

Tuesday 30 June 2015 at 2pm in Room 1074b

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## A G E N D A

		Presented by
1	Welcome and Apologies	BJ
2	Declaration of Interest	BJ
3	Minute of Board Meeting of 21 April 2015	(attached) BJ
4	Matters Arising	
4.1	Curriculum Review and Potential Redundancies	(verbal update) CT
4.2	Highers delivered in School - A Grade	(verbal update) JB
4.3	Statistics on early leavers from Universities	(attached) JB
4.4	Board links	(report attached) JB
4.5	Issues Facing the College and Sector	(attached) CT
5	Chair's Update	(verbal update) BJ
6	Principal's Update	(report attached) CT
7	Student Association President's Update	(verbal update) SG
8	Governance	
8.1	Proposed Calendar of Meetings 2015-16	(attached) JB
8.2	Audit Committee Approved Minutes - 19/8/14, 2/12/14 and 24/2/15	(attached) HC
8.3	F&GP Committee Approved Minutes - 26/8/14	(attached) JH
8.4	L&T Committee Approved Minutes - 7/10/14	(attached) DH
9	National Bargaining	(report attached) CT
10	Remote and Rural Funding	(report attached) CT
11	Key Performance Indicators	(report attached) JB
12	Strategic Risk Register	(attached) JB
13	Revised Budget 2015-16	(report attached) JB
14	Estates Projects 2015-16	(report attached) JB
15	Vision 2020	(attached) CT
16	Stranraer Campus	(report attached) CT
17	Any Other Business	
18	Date and Time of Next Meeting	

## Board of Management

**Minute of Meeting of the Board of Management of Dumfries and Galloway College held on Tuesday 30 June 2015 from 2.00 pm in Room 1074b of the Dumfries campus**

**Members Present:**

Janet Brennan  
Ros Francis  
John Henderson  
Brian Johnstone (Chair)  
Pat Kirby  
Stuart Martin  
Carol Turnbull

Hugh Carr  
Janice Goldie  
Delia Holland (Vice Chair)  
Kenny Henry  
Karen McGahan  
Andrew Nyondo  
Sam Glendinning

**In Attendance:** Jannette Brown, Secretary to Board of Management and Vice Principal (Corporate Services & Governance)  
Susan Sutherland, Minute Secretary

### **1 Welcome and Apologies**

Apologies for absence were intimated on behalf of Berry Graham and Craig McGill.

The Chair welcomed Ros Francis to her first meeting and intimated that the Regional Board was now fully formed.

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 21 April 2015**

The minute of previous meeting of the Board held on 21 April 2015 was approved.

### **4 Matters Arising**

#### **4.1 Curriculum review and potential redundancies**

The Principal reported that the review had been completed. One member of staff being made redundant with no risk of appeal as a compromise agreement had been signed.

#### **4.2 Higher delivered in Schools – A grade**

The Vice Principal, Corporate Services and Governance spoke to the statistics provided by Barry Graham relating to 'A' grade passes at 'Higher' level in schools. Members noted the statistics.

#### **4.3 Early Leavers**

The Vice Principal, Corporate Services and Governance spoke to the table of non-continuation by students from Dumfries and Galloway and the rest of Scotland entering full-time undergraduate courses in 2012-13. Members were surprised that, although local anecdote would suggest that the drop-out rate from Dumfries and Galloway was higher this was not the case and was in fact close to the national average. The Board discussed the figures and acknowledged the vital role of colleges in providing transitional pathways.

#### **4.4 Board Links**

The Vice Principal, Corporate Services and Governance spoke to the report which had been issued, identifying that recent governance reforms on the role of Boards meant that it was no longer appropriate to operate the 'board links' system.

During discussion, Members acknowledged their strategic role, but felt that 'board links' had helped them to better understand the individual functions of the College. It was agreed that an overview of the operational aspect of the College be included in Board induction. Members were encouraged to continue to pursue areas of interest in college activity, and to discuss with the Principal the best way to take this forward.

Members noted the position.

#### **4.5 Key Messages**

The Principal had prepared a list of key messages, challenges and issues for the College, for the information of Board Members. She added that this would be a live document, and that the key messages for the sector would be issued in September.

Members noted and welcomed the report.

### **5 Chair's Update**

The Chair provided a verbal update on his recent activity.

- SFC Outcome Agreement Launch at Heriot-Watt University
  - Main focus "inequalities" – keynote address by Cabinet Secretary for Education
  - Importance of College pathways
  - Integration of schools was unequivocal and universal
- Developing the Young Workforce
  - joint bid with D&G Chamber of Commerce and D&G Council for funding to enhance links between schools, college and employers.
- Colleges Scotland Board and Regional Chairs meetings
- Robertson Trust - meeting to discuss their offer to assist the college sector
- Board Governance event (with JH, JB and PK) in Edinburgh

The Chair will provide a report on his activities over the summer break.

### **6 Principal's Update**

Members noted the report which had been issued, particularly learner activity highlights, and stakeholder engagement.

### **7 Student Association Update**

Sam Glendinning, President, reported that following recent elections, the President of the Student Association for 2015-16 would be Julian Weir. The Vice Principal, Corporate Services and Governance added that this is the first time the College has had sabbatical post.

The Board thanked Sam for his time in office, and wished him well with his continued studies.

## **8 Governance**

### **8.1 *Proposed Calendar of Meetings 2015-16***

Members noted and approved the calendar which had been issued, following minor adjustment to Audit (23 Feb) and F&GP (7 Oct).

The Board discussed the frequency of full Board meetings and agreed to review the situation at the end of 2015. It was also agreed to return to the practice of holding one meeting per session at the Stranraer campus.

### **8.2 *Audit Committee Approved Minutes: 19/08/14, 02/12/14, 24/02/15***

The Board noted and approved the minutes of Audit Committee.

### **8.3 *Finance and General Purposes Committee Approved Minute: 26/08/14***

The Board noted and approved the minute of the F&GP Committee.

### **8.4 *Learning and Teaching Committee approved Minute: 07/10/14***

The Board noted and approved the minute of the L&T Committee.

## **9 National Collective Bargaining**

The Chair provided an update on the sector position, and the Principal spoke to the report which had been issued, on progress in respect of National Collective Bargaining. A copy of the National Recognition and Procedure Agreement had also been circulated.

The issue had been discussed at a meeting of the College Principals Group on 1 June 2015. A meeting of the Employee Relations Committee of Colleges Scotland, to which all Chairs were invited, was also held on the afternoon of 1 June 2015. These meetings considered the issue of how individual College Boards would be able to establish the negotiating parameters for the management side of the national joint negotiating committee, so that Boards could have some reassurance that national bargaining would not undermine their responsibilities with regard to their individual institutions.

The Principal stressed that the decision at this time was only to be part of the process for negotiation parameters at this stage, and not in any way related to pay claims.

Following discussion, the Board felt that it would be better to be part of the national process and approved the adoption of the National Recognition and Procedure Agreement, but with distinct reservations in terms of Members' responsibility to the financial security of Dumfries and Galloway College.

## **10 Rural and Remoteness Funding Review**

The Principal spoke to the report which had been issued, explaining the background to this ring-fenced element of Scottish Funding Council funding for colleges operating in rural and remote areas of Scotland, which was being reviewed in the context of the new regional structure.

The Board noted the update and progress in respect of the Scottish Funding Council review and acknowledged that this was key for the College in order to maintain a breadth of curriculum with small class sizes and to continue to offer courses at the Stranraer campus.

Members also recognised the work of the Principal and Executive Team in national strategic initiatives.

## **11 Key Performance Indicators**

The Vice Principal, Corporate Services and Governance spoke to the report which had been issued. She pointed out that at the time of meeting it looked like the College would not achieve its WSUMs target which could mean a potential claw-back of £33k. This was mainly due to class groups forming with lower numbers than anticipated.

Improving retention was an ongoing challenge for the College, and staff continued to endeavour to identify methods of supporting students to achieve their milestones, although it was noted that the statistics did not paint the whole picture of individual issues and journeys.

Members noted the report, and the forecast of a deficit financial position at 31 July 2015. This was a technical position in view of the recent Office for National Statistics reclassification of colleges and subsequent guidance on use of depreciation, which was recognised and mirrored across the sector. Colleges Scotland had issued a form of words for insertion in college accounts, but the Board anticipated an element of negative publicity and agreed that it would be necessary to reassure staff and stakeholders of the position.

## **12 Strategic Risk Register**

The Vice Principal, Corporate Services and Governance spoke to the Register which had been issued, and the Board agreed the increased risk (No. 5) of a move to National Pay Bargaining.

Members also wondered if Executive Team capacity should be included in the register. It was agreed that the Human Resources Committee include this in ongoing succession planning considerations and report back to the Board.

## **13 Revised Budget 2015-16**

The Vice Principal, Corporate Services and Governance intimated that the Board had approved a draft Budget based on indicative funding but that following the allocation of Grant-in-Aid on 17 April 2015, revisions had been made.

The Finance and General Purposes Committee had considered the revisions and key assumptions at its meeting on 9 June 2015 and recommended the Budget to the Board for approval, which was confirmed.

## **14 Estates Projects**

The Vice Principal, Corporate Services and Governance spoke to the report which had been issued, advising of four curriculum delivery improvements which were felt necessary but had not been included in the Budget for 2015-16. It was proposed that the funding for these projects would be available from depreciation (subject to approval from Scottish Funding Council) and/or bidding into the Scottish Colleges Foundation.

The Financial and General Purposes Committee had considered the proposal on 9 June 2015 and recommended it to the Board for approval, which was confirmed.

The Board approved the expenditure of up to £410,000 on the estates projects, provided the necessary approval from the Scottish Funding Council on the use of depreciation was granted and or a successful application to the Scottish College Foundation was granted.

The Board also noted and agreed the concerns of the Committee regarding the long-term sustainability of not undertaking capital projects in order to balance the budget.

## **15 Vision 2020 Strategic Plan 2015-20**

The Chair and Principal spoke to the report which had been issued, confirming that the Strategic Plan had been developed over a 12 month period, through a series of workshops involving staff, students and Board Members. This sets out the College's key aims and aspirations for the five year period 2015-20 and, along with the Regional Outcome Agreement, would provide the key measurement tool for the Board to monitor College progress.

Members noted the position, and agreed formally to adopt the Vision 2020 as the 5 year Strategic Plan.

## **16 Stranraer Campus**

The Principal spoke to the report which had been issued, providing the Board with an outline of the challenges and opportunities related to the Stranraer Campus. The Chair also highlighted that Centrifuge consultancy had been appointed by D&G Council Economic Forum to carry out research into the economic viability of the area.

Members discussed the economic and social importance of the campus to the Stranraer community, but also recognised that further reductions in funding might force the College to consider whether it could maintain the campus at a cost of £1m per annum. A recent shift in numbers enrolling also presented a challenge in maintaining a breadth of curriculum, which meant for example that three levels of student were taught in one group which was not always the best learning experience, and was difficult for staff.

Members agreed that the College should to continue to engage with stakeholders and employers in the west of the region, and highlight the challenges in meetings with local councillors, MPs and MSPs. The Chair is planning to meet with all Wigtownshire Councillors in September.

## **17 Any Other Business**

### **17.1 Marketing**

The Board congratulated College staff on the high level of positive press and publicity in recent months, in particular the launch of Zest and the Higher National graduation ceremony in Stranraer.

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

The next meeting of the Board of Management would be held on Tuesday 6 October 2015 from 2.00 pm.

## Board of Management

**Minute of Meeting of the Board of Management of Dumfries and Galloway College held on Tuesday 21 April 2015 from 1.30 pm in Room 1074b of the Dumfries campus**

**Members Present:**

Janet Brennan	Barry Graham
Sam Glendinning	Kenny Henry
Delia Holland (Vice Chair)	Brian Johnstone (Chair)
Pat Kirby	Stuart Martin
Andrew Nyondo	Carol Turnbull
Craig McGill	

**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)  
John Bowditch, Education Scotland (Items 1 – 4.1 only)  
Ros Anderson, Learning and Teaching Committee (Item 1- 4 only)  
Karl Griffiths, Course Leader, Engineering (Item 4.1 only)  
Drew Easton, Head of Faculty (Item 4.1 only)

### **1 Apologies**

Apologies for absence were intimated on behalf of H Carr, R Francis, J Goldie, J Henderson and K McGahan for the Board meeting, and J Maginess and D Patterson in respect of the Learning and Teaching Committee, Agenda Item 4.

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

### **2 Presentation – John Bowditch, HM Inspector, Education Scotland**

Dr John Bowditch, HMI presented to Members on the remit and focus for Education Scotland, part of which was to engage in a professional dialogue with Boards of Management, and described the four main task areas.

