previously two evaluation wheels had been used, one for learners and one for staff these where put together to form the same self evaluation tool for learner and staff, "One Wheel". This new tool is designed to provide even better engagement with learners on their chosen programmes and in general learners were very positive about this new approach. The language for self evaluation tool was also modified for 2012-13 following staff and learner feedback for the previous process. Feedback indicates that most learners still feel they have the chance to influence their learning and this is evidenced in the action plans developed as part of the self evaluation process.

There is clear evidence that learners who made direct recommendations to course teams regarding classroom activities and suggestions that influenced course design have been auctioned. In most internal reviews learners felt very positive about the relationships they have developed with staff to address course related issues. The Quality Wheel continues to show a positive impact on improving learner engagement with course teams including debates between staff during peer review meetings relating to differing grades segments of the wheels between staff and learners, which in some cases has then lead to an improvement in the original grade or a downwards grade award.

The self evaluation process was reviewed again at the end of 2013-14 with learner comments again being used to facilitate an improved process, this will see another modified process for 2014-15 building on the original process, which should simplify the process and focus on learner impacts. Through the new Learning and teaching Mentor team there is unique information available to Management teams related to the Quality of the Learning and Teaching within the college for each Faculty. This is in line with the colleges key prompts, and allows benchmark statements to be awarded for observed development visits of staff for the quality of learning and teaching related to how supportive, engaging, flexible, reflective, innovative and successful the quality of learning and teaching. During 2013-14 there were 53 unplanned development visits to staff, 37% where high quality and impressive, 40% where creative with little weakness, 20% where adequate but with significant training needs and 3% had little or no strengths and significant training needs. This process has also been reviewed with a cross college meeting and changes have been made to improve the process further for 2014-15 including linking learning and teaching mentors to faculties to support staff development, and mentors to engage closely with Heads of Faculty to address improvement issues related to the quality of learning and teaching, including learner engagement. Targets have been set related to the improvement of learning and teaching for the mentor teams to achieve in 2014-15.

In session 2013-14 the Student Association, supported by Quality staff, including a dedicated Student Association Assistant at Stranraer campus, actively supported and organised a number of campaigns. These included Citizenship Week, Diversity Week, Climate Change Week and a number of Health related campaigns. The Student Association

also hosted an independence debate with invited guests for the panel including a number of local MSPs/MPs. This was very well attended by students and staff and proved to be a very lively event. Over the past few years we have developed a very successful formula where elections for positions on the Student Association Executive take place in the month of May and this ensures that there is the continuity of the President's post and further executive positions are in place by the end of October each year.

The elected Student Association President attended a number of committee meetings including Board of Management and along with members of the Student Association Executive has also attended a number of cross college committees where the student voice is always welcome. The student voice helped to shape a number of policy reviews, including Bursaries and Student Discipline. An established event in the Student Association calendar is a Freshers Fayre held at both college sites. Twenty organisations both from the local community and national companies visited the College over the first 2 weeks of the session. These included representatives from Police Scotland, Debenhams, Stagecoach, Worldwide Volunteering, DG Voice, LGBT and a few more. These organisations are very supportive of students and some return on an annual basis.

Following on from the introduction of the Learners Wheel in session 2012-13, in early October the Vice Principal for Learning and Skills, held meetings with the Student Association Executive to discuss any suggested changes for session 2013-14. The Learners Wheel is a self evaluation tool used by curriculum staff so it was important to include this in the class rep training programme delivered by the Quality Manager. Following election, class reps are invited to a training event to discuss the roles and responsibilities of the post but also to provide training on cross college procedures. Over the past few years the feedback on the training programme continues to be extremely positive.

The Learner Voices Review was again facilitated by trained members of the Student Association with minimal support required by Quality Unit staff. This approach is now well embedded and utilises learners to evaluate the experience of their peers.

The Quality Unit continues with the approach of reviewing information taken from previous sessions, along with other intelligence led data to discuss plans for internal reviews with learners at the heart of the review. Senior Management and Student Executives meet on a regular basis to review college processes prior to re-issue.

3   Quality Culture

Awareness raising sessions on the Complaints Handling Procedure held with staff provided clarification on the process to be followed to ensure compliance with the SPSO requirements. However there was a delay in finalising the IT tool to be used and the College took the decision to stay with the original monitoring documents we developed which were in line with the SPSO requirements. In the future we may move to using the database provided. A report is produced on a quarterly basis and submitted to the Board of Management and published on the College website.