There was discussion on the challenge of maintaining a strong student association in a rural area, and the difference between self evaluation in schools and colleges. Mr Bowditch described the college's use of IT and the Learning and Teaching Mentors model as excellent. Members also discussed the establishment of Employer Advisory Boards to encourage employer engagement, and the focus on fostering employability skills across the curriculum.

### **3 Declaration of Interest**

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

### **4 Learning and Teaching Committee**

#### **4.1 Presentation – early adopter Higher National Certificate in Electrical Engineering**

K Griffiths and D Easton presented on this pilot HNC which was aimed at S6 school pupils in response to the focus on Developing the Young Workforce, in response to the Wood Commission report.

Members noted the delivery model, aims and possible progression routes, and that whilst the first cohort had been only six students, 15 applications had already been received for 2015/16.

During discussion it was agreed that schools, pupils and parents were now beginning to see the strengths of attending College as a career pathway.

#### **4.2 Key Performance Indicators**

The Vice Principal, Learning and Skills spoke to the report which had been issued.

Members noted that HE full time numbers continued to show improvement and were expected to achieve sector average and outcome agreement targets. However FE full-time numbers were likely to underperform. Analysis of this by the Curriculum Teams at Scottish Credit Qualification Framework (SCQF) levels had identified the main issue was with SCQF Level 4 courses, ie those at access level where there were no formal entry qualifications for entry, and so these were to be redesigned for 2015/16 into 12 week blocks of learning and more focus on employability within a "Princes Trust" type of delivery model with more teambuilding opportunities.

The Principal confirmed that College Management spends a good deal of time analysing data to ensure that every effort can be made to respond to any issues or trends.

#### **4.3 Curriculum Developments**

##### **4.3.1 Schools Delivery 2015/16**

The Vice Principal, Learning and Skills spoke to the report which had been issued.

He reported that following meetings with all Secondary Head Teachers across the region, the 2015/16 delivery programme had been agreed and, where 2013/14 saw delivery to 249 learners from 10 schools, 2015/16 would see delivery to some 404 learners from 15 schools.

The Board noted the report and congratulated staff on their hard work to establish a continuing and growing partnership with schools.

##### **4.3.2 National Certificate in Engineering**

The Vice Principal, Learning and Skills, spoke to the report which had been issued, informing Members of the development of a National Certificate in Engineering, Modern Apprenticeship Pathway.

The course is designed for learners from Dalbeattie High School who have an interest in engineering and who wish to gain employment with a local employer, Jas P Wilson.

Members noted this positive development which directly responds to three key issues highlighted in the Developing the Young Workforce, with a school, the college and an employer working closely and collaboratively together.

##### **4.3.2 Project Search**

The Vice Principal, Learning and Skills, spoke to the report which had been issued

Members noted the new partnership model for delivery in 2015/16 between the College, Dumfries and Galloway Employability and Skills team, and Project Search to prepare young people between the age of 16 and 24, with disabilities or additional support needs, for employment.

In response to a question from Mrs Holland regarding learners outwith the 16-24 age range, the Principal advised that SFC had for a number of years required colleges to focus on that age group, although that was



changing. However the college had not discriminated against older students nor changed any of its procedures as a result. In fact the College was reintroducing part-time and evening classes to its portfolio.

#### **4.4 Complaints Handling Statistics**

The Vice Principal, Corporate Services and Governance, spoke to the report which had been issued.

She reminded Members that in August 2013 the College had adopted the model Complaints Handling Procedure provided by the Scottish Public Services Ombudsman, on which the College was required to report annually on its performance in handling complaints. The report covered the period 1 September 2014 to 13 April 2015.

The Vice Principal reported that further staff training would be provided to clarify categorisation between discussion and complaint.

Members noted the low number of complaints lodged, and actions taken to ensure frontline resolution.

#### **4.5 Education Scotland Aspect Visit: My World of Work**

The Vice Principal, Learning and Skills, spoke to the report which had been issued, advising Members of the College's participation in a recent Education Scotland Aspect Visit on Skills Development Scotland Web Service and in particular the web based toolkit [www.myworldofwork.co.uk](http://www.myworldofwork.co.uk).

The review team visit to the College had been extremely positive and they commented particularly about the infection enthusiasm of staff and learners across all areas. Best practice was identified in the creative way team and learners jointly used the website. The full report would be published in Autumn 2015.

The Board noted the report and congratulated those involved in such a positive experience.

#### **4.6 Education Scotland Aspect Visit: Employability**

The Vice Principal, Learning and Skills, spoke to the report which had been issued on a recent aspect visit to the College on Employability.

The feedback from the visit was generally positive, with only four minor points to consider going forward. Several areas of best practice were identified, so much so that the review team indicated they would come back on a more informal basis to confirm the best practice.

Members noted the report and congratulated those involved on such a positive visit.

### **5 Minute of Meeting held on 3 March 2015**

The minute of previous meeting of the Board held on 3 March 2015 was approved.

### **6 Matters Arising**

#### **6.1 Item 4.1 Executive Team Capacity**

The Principal reported that the Executive team had reviewed its capacity once more and had agreed the recruitment of a support officer on a trial basis, rather than go out to recruitment of an external Secretary to the Board at this time. The pilot would be reviewed and reported to the Board in due course.

#### **6.2 Item 4.2 Curriculum Review and Potential Redundancies**

The Director of Organisational Development and Facilities provided an update on the ongoing meetings with staff and unions. Following the first stage of the selection process, one individual in the Beauty area had opted for voluntary redundancy and in Hairdressing two members of staff were being interviewed for one post, which would result in a redundancy. No appeals had been received to date.

The Board noted the position.

### **6.3     Item 5.4            Funds Transfer to the Scottish Colleges Foundation**

The Vice Principal, Corporate Services and Governance reported that, following approval from the Scottish Funding Council, the College had transferred £525,500 to the Scottish Colleges Foundation prior to 31 March 2015. These funds would be used for future capital projects for the benefit of students, subject to a successful application to the Scottish Colleges Foundation.

The Board noted that the guidance from SFC would result in colleges publishing a deficit position in their 2014/15 accounts which would have to be carefully managed across the sector.

### **6.4     Item 5.6            Regional Outcome Agreement**

The Vice Principal, Corporate Services and Governance reported that the ROA had been signed and submitted to the Scottish Funding Council. On Friday 17 April 2015 the College received its offer of grant from the Scottish Funding Council on the basis of the region Outcome Agreement for academic session 2015-16. The College will receive £8,423,961 in core grant, £378,942 in capital grant, £71,000 in strategic funds (student association) and £302,720 from the European Structure Fund to plan and deliver a total of 31,649 credits of student activity. The College will receive £2,491,324 in student support.

Members noted the position and that SFC were launching all Sector Outcome Agreements at an event in Edinburgh on 22 April 2015.

### **6.5     Item 9                Board Recruitment**

The Secretary to the Board reported that the final interview had taken place and the Cabinet Secretary had approved the appointment of Ros Francis to the Board.

The Chair added that the Board was now at full strength and at an exciting phase of development.

## **7           Chair's Update**

The Regional Chair gave a verbal report on his activity since the previous meeting:

- Crichton Campus Leadership Group on 3 March
- Chair and Principal holding series of meetings with MP/MSPs
- Met with Skills Development Scotland
- Met with M Cross of Scot Gov regarding Developing the Young Workforce
- Colleges Scotland Audit Committee
- Secondary Head Teachers event in College on 12/13 March
- Invest in Youth Group meetings
- Ryder Architecture consultation on the Crichton Quarter/Master Plan
- Attended Schools Employment Group at Gates Rubber Co

## **8           Principal's Update**

The Principal gave a verbal report on her work with the Funding Council Funding Group which was reviewing student funding, extended learning support and the remoteness and rural element of funding.

She also advised that the Dumfries Employer Advisory Boards were being progressed by each Faculty in different ways, but that the Stranraer campus event planned for 22 April had had to be postponed due to low numbers. The College would continue to encourage employer engagement at Stranraer and the Principal had offered to meet on a one to one basis with employers to continue the process.

## **9 Student Association Update**

The Student President gave a verbal update on recent activities within the Association, plans for Citizenship week (wc 27 April) and encouraging applicants for membership of the Association for 2015/16. The Student Association are taking forward the idea for a project on student experience for use in schools with the marketing team.

## **10 Governance Issues**

### **10.1 Senior Independent Board Member**

The Secretary to the Board spoke to the report which had been issued. Following discussion it was agreed that the Vice Chair of the Board would be the designated Senior Independent Member.

### **10.2 Vice Chair, Committee Chairs and Committee Membership**

The Secretary to the Board spoke to the report which had been issued.

Following the successful transition from College Board to Regional College Board on 3 March 2015, the Board was required to review all existing office positions and Committee Membership to achieve a balance in relation to experience, succession planning and Member requests.

Members approved the proposed office positions and committee membership to be effective from the date of the meeting, and for a period of two years.

### **10.3 Net depreciation and Deficits**

The Board considered the Scottish Funding Council letter of 30 March 2015, acknowledging college concerns regarding the implications of implementing the guidance provided on the utilisation of net depreciation, particularly where this would result in a deficit in accounts for 2014-15. The letter stated that where a college returned a deficit position, SFC would treat this as a technical deficit which would not represent a challenge to the college's ongoing financial sustainability. This position had been agreed with Audit Scotland and the Scottish Government.

The Board noted that the College had followed the guidance, and would return a deficit position, and acknowledged how this would be perceived both nationally for the sector, and locally for the College. Colleges Scotland would be compiling a press release of key messages.

### **10.4 Post-16 Education (Scotland) Act 2013**

The Board noted the four orders relevant to the implementation of the Act contained in Scottish Government letter of 1 April 2015, particularly that college would revert to a 1 August to 31 July financial year from 31 March 2015.

## **11 Strategic Risk Register**

The Vice Principal, Corporate Services and Governance spoke to the Register which had been issued. Following discussion it was agreed to adopt the proposed changes to Risks 3, 5 and 12.

## **12 Stranraer Regeneration Project**

The Principal spoke to the Project Initiative Document of Centrifuge consulting who had been appointed by Dumfries and Galloway Council to identify the future training needs of the tourism, recreational and

commercial marine sector and the impact these may have to further and higher education provision and facilities requirements in Stranraer.

The Principal reported on recent Executive Team discussions on the freshening of the courses offered at the Stranraer campus, and engagement with employers and schools and advised that she would be providing a strategic report to the June meeting of the Board.

### **13 Stakeholder theme**

The Chair advised that the Stakeholder theme for the next Board meeting would be on Working with Schools.

### **14 Any Other Business**

#### **14.1 Board Links**

The Secretary to the Board advised that as part of the new Regional Board considerations, the purpose of the Board link process should be reviewed, and she would prepare a report for the next meeting.

The Secretary to the Board agreed to prepare a report for the next meeting.

Following on from the discussion on board links members suggested that it would be helpful to them in their ambassadorial role to have a brief note of the current and emerging issues facing the College and the sector.

The Principal agreed to prepare a note for the next meeting.

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

The next meeting of the Board of Management would be held on Tuesday 19 May 2015 from 2.00 pm.

## **Board of Management**

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### **Highers delivered in School - A Grade**

Information supplied by Barry Graham:

In 2014 there were 2449 pupils. Of these the following stats apply:

977 obtained at least 1 A pass  
593 obtained at least 2 A pass  
404 obtained at least 3 A pass  
252 obtained at least 4 A pass  
141 obtained at least 5 A pass  
51 obtained at least 6 A pass  
22 obtained at least 7 A pass  
6 obtained at least 8 A pass

**Non-continuation following year of entry for students from Dumfries and Galloway, and rest of Scotland entering full-time undergraduate courses in 2012-13**

<b>Level of Study / Domicile</b>	<b>Continue or qualified at same institution, or transferred to another Higher Education Institution</b>	<b>Not continuing at Higher Education Institution (*)</b>	<b>Total</b>	<b>Percentage not at a Higher Education Institution (*)</b>
<b>First Degree</b>				
Dumfries and Galloway	585	56	<b>641</b>	9.6%
Rest of Scotland	23,964	2,157	<b>26,121</b>	9.0%
<b>Total</b>	<b>24,549</b>	<b>2,213</b>	<b>26,762</b>	<b>9.0%</b>
<b>Sub-degree Qualification</b>				
Dumfries and Galloway	24	-	<b>24</b>	0.0%
Rest of Scotland	1,706	300	<b>2,006</b>	17.6%
<b>Total</b>	<b>1,730</b>	<b>300</b>	<b>2,030</b>	<b>17.3%</b>
<b>Total</b>				
Dumfries and Galloway	609	56	<b>665</b>	9.2%
Rest of Scotland	25,670	2,457	<b>28,127</b>	9.6%
<b>Total</b>	<b>26,279</b>	<b>2,513</b>	<b>28,792</b>	<b>9.6%</b>

(\*) Some of the students who were no longer at a higher education institution might have decided to study at a further education college instead.

## Board of Management

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### BOARD LINKS

#### 1. Purpose

The purpose of this report is to update members of the 'board links' system.

#### 2. The Report

Prior to Regionalisation the College offered an informal communication practice known as 'board links' where an individual operational manager was 'linked' to a board member. The purpose of the 'link' was to give members of the Board of Management the opportunity to meet managers and to familiarise themselves with different aspects of College operations.

As part of extensive reform of the college sector in Scotland, college governance has been strengthened to increase accountability and effectiveness to improve outcomes for learners and businesses. As a result a new code of Good Governance for Scotland's Colleges has been adopted. The code states the 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 also states that the College Principal is always your main source of information on the day to day business of your college. As the senior member of the executive staff and chief executive of the organisation they are accountable to the board for the delivery of its business objectives and they have responsibility for ensuring that the board receives the information and support it requires.

Given the governance reforms it is no longer appropriate to operate the informal 'board links' system. However, we will continue to ensure members are informed about college events and celebrations, receive College News publication to keep up to date with learner and staff activities as well as regular updates from the Principal including her blog.

#### 3. Recommendation

Members are asked to note the position.

## **Board of Management**

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### **Key Messages for Board Members**

#### **1. Purpose**

The purpose of this report is to provide Board members with a note of key messages in respect of the College and the Sector.

#### **2. The Report**

Dumfries and Galloway College is the Regional College for Dumfries and Galloway. It operates from 2 campus sites – the main one in Dumfries, the second, smaller campus in Stranraer (75 miles away). We offer a wide breadth of curriculum and programmes from Access (requiring no formal entry qualifications, through to degree level).

##### **2.1 Key messages**

###### **2.1.1 College Developments**

Enrolments: - The College enrolls approximately 1600+ full-time and a further 2,000-2,500 part-time learners per annum.

Approximately 32% of our full-time learners study at Higher National level – equivalent to first and/or second year degree level study.

The College supports and embraces the recommendations from the Developing Young Workforce report. Specific responses to this include:

- The establishment of Employer Advisory Boards to ensure our curriculum is fit for purpose, meets the needs of local businesses and supports the enhancement of employability skills in our learners.
- A DYW Regional Group is currently being established and the College (led by the Chair) is at the heart of this. The aim of this group is to increase and facilitate stronger engagement between industry and educational institutions.
- Working closely with our University partners on the Crichton campus (and others, where appropriate) we aim to offer articulation to university study wherever possible, across a wide range of curriculum areas.



## Board of Management

- Relationships with primary and secondary schools across the region have been strengthened and a range of vocational pathways, offering progression and leading to employment opportunities are being developed and delivered. Foundation and Graduate Apprenticeships are also being discussed.

The College ensures its curriculum offering is aligned to the local economy, using the Regional Skills Assessment provided by Skills Development Scotland. We have re-introduced Hospitality and Catering programmes in our Dumfries campus, increased the number of places available on Engineering and Care programmes, and introduced new programmes in each of these. We are also exploring how we can support the Food and Drink sector, also identified as a growth sector in the RSA, and reviewing our curriculum in Stranraer to ensure it meets the needs of the local area.

Feedback from Education Scotland as a result of Annual Engagement Visits and Aspect Reviews, indicate that the College is delivering a good service, with some examples of sector leading practice being identified.

### **2.1.2 Challenges and Issues**

As one of the smallest Regional Colleges (Borders is slightly smaller) the challenge of maintaining breadth of curriculum and meeting the expectations of government and the Scottish Funding Council in the current financial climate is significant.

Traditionally, class sizes in rural colleges tends to be lower than in urban areas, which means achieving efficiencies is difficult. The costs of duplicating services in a second campus site exceed the rural and remoteness funding received by the College.

Achieving economies of scale is also difficult. As a sector we are required to deliver on government priorities such as DYW, equalities, gender imbalance, non-Scottish Funding Council grant income, skills and training to support local and national need. However, in a rural area such as Dumfries and Galloway, the numbers of potential learners in these categories are insufficient to make the creation of specific roles, cost effective. This results in the existing staff complement being stretched.

Funding is the key challenge for Dumfries and Galloway College.

### **3. Recommendation**

Members are asked to note the position.

## **Board of Management**

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### **Report to the Board by the Regional Chair**

#### **1 Introduction**

The purpose of this report is to update the Board of Management on recent developments in the FE sector, the Region as well as feedback from various meetings.

#### **2 Colleges Scotland**

2.1 Hugh Hall, Regional Chair of Forth Valley College, has been appointed as the new Chair of the Colleges Scotland Board and the Chair of Regional Chairs. Keith McKellar, Regional Chair, West College Scotland has agreed, on an interim basis, to take on chair of the Employment Relations Committee.

2.2 Audit Committee - no meetings have taken place since last report

2.3 Learning and Teaching Committee. Following involvement in the Developing Young Workforce National Advisory Group the Regional Chair has now been invited to join the Learning and Teaching Committee.

#### **3 Sector**

3.1 Scottish Funding Council Outcome Agreements. On 23 April 2015, the Regional Chair attended the launch of the Outcome Agreement event at the Herriot-Watt University. Angela Constance, Cabinet Secretary for Education, gave a speech at the event on tackling educational inequality, importance of College pathways and the Developing Young Workforce. Separate presentations on the importance of integrations with schools, and on South East Scotland Academies where 3 colleges integrate with Queen Margaret University were given.

3.2 College Board Members Development. The event, open to Board Member from every region, was held on the 16<sup>th</sup> June 2015 at the Edinburgh International Conference Centre. Angela Constance, the Cabinet Secretary for Education and Lifelong Learning, provided the keynote address. The event provided the opportunity to hear about progress on regional outcome agreements, governance arrangements as well as networking opportunities. The day also included input from Education Scotland and the Scottish Funding Council.

3.3 Robertson Trust. The Robertson Trust has invited the Regional Chair, along with Tony Jakimciw and Linda McTavish, to assist the Trust develop funding opportunities for the college sector. The Robertson Trust aims to improve the quality of life and realise the potential of people and communities in Scotland. It does this by recognising and responding to need and disadvantage, and by building the capacity and sustainability of charitable organisations.

#### **4 Regional Business**

4.1 The Developing Young Workforce. The College had submitted a joint bid with Dumfries and Galloway Chamber of Commerce and Dumfries and Galloway Council to establish a regional Developing Young Workforce group.

## **Board of Management**

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### **5 Attendance at Meetings**

- 5.1 The Regional Chair has attended various meetings since the last Board Meeting, including:
- Crichton Campus Leadership Group
  - Colleges Scotland Board meetings,
  - Colleges Scotland Regional Chair meetings
  - Meetings relating to Investing in Young People/Developing Scotland's Young Workforce.
  - Meeting MSPs Elaine Murray with the Principal
  - Meeting with Skills Development Scotland
  - Attended Schools Employment Group
  - Meeting with HR Manager, and Engineering Manager from Gates Rubber Co on visit to college
  - Meeting with Pat Kirby and Matt Baker, representing Dumfries and Galloway Arts Hub
  - Meeting at Heriot-Watt University Energy Academy

### **6 Recommendation**

- 6.1 It is recommended that the Board note the contents of this report.

**Brian Johnstone**  
Regional Chair

June 2015

## Board of Management

### Principal and Chief Executive Report: April – June 2015

#### 1 Purpose of the Report

This is the fifth (normally quarterly) report to the Board for academic year 2014-15, however for new members joining the Board it may be useful to provide the context for this particular report.

It is acknowledged that in order to deal effectively with all governance matters the papers and reports to the Board are often fairly formal to satisfy many statutory requirements. The Board however were keen that, alongside these, they were also provided with a sense of 'day to day life' and activities of the College, with a particular focus on learners.

The report provides a snapshot of the period and is not intended to be exhaustive.

#### 2 The Report

##### 2.1 *Learner Activity Highlights*

A series of events were organised by learners to showcase the wide and varied number of projects they involved themselves in as part of citizenship week. This included the Princes Trust team participating in a dementia workshop before visiting care homes to assist the residents in tidying up and planting their gardens. Dumfries Construction learners helped to clear the grounds at Moat Brae House, and Stranraer Construction learners built some outdoor furniture for Part Primary School. Learners from the Plumbing section developed a form of 'Crazy Golf' where all of the golf equipment was made from plumbing materials – eg golf clubs made from copper piping, skittles cut from plastic pipes etc. Many other fund raising activities took place across all curriculum areas of the College.

Hospitality learners from Stranraer Campus had an exciting evening cooking at the Scottish Parliament Members Restaurant. They used local produce, helping to showcase the rich and diverse food selection from across the region.

A number of years ago, staff and learners raised funds to build a school in a remote Nepal village. Some learners and staff trekked through rough countryside to visit the village and considered this to be a 'life changing experience'. Unfortunately the school, along with most of the other buildings in the village, collapsed during the recent earthquakes. Learners and staff have undertaken a number of fundraising activities to contribute to the costs of rebuilding the school. These include sleeping out under the stars, sponsored hill climbs, and raffles – and, so far, have raised approximately £3,000.

Two learners from our Building and Engineering Faculty won both their categories at the recent SkillBuild Regional Heats, sponsored by CITB. Kieran Paterson won the Carpentry and Joinery competition and Kieron Swan won the Brickwork competition, both went on to compete in the National Finals, where Kieran achieved first place.

This is the third year that the College has celebrated the achievements of our Further Education learners through a series of Awards Ceremonies held in June. The Dumfries Higher National Graduation Ceremony for 2014-15 academic session will be held at the Crichton Church and Easterbrook Hall on 26 August 2015. Higher National level programmes in Care, Early Years Education and Beauty were delivered in Stranraer and the College held the first, formal dedicated Stranraer graduation ceremony at the North West Castle Hotel, Stranraer on 18 June. The event was a great success with learners, staff and friends and family attending.

## Board of Management

The College recently had its Education Scotland Annual Engagement Visit. The three key themes being explored were:

- High Quality Learning
- Learner Engagement
- Quality Culture

A full report will be provided by Education Scotland in due course which will be presented to the Board, but I'm pleased to report that we received very positive feedback with some examples of good/excellent practice. An area of concern, of which we were already aware, is retention and attainment levels on some of our Further Education programmes – particularly Scottish Qualification Credit Framework level 4 (Access level). Performance Indicators on our Higher Level programmes are much more positive. Attainment levels were discussed at a recent joint Strategic Session between the Executive and Learning and Skills Teams and a number of strategies have been identified which we will put into place for the beginning of the 2015-16 session.

An initiative commented on by Education Scotland as 'being quite unique' is that the College provided a 'live' brief to our Creative Industry learners to review and make recommendations on the design of the College Web site. Stuart Wilson presented his findings to members of the College Leadership team who subsequently agreed to a significant restructure of content and redesign of the web site.

### **2.2 Stakeholder Engagement**

As those of you who attend will know, we held a very successful launch of Zest, the new Hospitality and Catering Training facilities on May 20<sup>th</sup> when Dame Barbara Kelly officially launched the ship!

Our external guests who included members of the Board and Chair, local employers, partners from the Council and also the Funding Council, Crichton Campus, schools and other key partners were universally praiseworthy of the College, its facilities and our learners.

It presented the College in such a positive light and employers who attended were keen to know what more they could be doing to strengthen links with the College.

Our planned Employer Event in Stranraer was cancelled due to a poor response but I, along with other colleagues have arranged a series of meetings with employers and employer groups from the West of the Region. Larger employers such as P&O and Lactalis McLelland reassure us that they have no concerns regarding the service provided by the College but, as they are part of national (and international) groups, they have limited ability to organise local training as much of this is done centrally. Many of the jobs tend to be semi-skilled and none of the employers could identify any specific areas of skills that would assist them in their recruitment, although basic general engineering and food science/technology skills would be 'helpful'. Meetings are ongoing and supportive.

The Chair and I met with Dr Aileen McLeod MSP as part of our MSP/MP engagement initiative. We discussed issues facing the sector such as funding, Student Support Funding, use of depreciation etc as well as highlighting key College developments. Aileen is a strong supporter of the College and is particularly interested in Stranraer as this falls within her geographic coverage. She provided some useful business contacts which are being followed up.