The courses offered through EDEXCEL continue to prove beneficial for learners and are very successful in assisting progression to HN level.

In session 2013/14 we entered a new phase of quality assurance arrangements with SQA. A systems development visit from SQA provided good feedback on the College Quality system and only minor adjustments were necessary to ensure compliance with the new approach. The majority of monitoring visits were very successful with a few minor issues to be addressed in a small number of subject areas

The successful SCQF project resulted in the development and credit rating of 3 additional units to the college curriculum. E-portfolio, Introduction to Sustainability and First Aid for the Outdoors Industry units are now available for learners or private organisations to undertake.

We continue to look for new ways to improve and enhance quality initiatives. The Learners Wheel is now well established in the College curriculum cycle and staff and learners continue to monitoring the effectiveness of this initiative.

There were a range of new quality initiatives developed and implemented during 2013/14 that built on and enhanced previous quality arrangements following learner and staff feedback. The key aim of this continues to be for academic staff in supporting approaches to planning high quality learning and teaching across the college. The Quality Wheel and the New Learning and Teaching Mentor team where developed with staff and learners to promote better engagement with staff and learners and underpin the college aim of being "outstanding "at learning and teaching. The Quality Wheel encourages greater dialogue between learners and staff together with additional peer review group scrutiny to identify actions for improvement, impacts, and to agree grade profiles. Similarly the Learning and Teaching Mentors allow for the Quality of Learning and teaching to be measured across a range of benchmark statements in line with the college aim of "Outstanding" Both processes where reviewed at the end of 2013/134 and recommendations made for changes to content and process for 2014/15

Following the completion of self evaluation reviews for 2013/14 each course now has a set of development needs that are included in their self evaluation action plans. These actions are linked to the areas that require development, for example the *Supportive Segment* of the Quality Wheel. The development plans for course areas are shared with learners prior to meeting for their first course review of the academic year so learners are clear of the key issues raised by learners and staff in the previous year. The Learning and Teaching Mentors meet staff during their development visits and agree supporting action plans to address any identified needs. These action plans form part of the individual's staff development review in a more formal assessment of their skills with their line manager. All actions and skill sets required are linked to the achievement of outstanding learning and teaching across the college. Heads of Faculty will during 2013/14 be able to raise any cross college development needs identified through this process that require input during the annual cross college staff development week.

Good practice in the Curriculum:
Below are a few examples of good practice identified from across a range of curriculum areas.

- Stranraer hairdressing team were delighted to receive a National award for learning and teaching in further education from JISC RSC Scotland iTech award. This was in recognition of the Stranraer Cutting Crew face book page which encourages communication between learners and tutors. The face book page has now grown and is used as a tool for supporting learning and teaching, including assessment as well as preparing learners for the workplace.
- Three years ago the college was the first in Scotland to obtain the Frank Buttle Trust Award for its commitment to improving Education for Looked after Young People in care. The award is reviewed every three years and the College has once again been successful and awarded the highest award of three categories "Exemplar Practice"
- The Care intermediate 1 learners took part in a one day course delivered by Action on Smoking and Health (ASH).This was not just for raising personal awareness but also for working in the healthcare sector
- Computing learners where the first in the college to complete the "Equality for All" training course as part of their diversity training and development.
- This year 2013/14 saw the further development of the health and wellbeing project to the care programme, whereby staff and learners worked in partnership with two health care professionals from Dumfries and Galloway's NHS health and well being promotion team. A mobile phone application has been developed as a supporting tool for the Intermediate 2 Health Care course. This has now been shortlisted for the National College Development Annual awards under the health and well being category.
- As part of the school college partnership, Castle Douglas High School senior pupils who have been part of the hospitality provision held a pop up restaurant event at Threave Gardens.
- Beauty Care and Make up learners went along to the region Head Teachers conference held at the Easterbrook Hall in Dumfries to give hand and arm massages during the conference intervals as part of their portfolio development.
- Princes Trust learners have been volunteering at Summerhill Community Centre and Dumfries YMCA on a range of duties including gardening, painting, litter collecting washing down outdoor equipment ,wood carving, and

turning old tyres into flowerbeds. The Princes Trust teams now have some of the best Performance in Scotland and the UK