There is a concordat for co-operation between Skills Development Scotland (SDS), Dumfries and Galloway Council, Dumfries and Galloway College and Scotland's Rural College. The purpose of the concordat is to support collaborative working to deliver employment and skills priorities for the region. A Partnership Action Plan is presently being developed with one of the actions being 'To work together in partnership to deliver

## Board of Management

respective roles in the development of strategic economic and learning priorities, including the Crichton Campus and Dumfries Learning Town’.

Skills Development Scotland is working with the College on the development of foundation apprenticeships to being in August 2016. These will build on the good work that is already taking place between Dumfries and Galloway Council, Dumfries and Galloway College and Secondary Schools that supports the development of pathways for young people within the senior phase.

There have been a series of productive meetings between SDS and the College and it was agreed to have a joint seminar in June 2015 to culminate in a Partnership Agreement re SDS/College services for learners. To date, a significant amount of input from SDS to College staff has resulted in an increased awareness and usage of My World of Work. The excellent partnership working was highlighted to Education Scotland during their recent aspect review of My World of Work (report still to be published).

Dumfries and Galloway Council attended the recent joint Executive and Learning and Skills Teams Strategic Session to provide an update on the Dumfries Learning Town initiative. Phase one will involve refurbishment of St Joseph’s College, followed by the other borough schools and it is anticipated that the building of the new Learning Hub and Maxwelltown High School will be completed in 2018. Collaboration is key to this development and a Core and Collaboration group has been established to map current and future provision across the schools, hub and College, where the aim will be to offer specialist subjects that currently may not be delivered and to ensure vocational opportunities that offer progression to Further and Higher Education programmes. Andy Wright, Vice Principal Learning and Skills, is the College representative on this group.

A joint meeting between senior managers from SRUC and Dumfries and Galloway College was held in our Dumfries Campus recently to explore opportunities for shared facilities and joint collaboration, should the Board of SRUC decide to relocate ‘Barony’ operations to the Crichton Campus. The meeting commenced with a tour of the college followed by a discussion on curriculum, student and staff numbers and the potential benefits to learners of studying at the Crichton Campus. SRUC are currently preparing an outline business case which will be presented to their Board and a decision on the preferred option will be made in early July 2015.

On behalf of the sector I have been asked to participate in a workshop and panel discussion event on Equality and Access in respect of the Developing Young Workforce. The event is being organised by Equalities Challenge Unit, along with Scottish Funding Council and Education Scotland.

### **2.3 Investment**

Having now successfully completed and launched the Zest Centre we are planning our programme of summer works which will include: Creation of a new Child Play Room to support our Early Years Education programmes, new computer lab, and reconfiguration of Hair and Beauty salons in order to provide an enhanced learning environment. We are also exploring the possibility of creating additional car parking spaces in our Dumfries Campus Car Park.

## **3 Recommendation**

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

**Carol Turnbull**  
**Principal and Chief Executive Officer – June 2015**

## Board of Management

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### Proposed Calendar of Meetings

Members are asked to consider and approve the calendar for session 2015-16.

All meeting to take place at the Dumfries Campus

	<b>BOARD</b>	<b>Audit Committee</b>	<b>Finance &amp; General Purposes Committee</b>	<b>Learning &amp; Teaching Committee</b>	<b>Human Resources Committee</b>	<b>Selection &amp; Appointments Committee</b>	<b>Remuneration Committee</b>
	(Tuesdays) 2.00 pm	(Tuesdays) 2.00 pm	(Tuesdays) 2.00 pm	(Tuesdays) 2.00 pm	(Tuesdays) 11:30am	(Tuesdays) (as required)	(Tuesdays) (as required)
<b>2015</b>							
September	22-Sep						
October	06-Oct		07-Oct (Wednesday)	27-Oct	06-Oct		
November	10-Nov <b>Development event (10-3)</b>						
December	15-Dec	01-Dec	08-Dec				
<b>2016</b>							
January	19-Jan						
February	23-Feb						
March	08-Mar		01-Mar	15-Mar			
April							
May		10-May	24-May	31-May			
June	07-Jun						

## **Board of Management**

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### **Minute of the Meeting of the Audit Committee of the Board of Management of Dumfries and Galloway College held on 2 December 2014 at 2.00 pm in Room 2009**

**Present:** Hugh Carr (Chair)  
Janice Goldie  
Stuart Martin

**In attendance** Carol Turnbull, Principal  
Jannette Brown, Vice Principal and Secretary to the Board  
Karen Hunter, Finance Manager  
Lindsay-Anne Straughton, Baker Tilly  
Angela Pieri, Grant Thornton  
Susan Sutherland, Executive Team Assistant

#### **1 Apologies**

Apologies for absence were intimated on behalf of Sandy Burgess and Delia Holland.

#### **2 Declaration of Interest**

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

#### **3 Minute of Previous Meeting**

The Minute of the Audit Committee held on 19 August 2014 was approved.

#### **4 Matters Arising**

None

#### **5 Internal Audit Reports**

Lindsay-Anne Straughton on behalf of Baker Tilly spoke to the Internal Audit Reports which had been circulated, or were tabled:

##### **5.1 Student Activity Data**

Members noted the report which received a green classification, with no recommendations for action. This had been statutory audit and the certificate had been submitted to SFC. The committee was pleased to receive such a positive report and conveyed its congratulations to College staff for their work.

##### **5.2 Student Support Funds**

Members noted the report on audit which received a green classification with one recommendation. The recommendation was in respect of reconciliation of spend across the change of year end which had already been actioned. This had been statutory audit and the auditor's certificate had been submitted to SFC.

##### **5.3 Cashflow Forecasts**

Members noted the report on audit which had been undertaken on 21 October 2014 which had received a green/amber classification with three low-medium recommendations; that the cash flow procedures were signed off by the responsible member of the Executive Team, that documentation concerning the preparation of cashflow



forecasts be retained to evidence each month, and that the College reconcile the figures in the return with the figures reported internally to ensure no discrepancies between the two. All recommendations were accepted.

#### **5.4 Internal Audit Progress Report**

Members noted the progress made against the audit plan and the change to defer the Transform project until 2015/16 audit plan. Three further audits were planned this audit year: Institutional Sustainability; Partnerships / Collaborative Arrangements and Payroll.

#### **5.5 Internal Audit Benchmarking**

Members noted how well the College was performing in relation to all of Baker Tilly FE clients, and within discrete sub divisions of the education sector.

### **6 SDS Compliance Report**

The Finance Manager spoke to the compliance report on Independent Learning Accounts which had been circulated. Members noted that Skills Development Scotland concluded full compliance by the College.

### **7 Strategic Risk Register**

The Vice Principal spoke to the register which had been issued, advising of no change from the previous meeting. The Committee noted the position.

### **8 Procurement**

The Vice Principal reported that APUC had issued briefing information to senior managers in respect of the Procurement Reform Act (Scotland) currently being considered by Scottish Government. Once the impact on the College of this Act is known a report will be prepared for the Committee.

### **9 Hospitality Development Update**

The Principal reported that the project was approaching completion, on target and on budget, and should be completed by Christmas, with the exception of the roof and lift shaft which would be completed in early January 2015.

### **10 Change of Year End 2015**

The Finance Manager spoke to the report which had been circulated, advising that a recent derogation had been offered to colleges to change the accounting year end from 31 March to 31 July, as it had been previously in alignment with colleges accounting and academic years, but that colleges would require to continue to provide SFC with budget and cash flow information to 31 March each year. The Committee noted the position.

### **11 Business Case for Insurance**

Members noted the content of an e-letter from the Chief Executive of Colleges Scotland to its Board Members on 24 October 2014 that colleges had secured a three year derogation from the Scottish Public Finance Manual in respect of the continued use of commercial insurance.

### **12 Any Other Business**

None

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

The next meeting of the Committee would take place on 24 February 2014 at 2.00 pm.

## Board of Management

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### Minute of the Meeting of the Audit Committee of the Board of Management of Dumfries and Galloway College held on 19 August 2014 at 2.00 pm in Room 2009

**Present:** Hugh Carr (Chair)  
Delia Holland  
Stuart Martin

**In attendance** Carol Turnbull, Principal  
Karen Hunter, Finance Manager  
Jannette Brown, Assistant Principal (Learner Services) and Secretary to the Board  
Lindsay-Anne Straughton, Baker Tilly  
Angela Pieri, Grant Thornton  
Susan Sutherland, PA to the Principal

#### **1 Apologies**

Apologies for absence were intimated on behalf of Sandy Burgess.

#### **2 Declaration of Interest**

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

#### **3 Minute of Previous Meeting**

The Minute of the Audit Committee held on 14 May 2014 was approved.

#### **4 Matters Arising**

None

#### **5 Internal Audit Reports**

##### **5.1 Internal Auditor Annual Report – year ended 31 July 2014**

Lindsay-Anne Straughton, on behalf of Baker Tilly spoke the report, which gave opinion on the adequacy and effectiveness of risk management, control and governance arrangements within the College. The four core elements were green which identified that there were no recommendations for remedial action.

The Committee was pleased to receive such a positive report and conveyed its congratulations to College staff for their excellent work.

#### **6 Strategic Risk Register**

The Assistant Principal, Learner Services, spoke to the register which had been issued, advising of only one change from the previous meeting. It was suggested that the residual risk assessment for risk no. 11, which referred to changes following the ONS reclassification of colleges be reduced from 6 to 4, given that the majority of changes were now known and appropriate system/controls were in place. The Assistant Principal, Learner Services, proposed that this remain on the register until a full financial account year had taken place under ONS. This was agreed by the Committee.

## **7 Informing the Audit Risk Assessment**

Angela Pieri on behalf of Grant Thornton spoke to the report which had been issued.

The report listed the questions asked and management responses made as part of a process which informed the external auditors on the College's risk management appetite. The Assistant Principal and Finance Manager confirmed that they had found this a very worthwhile exercise.

## **8 External Auditor Annual Report**

Angela Pieri, on behalf of Grant Thornton, spoke to the report which had been issued, detailing an excellent set of final accounts and working papers, and that the College had adapted and prepared well in order to manage the requirement to change the accounting year to 31 March for the 2013/14. The Audit Findings reported no material errors or adjustments were required as a result of the audit

In summary, Grant Thornton intended to give an unqualified opinion on the financial statements and identified no material adjustments during the audit.

The Committee welcomed the report and offered congratulations to the Finance Manager and her team.

## **9 Financial Statements for the period ended 31 March 2014**

Members noted the draft Final Accounts and summary report which had been issued.

Following the assurances given earlier in the meeting, the Audit Committee recommended the Accounts to the Board for approval on 16 September 2014.

## **10 Draft Annual Audit Committee Report (for the period Aug 13 to March 14)**

The Finance Manager spoke to the draft Report which had been issued, which would advise the Board of Management of the activities and decisions of the Audit Committee during 2013-14 and to provide opinions on matters specified by the Code of Audit Practice.

Members noted the table of audit recommendations accepted and auctioned and that the main focus during the year had been the ONS reclassification and the change to the accounting year to 31 March.

The Committee approved the report to go to the Board.

## **11 Any Other Business**

### **11.1 Internal Audit Plan 2014/15 – 2016/17**

Lindsay-Anne Straughton, on behalf of Baker Tilly tabled the draft Internal Audit plan for the three year period, which was based on the issues affecting the College, and the key topics to be audited by March 2015.

The Committee noted and approved the 3 year plan

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

The next meeting of the Committee would take place on 2 December 2014 at 2.00 pm.

## Board of Management

### Minute of the Meeting of the Audit Committee of the Board of Management of Dumfries and Galloway College held on 24 February 2015 at 2.00 pm in Room 2009

**Present:** Hugh Carr (Chair)  
Janice Goldie  
Delia Holland  
Stuart Martin

**In attendance** Brian Johnstone, Regional Chair  
Carol Turnbull, Principal  
Jannette Brown, Secretary to Board and Vice Principal (Corporate Services & Governance)  
Karen Hunter, Finance Manager  
Lindsay-Anne Straughton, Baker Tilly  
Jackie Ballard, Grant Thornton  
Angela Pieri, Grant Thornton  
Susan Sutherland, Executive Team Assistant

#### 1 Apologies

None

#### 2 Declaration of Interest

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

#### 3 Minute of Previous Meeting

The Minute of the Audit Committee held on 2 December 2014 was approved.

#### 4 Matters Arising

None

#### 5 Internal Audit Reports

Lindsay-Anne Straughton on behalf of Baker Tilly spoke to the Internal Audit Reports which had been circulated:

##### 5.1 Institutional Sustainability

The Committee considered the report and noted the three recommendations and one suggestion made, which had been accepted by management. The Committee agreed to combine the Strategic Risk Register and Institutional Sustainability Register into a single document. The Vice Principal agreed to produce a framework for consideration.

##### 5.2 Partnerships/Collaborative Arrangements

*(Hugh Carr declared an interest as DGHP was a College partner)*

The Committee considered the report and noted the one recommendation made, which had been accepted by management. The College would develop a framework surrounding the partnership process, to include all key steps in establishing a partnership. It was agreed that the distinction between formal and informal partnerships would be a Management judgement.

### **5.3 Internal Audit – Follow Up Report**

The Committee noted that of the eight outstanding recommendations from previous reports, four had been completed, one was not yet due and three had been reviewed and new recommendations raised.

The College was in the process of updating a vehicle cost log and including a vehicle replacement plan within the overall budget.

The College was also reviewing its processes to incorporate a check that all debtors had been chased up as required.

### **5.4 Internal Audit Plan**

The Committee agreed that, in view of the changing year end, the Internal Auditors would provide an Audit opinion based on a 15 month period.

## **6 Financial Reporting and Depreciation**

The Finance Manager spoke to the report which had been distributed. The report highlighted the differences between the two sets of financial reporting rules for depreciation charges with which the College was required to comply following the Office of National Statistics (ONS) reclassification of the college sector.

Members were advised that this was an ongoing sector wide issue between the Scottish Funding Council (SFC) and the Scottish Government. SFC had initially advised that colleges could use depreciation to offset the shortfall in student funding but this could result in most colleges publishing a deficit position, and so further guidance was awaited.

The Committee noted the position and expressed its concern at the lack of clarity.

## **7 Capital Expenditure – Transfer of Funds**

The Vice Principal spoke to the report which had been issued, which confirmed that following the Office of National Statistics (ONS) reclassification the College had to comply with Her Majesty's Treasury's consolidated budget guidance and was subject to government budgetary controls at 31 March each year. As a result the College would need to balance its resource budget at 31 March each year, and provide returns to the Scottish Funding Council (SFC) that disclose the 31 March budget out-turn. Any donations to the Scottish Colleges Foundation had to be from available resource budget and made before 31 March.

She reported that the Hospitality development was now complete and was still on schedule to come in on budget. The College had been able to allocate some of the project costs against capital grant from the Funding Council which meant that not all monies received from the Foundation would be required. Final invoices were not in but it looked likely that the College would be looking to return up to £500k to the Foundation.

In addition, the Executive Team anticipated that commercial income generated by the College up to around £250k, which could be treated as surplus, could also be transferred to the Foundation.

Following discussion, the Committee agreed to recommend to the Board to transfer funds to the Scottish Colleges Foundation (D&G sub fund) up to the value of £750k before 31 March 2015, in line with Scottish Funding Council guidance.

## **8 Complaints Handling Statistics**

The Vice Principal spoke to the report which had been issued, which confirmed that under Section 16B of the Scottish Public Services Ombudsman (SPSO) Act 2002 (as amended by the Public Services Reform (Scotland) Act 2010) the College was required to comply with the SPSO model Complaints Handling Procedure and to report

annually on its performance in handling complaints. The report summarised complaints and action for the period 1 September 2014 – 13 February 2015.

The Committee noted the report, and commented on the low number of complaints received.

#### **9 Strategic Risk Register (SRR)**

The Vice Principal spoke to the Register at February 2015 which had been issued, which was not changed from the previous meeting. She also advised that the College had recently undergone certification of its air conditioning units under new legislation on omissions as part of its Carbon Management Plan.

Members noted the situation and approved the Strategic Risk Register.

#### **10 Any Other Business**

None

#### **11 Date and Time of Next meeting**

The next meeting of the Committee would take place on 12 May 2015 at 2.00 pm.

***The internal and external auditor representatives left the meeting***

#### **12 Audit Scotland – Audit Quality Survey**

The Chair and Members completed the survey form on Auditors' interaction with the Audit Committee, in accordance with the request of Audit Scotland.

## Board of Management

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**Minute of the Meeting of the Finance and General Purposes Committee of the Board of Management of Dumfries and Galloway College, held on Tuesday 26 August 2014 at 2.00 pm in Room 2009, Dumfries campus**

**Present:** J Henderson (Chair)  
K Henry  
C Turnbull

**In attendance:** J Brown, Vice Principal (Corporate Services and Governance)  
and Secretary to the Board  
K Hunter, Finance Manager  
B Johnstone, Regional Chair  
S Sutherland, PA to the Principal

### **1 Apologies for Absence**

None.

### **2 Declaration of Interest**

Members agreed to declare any conflict of interest as appropriate throughout the meeting.

### **3 Minute of Previous Meeting**

The Minute of the Finance and General Purposes Committee held on 2 June 2014 was approved.

### **4 Matters Arising**

#### **4.1 Item 4.1 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 Assistant Principal (Quality and Estates) had sent this to the legal team who were composing a form of words in response, clearly stating the College's position, which it was hoped would be issued by the end of the week.

The Committee noted the position.

#### **4.2 Item 9 Self Insurance**

The Principal advised that Colleges Scotland was finalising a draft business case that all colleges should be able to continue with commercial insurance, which she would bring to the College as soon as it was available.

### **5 Management Accounts for the Quarter ended 30 June 2014**

The Finance Manager spoke to the report which had been issued.

The Committee noted that the changes to the financial reporting calendar and cycle now included submitting monthly cash flow projections to SFC in order to draw down grant income, and periodic budget returns to the SFC to monitor budgets within each financial year and allow them to forecast the overall College sector out-turn for the year. College systems were being revised to ensure that the information required to forecast accurately was available and that reporting mechanisms were in place to highlight any variances for reporting and action by the Executive Team.

The Finance Manager highlighted that whilst, the statements were for the first quarter of 2014/15 financial year, it was the end of the 2013/14 academic year and this resulted in some timing differences when trying to make comparison with the previous year.

The Vice Principal advised that the funds which had been returned from the Scottish Colleges Foundation required to be spent by the end of December 2014, which would be the case. The SCF had already received a cash flow statement following the appointment of the main contractor. Should there be an underspend then the money would need to be transferred to the SCF in February 2015.

Members noted the report.

#### **6 Aged Debt Report as at 30 June 2014**

The Finance Manager spoke to the report which had been issued.

She advised that again the timing difference did not allow for like for like comparison, but reported that no concerns had been identified.

Members noted the report, and approved the write off sum of £485.20.

#### **7 Annual External Development Income and Expenditure Report: Aug 2013 – March 2014**

The Finance Manager spoke to the report which had been issued.

Again this was for an eight month period which made comparison with previous years difficult.

Members noted the report and the overall contribution of external development activities to the College. During discussion, Members were advised that the cost of courses was very sensitive, and that the College had made a special case to SFC to enable it to reduce costs to smaller SMEs in the Region who were not able to pay full cost recovery costs.

#### **8 ONS Reclassification of FE College**

The Vice Principal advised that there was nothing significant to report.

#### **9 Financial Statements for the period ended 31 March 2014**

The Finance Manager spoke to the draft accounts and summary report which had been issued.

The Committee noted the key changes, in particular the change to the financial year end to 31 March 2014 which meant results related to an eight month period.



The results showed an operating deficit after the donation to the Scottish Colleges Foundation and taking account of FRS 17 pension valuation and a reduction in future Lennartz costs. Members noted that because of the changes, every college in Scotland would also be returning a deficit position.

The Committee agreed that the Principal prepare a draft statement in anticipation of interest from the media, and noted that Colleges Scotland and Audit Scotland would also be making national statements regarding the position for colleges.

The Vice Principal confirmed the External Audit opinion recommended approval, and Members were advised of the statement by the Auditors referring to the excellent quality of the Accounts.

The Finance and General Purposes Committee added their recommendation to that of the Audit Committee for approval of the Accounts by the Board on 16 September 2014.

#### **10 Draft Annual F&GP Committee report to the Board 2013/14**

The Finance Manager spoke to the report which had been issued, which provided the board with a summary of the activity and decisions of the Committee during the financial period 2013/14.

The report confirmed that it was the Finance and General Purposes Committee's opinion that the College's financial affairs were planned, conducted and controlled so that its total income was sufficient, taking one period with another, to meet its total expenditure, and its financial viability was maintained.

Members approved the report to go to the Board on 16 September 2014.

#### **11 Hospitality Development Update**

The Principal advised that Phase 1 of the development had been completed on time and under budget, and that Phase 2 was proceeding. Scaffolding would be in place until the October break, but all the necessary Health and Safety checks had been undertaken.

#### **12 Any Other Business**

None

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

The next meeting of the Committee would take place on 9 December 2014.

## Board of Management

**Minute of Meeting of the Learning and Teaching Committee of the Board of Management of Dumfries and Galloway College held on Tuesday 7 October 2014 from 2.00 pm in Room 1043, Dumfries campus**

**Present:** D Holland, Chair  
J Henderson, Board Member  
K Henry, Board Member  
S Glendinning, Student Member  
Claire Davies, Student Member  
C Turnbull, Principal

**In Attendance:** R Anderson, Academic Staff Representative  
D Patterson, Academic Staff Representative  
J Maginess, Academic Staff Representative (Stranraer)  
A Wright, Vice Principal (Learning and Skills)  
J Brown, Vice Principal (Corporate Services and Governance) and Secretary to the Board  
S Sutherland, Executive Team Assistant

**Observing:** J Goldie, Board Member

- **Presentation:** Faculty of Business, Computing and Creative Industries – Iain Hawker, Head of Faculty

The Committee welcomed a comprehensive presentation which prompted discussion on many of the challenges facing the College, and those particular to this Faculty.

### **1 Apologies for Absence**

Apologies for absence were intimated on behalf of C Grant and K Somerville.

### **2 Declaration of interest**

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

### **3 Minute of Previous Meeting**

The Minute of the Quality and Curriculum Committee held on 14 May 2014 was approved.

### **4 Matters Arising**

None.

### **5 Key Performance Indicators**

The Vice Principal Corporate Services and Governance (VPCSG) spoke to the report which had been issued.

The Committee noted that the College had achieved its WSUMs target for 2013/14, and the changing profile with HE course enrolments rising, and FE enrolments falling at Stranraer. The meeting discussed the Commission for developing Scotland's young workforce and the College's continuing work with schools.

The Principal reported that for the first time in many years, two HNC classes had formed at Stranraer, and that two HNC Social care students had achieved their qualification by wholly online study.

## Board of Management

Members also welcomed the improvement in student retention and outcomes, and that the Principal had challenged staff to increase by a further 2% above the Outcome Agreement target for 2014/15.

### **6 Draft Annual Self Evaluation Report 2013-14**

The VPCSG spoke to the draft report which was tabled explaining that the Scottish Funding Council required each college to provide an annual report, endorsed by the governing body, describing the impact, nature and outcomes of college led quality review activities. She apologised that the report had not been available prior to the meeting but the College only received notification in late August that the deadline for the report moving to end of October, previously end of December.

Following discussion, the Committee recommended the report to the Board, confirming that the college had: improved the retention and achievement rates where they were found to be low, through a range of proactive interventions and changes to processes; had continued to improve the effectiveness of arrangements to engage learners in enhancing their own learning; and 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.

### **7 Students Association**

#### **7.1 SA President's Update**

Sam Glendinning, SA President advised on Student Association activities, and introduced the Committee to Claire Davies, Vice President, who had been elected that morning. He advised on a strong executive membership of 17 in Dumfries and 8 in Stranraer, with elections for the four Officer posts to take place after the October break.

#### **7.2 SA Developments**

The VPCSG reported that the funding allocated to the College to support student engagement was being used to pay the SA President and Vice President (Stranraer) two days per week. The College was also in the process of recruiting a full time Development Officer on a 16 month contract to assist with developing plans to achieve a sustainable student association. It was hoped that this may address the continuity issues of a student population who may only be at college one or two years, which is always a major challenge.

### **8 Sports Development Officer**

The Vice Principal, Learning and Skills advised that this development was progressing.

### **9 Any Other Business**

None

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

The next meeting of the Learning and Teaching Committee would take place on 16 December 2014 at 2.00 pm.

## Board of Management

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### NATIONAL COLLECTIVE BARGAINING

#### 1 Purpose

The purpose of this paper is to provide the Board with information on progress in respect of National Collective Bargaining.

#### 2 Background

2.1 Prior to incorporation of Scottish Colleges in 1993, national collective bargaining was in place for salaries and other terms and conditions of employees. Collective bargaining continued for a time after incorporation but after a period the arrangements ceased.