- School pupils, teachers, college staff and learners took part in the Chinese New Year celebrations in college in January, including, using chop sticks, Chinese dumpling wrapping and cooking, Chinese sweets, Chinese character art, Chinese hairdressing and some traditional Chinese games.
- Creative Industries learners have been working in Partnership with Dumfries and Galloway Council for a climate week change exhibition which took place on March

Self evaluation in support areas has previously been a bi-annual event based on the Sector Review process. Following the Education Scotland Review in March 2012 the senior team reviewed the self evaluation and internal review processes across the college based on findings from the review team. It was concluded to modify the Sector Review process for academic areas in favour of the approaches outlined in this report to better focus on the improvement of learning and teaching across the college. Now that the academic self evaluation process is fully embedded the College plans to integrate the self evaluation for support services with the academic self evaluation process.

Progress on Main Points for Action

The college has made good progress in addressing the three main points for action identified during the external review by Education Scotland in March 2012. Full details of the actions taken during the 2013/14 academic year are contained in the Response to Education Scotland Review submitted to Education Scotland and endorsed by the Board of Management in June 2013.

In summary:

- Overall the college has improved the retention and achievement rates where they were found to be low through a range of pro-active interventions and changes to processes.
- The college has continued to improve the effectiveness of arrangements to engage learners in enhancing their own learning. The revised self evaluation process and Quality Wheel for learners and staff are the core vehicles for achieving these improvements.
- The college has developed new mechanisms and revised existing arrangements to fully engage staff in quality enhancement activities in the development and planning of high quality learning and teaching approaches. Extra staff resource in the form of Learning and Teaching Mentors has been provided to support these improvements.