2.2 The result of the ending of national bargaining was a divergence in pay, and other terms and conditions across the sector, as each College agreed with its own workforce a position relating to pay and other terms and conditions which were appropriate to its particular circumstances.

2.3 National bargaining has long been the aim of the Trades Union recognised by the College Sector and they have campaigned and lobbied the Scottish Government and its officials on this matter for a number of years.

2.4 The 2011 SNP Manifesto stated “We strongly believe in collective bargaining in the sector, with a national set of pay, terms and conditions”.

2.5 Since then, the Griggs review of Further Education Governance recommended a process for “national harmonisation of pay and conditions of service, including any final phasing required”.

2.6 The then Cabinet Secretary for Education and Lifelong Learning, Mr Michael Russell tasked Ian McKay, who at that time was Regional Lead for Edinburgh, to take this initiative forward, initially through liaison with the Scottish Trade Union Congress (STUC) then subsequently through direct discussions with the recognised Trades Unions in the sector (EIS, GMB, UNISON, and UNITE).

2.7 It was expected that the sector would progress this on a voluntary basis, although the Scottish Government has the legal authority under the terms of the Post-16 Education (Scotland) Act 2013 to impose a process for national collective bargaining if it wishes.

#### 3 Progress to date

3.1 A Committee was established in order to take forward discussion. The Committee includes a staff side which is composed of representatives of EIS, Unison, GMB and Unite – with EIS having 7 of the 12 places, and a management side that has a number of Principals, a number of Regional Chairs, and two Human Resource professionals from colleges.

3.2 Although as yet a National Recognition Procedure Agreement (NRPA), which would define the way in which national collective bargaining would operate, has not been agreed, this committee is routinely referred to a National Joint Negotiating Committee (NJNC).

## Board of Management

3.3 The work of the “NJNC” has been to agree a draft NRPA which, if approved by all colleges and all recognised trade unions, would define the remit, scope, operating arrangements and proposed authority of the NJNC. It would then transfer responsibility for certain agreed core terms and conditions from individual College employers and the local joint negotiating arrangements in place in individual colleges, to this separate central national bargaining body.

3.4 The draft NRPA was formally agreed by management and unions at the shadow NJNC meeting in January 2015 for each side to remit to its superior bodies (ie the executive committees of the relevant unions and the Boards of the individual colleges).

3.5 It has now been adopted by the relevant committees of all of the recognised trade unions.

3.6 It has been agreed by the Board of Colleges Scotland that each College Board should consider whether to adopt it, which is necessary in order to effect the contractual and legal transfer of bargaining arrangements in certain agreed areas from Local Joint Negotiating Committees to the NJNC.

3.7 Transfer is reasonably straightforward in the ten Regional Colleges, where the Regional Board is the employer. It is more complex in multi-college regions, however, where there is both a Regional Board and College Boards – mainly in the University of Highlands and Islands area where five of the colleges which make up UHI Further Education provision are not incorporated, and of those, two are part of a local authority.

3.8 Individual College Boards will need to satisfy themselves that, by signing up to the terms of the proposed NRPS, they do not undermine their obligations under charity legislation to safeguard the best interests of the organisation of which they are trustees.

3.9 In order to help the Chairs and Principals of colleges to understand the implications and to discuss any concerns, a meeting was held of the Chairs and Principals of all colleges on 2 March 2015. At the meeting a number of areas were identified on which Principals and Chairs sought clarification. A significant area of concern was as to what process would be established by which the Chairs and Principals would be able to establish the parameters for negotiation on pay and other terms and conditions of service within which the management side of collective bargaining would operate.

3.10 A meeting was scheduled on 20 May 2015 between the Management side and Ms Constance, Cabinet Secretary for Education and Lifelong Learning. Unfortunately she had to cancel that meeting because of parliamentary commitments.

3.11 Some clarification was provided by officials of Scottish Government that the Scottish Government were still committed to national collective bargaining and expects the sector to sign up to the National RPA.

3.12 At a meeting of the NJNC on 21 May the staff side expressed frustration that the National RPA had not yet been signed and that as such there had been no progress in terms of reaching a national salary settlement for 2015-16. ( A report detailing the Pay Claim is attached for your information).

3.13 As reported in the Scottish Daily Herald on 25 May 2015:

***Unison has said it has called on Angela Constance, Cabinet Secretary for Education to intervene in the pay negotiations for thousands of lecturing and support staff in 27 colleges which they say have “all but broken down”.***

**Board of Management****4 Next Steps**

4.1 The issue was discussed at a meeting of the College Principals Group on 01 June 2015. A meeting of the Employee Relations Committee of Colleges Scotland, to which all Chairs were invited, was held on the afternoon of 01 June 2015. These meetings considered the issue of how individual College Boards would be able to establish the negotiating parameters for the management side of the NJNC – the “red lines” – so that Boards can have some reassurance that national bargaining will not undermine their responsibilities with regard to their individual institutions.

4.2 A satisfactory process has been agreed for this (although still subject to final discussion) for this, therefore all College Boards are now being asked to adopt the NRPA – ideally at their June meeting.

**5 The draft NRPA**

6.1 Attached as Appendix 1 is the draft NRPA

**6 Recommendation**

Whilst it is recognised that there is still some work to be completed in respect of the process for negotiation parameters, it is recommended that the Board consider and approve the adoption of the attached National Recognition Procedure Agreement.

Carol Turnbull  
Principal & Chief Executive Officer  
June 2015

## **Recognition and Procedures Agreement Between**

Scottish FE Colleges

And

The Educational Institute of Scotland (EIS), General Municipal & Boilermakers Union (GMB,) UNISON and UNITE the Union.

### **1 Introduction**

In this agreement the following terms have the meanings assigned to them

Colleges	The colleges that are signatories to this Agreement; Argyll College, Ayrshire College, Borders College, City of Glasgow College, Dumfries and Galloway College, Dundee and Angus College, Edinburgh College, Fife College, Forth Valley College, Glasgow Clyde College, Glasgow Kelvin College, Inverness College, Lews Castle College, Moray College, New College Lanarkshire, Newbattle Abbey College, North East Scotland College, North Highland College, Orkney College, Perth College, Sabhal Mor Ostaig College, Shetland College, South Lanarkshire College, West College Scotland, West Lothian College, and West Highland College
Boards of Management	The governing bodies of the Colleges.
Defined Staff	Staff employed by the Colleges that are currently employed on contracts of employment negotiated through collective bargaining.
Unions	The Trade Unions recognised at some or all of the Colleges that are party to this Agreement are the Educational Institute of Scotland (EIS), General Municipal and Boilermakers Union (GMB), UNISON and UNITE.
Staff Side	The representatives appointed by the Unions that are authorised to negotiate with the Management Side on behalf of Defined staff.
Management Side	The representatives appointed by the Colleges that are authorised to negotiated with the Staff Side on behalf of the Colleges.
NJNC	National Joint Negotiating Committee – College Staff established by the NBDG Agreement (12.12.2013) and

	consisting of a standing Central Committee and two standing Side Tables.
Joint Secretaries	The Staff Side Secretary and the Management Side Secretary
Consult	The exchange of relevant information and the joint consideration of issues at a formative stage in the process in which the Colleges make a decision.
Negotiate	The process by which the Colleges and the Unions establish agreed terms on issues such as pay and terms and conditions of employment. The responsibility for decision making is jointly held between the Colleges and the Unions. It is distinct from consultation where the responsibility for decision making remains with the Colleges.
National Collective Agreement	Any agreement or agreements reached through the procedures set out in this Agreement covering Defined Staff.
Agreed Terms and Conditions	The terms and conditions of service which the Management Side and the Staff Side agree are within the scope and agree to negotiate from time to time.

The spirit and intention of this Agreement is to promote good working relations throughout the College Sector, through the work of the NJNC. The Boards of Management and Unions acknowledge a common interest in advancing the educational aims of Colleges and in establishing terms and conditions of service for Defined Staff to further these aims.

This recognition and procedures agreement (the Agreement) shall not detract from the right of communication between Colleges, Colleges Scotland, the Management Side or the Boards of Management with their Defined Staff and staff generally, and between the Unions and their members.

The signatory parties to this Agreement acknowledge the importance of establishing and maintaining confidence in the arrangements voluntarily established under this agreement and recognise the need to negotiate in good faith.



## **2 The Purpose of NJNC-CS**

All trades unions recognised in the college sector will be guaranteed a seat at the negotiating table with membership allocated on a proportionate basis. The Colleges (i.e. the incorporated Further Education Colleges in Scotland together with Argyll College, Newbattle Abbey College, Orkney College, Sabhal Mor Ostaig, West Highland College, and Shetland College) hereby recognise the following unions; the Educational Institute of Scotland, GMB, Unite and Unison as the sole representatives of all Staff by the Colleges.

This Agreement hereby confirms that the Colleges and Unions will negotiate the Agreed Terms and Conditions of Service of Defined Staff employed by the Colleges through the NJNC.

This Agreement sets out the procedures by which the NJNC through its Central Committee or Side Tables negotiates the Agreed Terms and Conditions of Service of Defined Staff employed by the Colleges.

This Agreement recognises that Colleges will consult with the Unions through the NJNC to develop national policy guidance for implementation locally appropriate to the needs of each particular college and may issue national policy advice and may share best practice for Colleges or local collective bargaining arrangements.

Any National Collective Agreement made by the NJNC applying to Defined Staff terms and conditions of service will be implemented from the date specified in the written agreement. Agreements will be signed by the Joint Secretaries.

Terms and conditions of service of Defined Staff issued or agreed by the NJNC, under this agreement take precedence over any locally agreed terms and conditions of service.

## **3 NJNC Structures and Procedures**

The NJNC will have a standing Central Committee at which all common terms and conditions are discussed, and two standing Side Tables. The Central Committee or Side Tables may agree to form sub-committees or working groups to look at specific tasks or occupational specific tasks.

## **The Central Committee**

The functions of the Central Committee of the NJNC will be:

- to discuss broad issues relating to pay policy
- to negotiate and decide on Agreed Conditions of Service matters common to Defined Staff across the sector other than where matters are assigned to the standing sub committees
- to advise on equalities issues common to all employees across the sector
- to agree on matters which are best delegated to sub-committees which are unique to a particular occupational group
- to discuss, review and where appropriate reach agreement on matters referred by sub-committees
- to agree short life, cross cutting and special interest sub-committees
- to conduct other matters, such as research or information gathering processes and procedures, as are mutually agreed between the parties to this Agreement
- issue advice on the interpretation of any National Collective Agreements reached on request by anybody represented by the signatories to this Agreement.

## **Composition of the Central Committee**

The Central Committee shall have 22 members, 10 Management Side Members and 12 Staff Side Members. The Management Side Members shall be appointed by the Board of Colleges Scotland and the Staff Side shall be appointed by the Unions on the following basis:

EIS	7 Members	UNITE	1 Member
UNISON	3 Members	GMB	1 Member

Each Side shall appoint a Chair and Secretary. The NJNC secretariat will be provided from the Management Side. The Management Side Secretary, with the Staff Side Secretary, shall be responsible for all administrative and organisational arrangements to support the work of the NJNC.

Meetings of the Central Committee and Side Tables shall be held as and when requested by either Side. The joint secretaries will make the arrangements for meetings.

All notices and agendas for meetings of the Central Committee or Side Tables will be issued 5 working days in advance of the date of the meeting.

The Central Committee or Side Tables may from time to time appoint from among its own members sub-committee(s), to discharge such functions as they may specify. This may also include working parties or commissioning research to support the discharge of the NJNC's functions.

The Central Committee or Side Tables may, by agreement, also invite advisors to attend and speak at a meeting. Any such person appointed acquires no formal rights or status other than the grounds on which they were invited to attend.

Any Side may send substitutes from a pre-notified pool if their nominated representatives are unable to attend a NJNC meeting.

The quorum for meetings of the Central Committee shall be four members of each Side provided that at least two trade unions are present that represent not less than 50% of the sector trade union membership. On the Management Side this shall require one chair and one principal to be in attendance.

Decisions will be by consensus and require a majority of each side.

### **The Side Tables**

Matters that are unique to a particular bargaining group will be dealt with by the Side Tables. Matters may also be referred to the Side Table(s) by agreement of the Central Table or by the Management Side, the Lecturing Staff Trade Union or the Support Staff Trade Unions collectively in the ways set out below:

Within the Staff Side, prior to any agreement, the Lecturing Staff trade union or collectively the Support Staff trade unions may initiate referral of any matter to the side tables for negotiation and settlement.

Prior to any agreement the Management Side may also initiate referral of any matter to the Side Tables for negotiation and settlement.