Strategic Plan 2008-2015 Risk Register

Risk No.	Strategic Aim	Risk Description	Inherent Risk			Controls in Place	Assurances	Internal/ External	Residual risk			Further Action	Risk Owner
			Likelihood	Impact	Total				Likelihood	Impact	Total		
1	SA 6	Unable to achieve WSUM target	2	4	8	1. Real time monitoring system. 2. Contingency plans in place to offer additional provision as required. 3. Annual review of staffing and provision to rebalance areas of growth with areas of decline. 4. Annual review carried out by internal audit	1. Reviewed by SMT on a weekly basis 2. Reviewed by SMT on a weekly basis 3. Review carried out by HR and presented to SMT for consideration/approval. 4 Internal audit report presented to audit committee	Internal / External	1	3	3	No further action.	JB
2	SA 1, 3 & 6	Loss of collaborative partnership arrangements	2	3	6	1. Policy of limiting dependence on any one partnership. 2. Regular reporting of partnership issues at SMT. 3. Constant scanning to identify new potential partnerships.	1. Currently not specifically reviewed 2. SMT meetings/minutes 3. SMT meetings/minutes	Internal	1	2	2	No further action. Although policy not specifically reviewed, any issues would be identified through regular reporting at SMT. Internal audit review planned for 14/15	SMT
3	SA 1 & 6	Imbalance between demand for student support funds/bursaries and funds available	2	3	6	1. Detailed analysis and monitoring of spend undertaken on an ongoing basis by Finance Manager, discussed monthly with VP (CS&G) who updates SMT. 2. Allocation and amounts reviewed on an annual basis to ensure funding constrained within amount available. 3. Annual review carried out by internal audit	1. SMT meetings/minutes 2. SMT meetings/minutes 3. Internal audit report presented to audit committee	Internal / External	1	2	2	No further action but continue to monitor expenditure and amend student funding policies to match demand with available budget	JB
4	SA 1, 2 & 6	Impact of the implementation of new 'needs led' funding model along with the simplification approach (WSUM replacement)	4	4	16	1. Principal member of College Sector Funding Group. 2. Vice Principal (CS&G) college lead in the parallel running of new simplification approach 3. Continuous review of curriculum and delivery by SMT to ensure that adverse impact minimised.	1. Feedback to SMT and Board meetings 2. Reports to L&T Committee	Internal	2	2	4	1. Parallel running of simplification methodology in 14/15 with full implementation starting 15/16. Implementation of 'needs led' funding approach in 15/16. Internal audit review planning for 15/16	CAT/ JB
5	SA5 & 6	Unable to agree Pay Award	2	4	8	1. Detailed financial planning undertaken and approved by Finance and General Purposes Committee to ensure "affordability" of any offer. 2. Clear and well established negotiation processes in place with recognised unions. 3. Government suggested maximum 1% pay awards for 2014/15 and 2015/16.	1. F&GP meetings/minutes 2. Feedback to SMT and the Board 3. Included in budget which is monitored and reported through F&GP	Internal	2	2	4	Monitor Grant settlement and maintain dialogue consultations with unions	HP
5	SA5 & 6	Unable to agree Pay Award	2	4	8	1. Detailed financial planning undertaken and approved by Finance and General Purposes Committee to ensure "affordability" of any offer. 2. Clear and well established negotiation processes in place with recognised unions. 3. Government suggested maximum 1% pay awards for 2014/15 and 2015/16.	1. F&GP meetings/minutes 2. Feedback to SMT and the Board 3. Included in budget which is monitored and reported through F&GP	Internal	2	2	4	Monitor Grant settlement and maintain dialogue consultations with unions	HP
6	SA 1,2,3,4,5,6,7	Disruption to business continuity due to Influenza pandemic, terrorism, fire or other disaster	2	4	8	1. Business continuity plan in place (check audit report recs)	1. Reviewed by SMT and report to Board 2. Internal audit review carried out in 11/12	Internal / External	2	2	4	Implementation of audit recs	SMT
7	SA 1 & 6	Failure to maintain student numbers	2	4	8	1. Strategies in place to improve retention. 2. Self evaluation process. 3. Poorly performing programmes removed from the curriculum.	1. Monitored at course level and review by SMT. Exception reporting to Board. 2. Monitored through self evaluation process and reported to SMT and L&T committee	Internal	1	3	3	Internal audit review planned 13/14	SMT
8	SA 6	Loss of 'charitable' status	2	4	8	1. Internal control and governance arrangements in place to meet requirements of OSCR. 2. Work with Scotland's Colleges to influence and respond to any potential change to legislation affecting charitable status.	1. External audit coverage as part of annual review of financial statements.	External	1	2	2	No further action	CAT
9	SA 6	Downturn impacts on recruitment of Modern Apprentices	2	3	6	1. Maintain regular dialogue with training bodies. 2. Alter curriculum delivery to accommodate low numbers as and when required. 3. Contracts with relevant sector skills bodies and SDS in place.	1. Curriculum plans approved by SMT and L&T Committee 2. Curriculum monitor contract on ongoing basis	Internal	2	2	4	Reduction in demand and income to be balanced by staffing reductions. Planned internal audit on strategic planning in 14/15	SAW/ CAT
10	SA 1,2,3,4,5,6,7	Public sector funding cuts	4	4	16	1. Scenario planning undertaken and measures to offset reduction identified which is then used to inform curriculum planning. 2. Annual review of provision undertaken through planning and budgetary process to ensure match of income and expenditure.	1. Curriculum plans approved by SMT and L&T 2. Budget approved by the Board	Internal	2	4	8	Reduce curriculum provision in line with funding and implement cost savings. Seek to increase non SFC income.	SMT
11	SA 6 & 7	Changes to structure of FE colleges in Scotland adversely impacts on DAGCOL	2	4	8	1. D&G now confirmed as a single college region. Uncertainty still exists about future Crichton relationship and impact of being second smallest region in Scotland. Current indications are that college is region earmarked for growth.	1. Scottish Government confirmed D&G as a single college region 2. Principal member of Crichton Leadership group and feeds back to SMT and Board	Internal / External	2	2	4	Proactive involvement of SMT and BoM in process	SMT
12	SA 6 & 7	ONS reclassification of college impacts on governance, financial arrangements and ability to develop capital projects	4	4	16	1. Senior Management and Finance Manager representation at relevant briefings and ongoing monitoring of changes 2. External audit advice	1. Feedback to SMT and Board	Internal/ External	2	2	4	External audit will review any changes to accounting treatments	SMT
13	SA 3,5 & 6	Facilitate and support R&D in small and micro-business through the provision of facilities, equipment and infrastructure to help businesses develop new commercial products and processes	3	4	12	1. Detailed monitoring undertaken on a daily basis by Vice Principal - Monitoring by and reporting to Lead Partner - Extra support provided by Vice Principal to ensure efficient start up of CREST project	1. Feedback to SMT and Board	Internal / External	2	2	4	No further action	SAW
14	SA 1,2,3,5 & 6	Unable to increase Broadband width	4	4	16	1. Vice Principal (CS&G) member of H&FE Sector Oversight Board for ICT 2. Vice Principal (CS&G) member of Jisc RSC Scotland Advisory Board	1. Implementation of SWAN monitored 2. Feedback to SMT and Board	Internal / External	2	2	4	No further action	JB