The quorum for meetings of the Side Tables will be three members of each side with one principal and one chair on the Managements Side in attendance.

### **Side Table - Lecturing Staff**

5 Management Side members, 5 Staff Side members (EIS)

- Responsible within its bargaining group for
  - Salaries matters unique to the bargaining group
  - Agreed Terms and conditions of Service unique to the bargaining group
  - Pensions matters unique to the bargaining group
  - Matters assigned by agreement of the Central Table

Decisions will be by consensus and require a majority of each Side.

Each Side will appoint a Chair; overall Chair of the Side Table – Lecturing Staff will be by rotation. Each Side will appoint a Secretary, overall secretariat will be provided from the Management Side.

### **Side Table - Support Staff**

5 Management Side members, 5 Staff Side members (3 UNISON, 1 UNITE, 1 GMB)

- Responsible within its bargaining group to negotiate and decide on
  - Salaries matters unique to the bargaining group
  - Agreed Terms and Conditions of service unique to the bargaining group
  - Pensions matters unique to the bargaining group
  - Matters assigned by agreement of the central table

Decisions will be by consensus and require a majority of each Side.

Each Side will appoint a Chair; overall Chair of the Side Table – Support Staff will be by rotation. Each Side will appoint a Secretary, overall secretariat will be provided from the Management Side.

The Colleges agree to negotiate with the Unions at the NJNC on the undernoted Contractual Terms and Conditions of employment applying to members of the Colleges' Defined Staff.

Pay

Working hours

Class contact hours

Sick pay

Annual Leave

Maternity Policy

Paternity Policy

Family Friendly Policies

Transfer to permanent status

Grievance and disciplinary Policies

Additional terms and conditions can be included as agreed by the NJNC.

The scope of this Agreement will be reviewed annually

The Colleges agree to consult with the Unions at the NJNC on other matters on national policy, and both Sides agree to provide guidance for implementation locally, appropriate to the needs of each particular college. The NJNC may issue national policy advice and may share best practice for Colleges or local collective bargaining arrangements.

## **5 Agreements Reached**

National Collective Agreements reached by the Central Committee will be set out in writing by the Joint Secretaries on behalf of the Central Committee. Agreements reached by a Side Table will be set out in writing as Circulars by the Side Table's Joint Secretaries on behalf of the Side Table.

National Collective Agreements reached at the Central Committee or Side Tables will be binding on the Colleges and the Unions. The signatories of each of the parties hereto confirm that they have the authority to bind the party that they represent. This Agreement is binding in honour but not legally enforceable. However, any National Collective Agreement varying the terms and conditions of Defined Staff will be legally enforceable.

The Management Side Secretary will be available to provide advice to the Boards of Management of Colleges and the Staff Side Secretary will be available to advise the Unions, on matters relating to agreements, including National Collective Agreements Circulars, guidance, or any other outcomes from the Central Committee and the Side Tables. In formulating such advice the Joint Secretaries may consult each other as they determine appropriate.

## **6 Effective Date**

This Agreement shall take effect as soon as it has been signed on behalf of the Colleges and on behalf of the Unions.

## **7 Variations and Notice of Withdrawal**

No variations to this Agreement may be made except by agreement of all the signatory parties.

A signatory party may withdraw from this Agreement provided it shall give twelve months' notice of its intention to do so in writing to the other parties.

Both Sides agree to review this Agreement on an annual basis to ensure that it meets the needs of the parties and the Sector.

## **8 Expenses**

Any external expenses of the NJNC and other relevant expenditure must be agreed by the Central Committee or Side Tables in advance, including how the cost is borne by the two Sides.

## **9 Disputes**

In the event of a dispute arising concerning negotiation or agreements reached under these procedures, the Unions agree to seek resolution through the disputes procedure as agreed by the NJNC and attached as Appendix 1 to this Agreement. The Unions further agree to refrain from industrial action until the agreed dispute procedures have been exhausted; the Colleges agree to maintain the *status quo ante* until the agreed dispute procedures have been exhausted.

## **10 Facilities Time**

Attendance and participation in the work of NJNC, including any preparatory work and dissemination of outputs, shall be regarded as a trade union duty with reasonable facilities time provided by the Colleges. This is separate to any time off granted for local trade union duties

Signed by:

The Educational Institute of Scotland

General Municipal & Boilermakers (GMB)

Unison

Unite the Union

Argyll College

Ayrshire College

Borders College

City of Glasgow College

Dumfries and Galloway College

Dundee and Angus College

Edinburgh College

Fife College

Forth Valley College

Glasgow Clyde College

Glasgow Kelvin College

Inverness College

Lewis Castle College

Moray College

New College Lanarkshire

Newbattle Abbey College

North East Scotland College

North Highland College

Orkney College

Perth College

Sabhal Mor Ostaig College

Shetland College

South Lanarkshire College

West College Scotland

West Highland College

West Lothian College

## **Appendix 1 Dispute Resolution Procedure**

The Colleges and the Unions are committed to striving for agreed outcomes. If, exceptionally, these cannot be achieved, any party may invoke the following dispute procedure:

- Where it appears that all scope for progress through normal procedures has been exhausted, either the Colleges or any Union may give formal notice to all parties that it is applying this dispute resolution procedure;
- Following receipt of such notification the parties i.e. of the Central Committee or Side Tables will agree meeting dates within 5 working days for at least two meetings to seek to resolve the dispute. Unless agreed otherwise, these meetings will take place within the following 10 working days;
- The focus of these meetings will be on reaching a settlement of the issue(s) in dispute. Such settlement should also seek to include recommendations on how similar disputes might be avoided in the future;
- Further meetings beyond this initial period may take place where that is agreed between the two sides;
- If it has not been possible to resolve the dispute through this series of meetings, the parties will consider whether third-party assistance – normally using ACAS for mediation and conciliation – would be helpful. The matter in dispute may, with the agreement of the parties, be referred to ACAS for conciliation. A decision on this should be taken within 5 working days of the second meeting;
- Throughout the period for dispute resolution meetings, and for any agreed third-party assistance, the Colleges will maintain the *status quo ante* and the Unions will refrain from taking any form of industrial action until the procedure has been fully exhausted;
- Outcomes from any stage in the procedure will be communicated jointly.



## Board of Management

### National Collective Bargaining – Pay Claims 2015-16

#### 1 Purpose of Report

The purpose of this report is to update Board members on the staff Pay Claims submitted to National Joint Negotiating Committee for 2015-16.

#### 2 Background to Report

##### 2.1 2015-16 Pay Claims

2.1.1 The shadow NJNC agreed to progress discussions on the 2015-16 pay round, in the spirit of maintaining momentum and in order to better understand the aspirations and expectations of the staff side representatives. This was on the assumption that the necessary adoption of the NRPS would be in place in good time to achieve actual agreement and settlement. It was made clear to the unions that any such discussions did not amount to formal negotiation, which could only begin if/when the NRPA was signed.

2.1.2 It should be noted that the EIS has stated emphatically that its policy is not to discuss salaries alongside terms and conditions. The management side has, however, clarified that any negotiations will have to take into consideration other terms and conditions as well as pay.

2.1.3 Individual College Managements were advised that the aspiration was to achieve a national settlement for 2015-16, pending the outcome of national discussions.

2.1.4 The pay claims submitted by the staff side for 2015-16 and the estimated sectoral costs of these are:

<u>Claim</u>	<u>Cost to Sector</u>
Lecturing staff – harmonisation to top pay level in the sector Plus 1% RPI. Estimated cost (with no change to any other terms And conditions in any College)	£13m
Support staff – Minimum of £1000 per Full-time equivalent Estimated Cost	£4.5m
Employer on-cost estimate to fund both claims	£5.8m

2.1.5 The estimated costs to fund the pay claim is therefore in excess of £23m and it should be noted that this figures **does not** include any cost associated with harmonisation of Conditions of Service.

2.1.6 The support staff aspiration for the longer term is for a process of job evaluation for all staff posts across all colleges with a harmonisation of salaries following on from that.

2.1.7 The Union side has separately asked that all colleges commit to paying, as a minimum, the living wage for all their employees, and also to have some commitment to all colleges becoming accredited Living Wage employers.

### Board of Management

2.1.8 The Management side of the shadow NJNC has noted the claims but pointed out the financial restrictions facing colleges (the majority say they would have difficulty affording a 1% increase for next year) and the fact that the Scottish Government has made it clear that there will be no additional funding so that any increases will have to be made affordable from within existing resources.

### **3 RECOMMENDATION**

Board members are asked to note the current position in respect of Pay Claims.

## **Rural and remote funding principles agreed by the Colleges Scotland Board – April 2015**

- The rural and remoteness funding premium should be maintained in order to provide colleges with the funding contribution necessary to support the additional costs for the quality provision of learning in and serving, rural, remote and island areas.
- The additional costs that arise from operating in, and serving, rural, remote and island areas are due to:
  - The smaller average class size served by colleges in rural, remote and island areas which are due to the demographic profile of the geographic areas they serve;
  - The additional institutional costs in sustaining the provision; and
  - The additional staffing costs sustained e.g. payment of the Island Allowance.
- Following on from the commitment by Scottish Ministers that no campus should close as a result of regionalisation, all campuses currently receiving the premium should be included for consideration in the rural and remoteness funding premium.
- Any new campus established in the future does not automatically qualify for the rural and remoteness funding premium, even if the criteria would be met, but any rural or remoteness premium is subject to separate discussions between the college and SFC.
- The assessment against the criteria of the rural and remoteness premium should apply at each individual campus currently receiving this, irrespective of the mix of rural and urban campuses within that region.
- Within a reasonably accessible distance for a learner to travel, there should be an entitlement to a parity of choice of courses up to the Scottish Credit and Qualifications Framework (SCQF) Level 8. Sufficient resource should be provided to achieve this widening access ambition
- The premium associated with the student should be included in the institutional factor for a college that receives rural and remoteness funding, in order to simplify the funding package now that we are operating under a regional structure.
- SFC will undertake modelling of alternative scenarios in order to take forward the work on the definitions and methodology.

## Board of Management

### Rural and Remoteness Funding Review

#### 1 Purpose

The purpose of this paper is to provide the Board with information on progress in respect of Rural and Remoteness Funding Review.

#### 2 Background

2.1 The Scottish Funding Council (SFC) has always provided a ring-fenced element of funding for colleges operating in rural and remote area of Scotland. The funding is intended to reflect the additional costs of operating in and serving remote and island areas. Each remote college was provided with an institutional element and a student element of funding (categorised as rural or very rural, the latter receiving a higher amount of funding). This funding was embedded in the College core grant from academic year (AY) 2010/11. In AY 2010/11 the total grant awarded as part of the rural premium totalled just under £8m, and at the moment Scottish Funding Council has matched the £8m rural premium from AY 201/11. Dumfries and Galloway College receives approximately £800,000 in rural funding.

2.2 A review of rural funding is being undertaken through the SFC College Funding Group in order to consider the current structure and allocation methodology in the context of the new regional structure within the college sector. Previous rural allocations were more formula driven at the college level, whilst under the new regional structure decisions may be taken by a regional board that could ensure that the rural funding meets local needs more effectively. Therefore, the SFC has stated that it would like to develop a regional allocations model that allows the regional Board to allocate these funds within the region.

2.3 The approach to the review was discussed at the SFC College Funding Group on Wednesday 25 March 2015, and it was agreed that it would be appropriate at this time to look at how the rural premium will work going forward, including the principles and definitions that underpin it.

#### 3 Progress to date

3.1 The Funding and Finance Committee held an extraordinary meeting on Monday 13 April where this review was discussed ahead of the Colleges Scotland Board meeting. The Committee sought views from across the college sector and these were presented to the Board of Colleges Scotland.

3.2 The attached paper 'Principles of Rural and Remoteness Funding' was agreed at the Colleges Scotland Board and has subsequently been presented to the Scottish Funding Council for their consideration.

#### 4 Recommendation

The Board is invited to note the update and progress in respect of the Scottish Funding Council Review of Rural and Remoteness Funding.