Memorandum of Understanding

Between Scotland's Rural College (SRUC)

And

Dumfries and Galloway College

1. Rationale for the Agreement

SRUC, Kings Buildings, West Mains Road, Edinburgh, EH9 3JG and Dumfries and Galloway College, College Gate, Bankend Road, Dumfries, DG1 4FD hereby enter into this Memorandum of Understanding as means of promoting academic collaboration and organisational co-operation.

Both organisations declare that they have got some common / complimentary areas of curriculum activity which would be beneficial for them to explore jointly.

2. Purpose of the Agreement

The purpose of this Memorandum is to facilitate continued dialogue between the two organisations with specific reference to:

2.1 the identification of areas of possible joint curriculum activity / development;

2.2 the identification of potential collaborative opportunities and initiatives which benefit both organisations but also by working together support the Regional Economy; and

2.3 the dissemination of information and the sharing of experiences among staff and students of both organisations.

3. **The Memorandum**

   Under this Memorandum the two organisations may seek to :

   3.1 facilitate the exchange of staff and/or students for the purposes of teaching, study and other curricular activity;

   3.2 encourage a reciprocal exchange of learning materials and also their joint development, subject to there being no legal restrictions on such exchanges;

   3.3 undertake joint knowledge transfer and other appropriate activities, between staff and/or students from each organisation; and

   3.4 support other activities (for example, joint staff development, marketing and Student Association activities).

4. **Current Developments**

   Both organisations have identified initial areas of collaboration which they wish to progress over the next twelve months. These are detailed in Schedule One of this document. This activity plan will be reviewed on an annual basis.

5. **Future Developments**

   Both organisations will seek to identify areas of possible collaboration which may lead to a separate and formal Memorandum of Agreement outlining the legal obligations of each of the organisations and the quality assurance processes that will apply. Examples of such collaborations may include :

   5.1 the development of collaborative programmes which are jointly delivered by both partners;

   5.2 the opportunity to share use of specialist facilities / resources by each of the partners and

   5.3 the opportunity to bid for external funding to support development initiatives (eg SFC / ESF / Lottery).

6. **College Co-Ordinators**

   Each College will nominate a co-ordinator who is responsible for ensuring effective communications between the two organisations.

7. **Implementation**

   This Memorandum shall have effect for up to three years from 1st October 2014, after which time the two parties may renew it by an exchange of letters.

8. Termination

This Memorandum may be terminated by either party giving the other six months written notice or the conclusion of a Memorandum of Agreement arising out of this Memorandum of Understanding.

Signed: _____ . Signed: _____

Professor David McKenzie
Vice Principal Education
Scotland's Rural College (SRUC)

Carol Turnbull
Principal
Dumfries and Galloway College

Date: 9 September 2014 _____   Date: _____

SRUC

West Mains Road
Edinburgh
EH9 3.!G

Schedule One

Collaborative Activity 2014/15 Academic Year

College Co-Ordinator

xxxxxxxxxxxx   SRUC
Xxxxxxxxxxxx   Dumfries and Galloway

Project	Description	SRUC Lead	D & G Lead
Food and Drink / Hospitality	Discuss potential opportunities for collaboration in relation to Food And Drink activity / Food Processing and where appropriate involve other divisions of SRUC (Food And Drink Consultants).		
Engineering	Discuss potential opportunities for collaborative activity within Motor Vehicle / Agricultural Engineering and STEM areas of provision.		
Enterprise	Consider how SRUC can offer potential articulation opportunities to D&G students and also consider opportunities for SRUC students to articulate to the Honours Degree in Applied Enterprise –a programme offered by D&G College and UWS (Crichton).		
Joint Marketing / Promotion of Courses	Develop a marketing plan which allows both organisations to undertake joint Marketing /PR / Schools Activity within the Dumfries and Galloway region and beyond where appropriate.		
Crichton Campus	Discuss the possibility of both organisations working more closely together in the future and look at the potential opportunities for the sharing of facilities and services.		