Carol Turnbull  
Principal and Chief Executive Officer  
June 2015

**Key Performance Indicator Report  
(\* \* As at 16 June 2015)**

Weighted Sums	Target	Actual	Variance	Projected Further WSUMs	Projected Total	Projected Clawback
2014/15 **	42,529	42,255	(274)	105	42,360	£33,124
2013/14	42,529	42,761	232	n/a	n/a	none
2012/13	38,711	39,014	303	n/a	n/a	none
2011/12	39,670	39,756	86	n/a	n/a	none

Enrolments	Full-time					Part-time	Total
	HE Dfs	HE Str	FE Dfs	FE Str	Total		
2014/15 **	471	36	884	215	1,606	3,671	5,277
2013/14	393	-	984	255	1,632	4,098	5,730
2012/13	373	-	958	285	1,616	3,938	5,554
2011/12	302	-	944	277	1,523	4,770	6,293

Retention	Early Retention (%)		Retention (%)			
	Full-time Further Education	Full-time Higher Education	Full-time Further Education		Full-time Higher Education	
	Actual	Actual	Actual	Target	Actual	Target
2014/15 **	91	96	70	74	84	81
2013/14	92	94	74	74	82	81
2012/13	91	94	73	74	80	80
2011/12	90	89	72	72	78	78

Income and expenditure	PERIODS 1 TO 13 (April 2015)		FORECAST TO JULY 2015		
	Actual	Budget	Forecast	Budget	Variance
	£000	£000	£000	£000	£000
Income (1)	<u>12,528</u>	<u>12,522</u>	<u>15,320</u>	<u>15,314</u>	<u>6</u>
Staffing Costs (2)	7,855	7,847	9,732	9,724	<u>-8</u>
Other Costs (3)	4,856	4,868	5,962	5,974	<u>12</u>
Total Expenditure	<u>12,711</u>	<u>12,715</u>	<u>15,694</u>	<u>15,698</u>	<u>-4</u>
Operating Surplus/- Deficit	<u>-183</u>	<u>-193</u>	<u>-374</u>	<u>-384</u>	<u>10</u>



# 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 ET on a weekly basis 2. Reviewed by ET on a weekly basis 3. Review carried out by HR and presented to ET 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 ET. 3. Constant scanning to identify new potential partnerships.	1. Currently not specifically reviewed 2. ET meetings/minutes 3. ET meetings/minutes	Internal	1	2	2	No further action. Although policy not specifically reviewed, any issues would be identified through regular reporting at ET. Internal audit review planned for 14/15	ET
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 ET. 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. ET meetings/minutes 2. ET 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. For session 2015-2016 SFC advised depreciation funds to be used for student funding shortfall	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 ET to ensure that adverse impact minimised.	1. Feedback to ET 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	Move to National Pay Bargaining	4	4	16	1. Detailed financial planning undertaken and approved by Finance and General Purposes Committee to ensure 'affordability' of any offer. 2. Clear and well established negotiation processes in place with recognised unions. 3. Government public sector pay guidance for 2015-16 is for maximum 1%.	1. F&GP meetings/minutes 2. Feedback to ET and the Board 3. Included in budget which is monitored and reported through F&GP	Internal	4	4	16	The Board will be asked to sign up to a National Recognition and Procedure Agreement	ET
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 ET and report to Board 2. Internal audit review carried out in 11/12	Internal / External	2	2	4	Implementation of audit recs	ET
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 ET. Exception reporting to Board. 2. Monitored through self evaluation process and reported to ET and L&T committee	Internal	1	3	3	Internal audit review planned 13/14	ET
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 Colleges Scotland 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 ET 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	AW
10	SA 1,2,3,4,5,6,7	Public sector funding cuts - forecast for session 2016-17	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 ET and L&T 2. Budget approved by the Board	Internal	2	4	8	Reduce curriculum provision and or student services in line with funding and implement cost savings. Seek to increase non SFC income.	ET
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 under 'needs-led' funding model college is a growth region.	1. Scottish Government confirmed D&G as a single college region 2. Principal member of Crichton Leadership group and feeds back to ET and Board	Internal / External	1	2	2	Proactive involvement of ET and BoM in process	ET
12	SA 6 & 7	Governance implications resulting from reclassification of colleges by the ONS	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 ET and Board	Internal/ External	2	2	4	SFC Guidance on Depreciation and Deficits External audit will review any changes to accounting treatments	ET
13	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 ET and Board	Internal / External	2	2	4	No further action	JB
14	SA 6 & 7	Failure to achieve attainment targets	4	4	16	1. Real time monitoring systems in place 2. Strategies in place to improve retention. 3. Strategies in place to improve student success 4. Poorly performing programmes removed from the curriculum.	1. Monitored at course level and review by Vice Principal (Learning and Skills) 2. Monitored through self evaluation process and reported to ET and L&T committee	Internal/ External	1	4	4	Moving forward achieving attainment targets agreed with the SFC in the Regional Outcome will be a condition of grant. Low attainment can be detrimental to college reputation	ET
15	SA 6 & 7	Failure to achieve an 'effective' outcome following Education Scotland Review	4	4	16	1. Real time monitoring systems. 2. Quality learning, learner engagement and quality culture monitored through annual self evaluation	1. Monitored through self evaluation process 2. Education Scotland Annual Engagement Visit 3. Monitored through external audits and external moderation visits 4. Regularly reviewed by executive team, L&T and the Board.	Internal/ External	1	3	3	A less than favourable review will be detrimental to the college reputation. Moving forward achieving attainment targets agreed with the SFC in the Regional Outcome will be a condition of grant. Low attainment can be detrimental to college reputation	ET

## Board of Management

### REVISED BUDGET FOR 2015-16

#### 1 PURPOSE OF REPORT

The purpose of this report is to approve the revisions to the budget for the 2015-16 financial year.

#### 2 REPORT

This budget relates to the period August 2015 to July 2016, and incorporates the grant offer from Scottish Funding Council for Academic Year 2015-16.

The final funding offer from Scottish Funding Council includes a revised split between core grant and student support for the Youth Employment Initiative project funding.

The 2015-16 budget has been prepared taking into account an assessment of the operational supplies, services and support required in order to deliver the agreed Curriculum Plan and Outcome Agreement targets for the academic year. Detailed discussions have been held with all College budget holders in order to assess changes planned for 2015-16, and the effect on related income and expenditure for each area.

The budget for salaries is based on the teaching staffing necessary to deliver the planned curriculum for 2015-16, and related support required, taking into account the increased credit target, known changes to contracts and other planned changes. In addition, some budget has been earmarked for curriculum development time and the increased National Insurance and pension contribution costs.

Contingency balances have been set aside for unforeseen additional student support costs. The contingency budget would be released in due course if the funds set aside are not required, as part of the revisions and re-forecasting which will take place as part of the new budgeting cycle.

#### Key Assumptions

The key assumptions inherent within the draft budget are as follows:

**Grant Allocation** – Scottish Funding Council have notified the College of the grant allocations for the 2015-16 academic year in their letter of 17 April 2015.

**Income** – the budget has been prepared on the basis that the main income streams will be in line with the out-turn for 2014-15, taking into account known contracts, and agreements with external partners.

**Salaries** – the budgeted payroll figures have been based on the 2015-16 curriculum plan. The overall costs include costs for additional teaching staff to meet the increased credit target for student numbers. The budget includes a provision for sickness cover.

The budget includes an allowance for additional National Insurance costs from April 2016 when the NI rebate for 'contracted out' pensions is due to end. Budget of £50,000 has been provided for these additional costs.



## Board of Management

The Employer pension rates for the Scottish Teachers Superannuation Scheme are due to increase by 2.3% in September 2015, and the Local Government Pension Scheme rates have already increased by 1.2% in April 2015. Additional budget of £100,000 has been set aside to cover this increase in payroll costs.

**Property costs** – costs for ongoing estates maintenance and repairs have been assessed, and budget has been set aside to cover core costs.

**Operational Plan and Developments** – the current budget has allowed for £100,000 to be set aside to meet operational plan requests during 2015-16. Any additional estates or other developments would be require to be funded from other sources – for example a grant from the Arms Length Foundation, or approved expenditure from the depreciation cash budget.

**Assets** – depreciation and the corresponding release of deferred capital grants have been calculated based on the fixed assets at 31 March 2015, including an allowance for additional depreciation on the hospitality developments. The depreciation costs will require to be updated following the property revaluation at 31 July 2015.

Any further fixed asset additions will require to be fully grant funded, and a switch from Maintenance to Capital grant funding is subject to approval to by the Scottish Funding Council.

**Student Support Funding** – the budget for student support funding has been shown separately for clarity. The total student bursary, childcare and hardship funding as set out in the Scottish Funding Council's grant letter, and an estimate of EMA costs and related claims are included in the total income and expenditure budget.

A contingency for potential further student support costs has also been set aside in the College operating budget.

### 3 FORECAST FINANCIAL RETURN

The Scottish Funding council have indicated that they will continue to require high level budget forecasts for 2015-16 and 2016-17 in line with the previous Forecast Financial Return (FFR Return) requests. The main assumptions for the 2016-17 forecasts will be based on the 2015-16 student number targets, pay costs, and overheads.

In addition, a report showing a monthly breakdown of the detailed budget is required by the Scottish Funding Council, which will include a forecast of the budget cut-off at 31 March 2016.

### 4 SUMMARY

The revised budget presented to the Board includes forecasts for essential pay and overhead costs in order to show a break even operating position for the financial year.

### 5 RECOMMENDATION

The Finance and General Purposed Committee reviewed and approved the revised 2015-16 budget at its meeting on the 9<sup>th</sup> June 2015. Members are asked to accept the Finance and General Purposes Committee recommendation to approve the revised budget for 2015-16.

## Board of Management

## APPENDIX

BUDGET SUMMARY
2015/16

	August 2015 to July 2016
<b><u>INCOME</u></b>	<b>£000's</b>
Grant Income	9,207
Release of deferred capital grant	836
Fee Income	1,557
Other Income	68
<b>Total Income</b>	<b>£11,668</b>
<b><u>EXPENDITURE</u></b>	
<b>Total Pay Costs</b>	<b>£7,848</b>
Property Costs	673
Other overheads	1,814
Depreciation	1,232
Student Support Contingency	100
<b>Total Other Costs</b>	<b>£3,819</b>
<b>Total Expenditure</b>	<b>£11,667</b>
<b>OPERATING SURPLUS/ (DEFICIT)</b>	<b>£1</b>

<b><u>STUDENT SUPPORT</u></b>	August 2015 to July 2016
	<b>£</b>
Income	2,837
Expenditure	2,837
<b>Net costs to be met by College</b>	<b>£0</b>

## Board of Management

### ESTATES PROJECTS: 2015-16

#### 1 PURPOSE OF REPORT

The purpose of this report is to approve funding the estates projects for 2015-16.

#### 2 BACKGROUND TO REPORT

The main funding allocation provided a capital allocation for 2015-16 of £378,492. The guidance states that the capital allocation *'must be used for estates/build maintenance and debt servicing associated with capital developments. All spend must be aligned to each institution's estate plan. Expenditure on items of specialised equipment to support the curriculum must be discussed with SFC prior to purchase'*.

There are a number of curriculum delivery improvements planned that require changing the purpose of some rooms and redeveloping the layout of others. These projects are not included in the budget for 2015-16. The funding of these projects will be from depreciation (subject to approval from the Scottish Funding Council) and/or bidding into the Scottish Colleges Foundation. The projects are:

Changes to layout of two hairdressing salons at Dumfries campus (July 2016)	£120,000
Changes to layout of two beauty salons at Dumfries campus (August 2015)	£120,000
Relocate and redevelop the childcare 'play' room at Dumfries campus (August 2015)	£120,000
Replace old network infrastructure cabling at the Stranraer Campus (July 2016)	£50,000
<b>Total</b>	<b>£410,000</b>

#### 3 REPORT AND RECOMMENDATION

The Finance and General Purposed Committee approved the funding of the 2015-16 estates projects at its meeting on the 9<sup>th</sup> June 2015. Members are asked to accept the Finance and General Purposes Committee recommendation to approve funding the 2015-16 estates projects.

## **Board of Management**

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### **Vision 2020 Strategic Plan**

#### **1 PURPOSE OF REPORT**

The purpose of this report is to present the final version of the Vision 2020 Strategic Plan for approval.

#### **2 REPORT**

The Strategic plan has been developed over the last year or so, through a series of workshops involving staff, students and members of the Board of Management. It sets out the College's key aims and aspirations for the 5-year period 2015-2020 and, along with the Regional Outcome Agreement, will provide the key measurement tool for Board members to monitor College progress.

#### **3 RECOMMENDATION**

Members are asked to accept and approve the Vision 2020 Strategic Plan document.

Carol Turnbull  
Principal and Chief Executive Officer  
June 2015

# Vision 2020

## **Inspiring our People, Businesses and Communities to be successful**

### **Foreword**

At Dumfries and Galloway College, we are moving into an exciting stage of our development, building on the successes of the past and driving forward to achieve our aspiration of becoming 'an outstanding college'.

We aim to deliver the highest quality learning for our students, to make a positive contribution to the local and national economies and to utilise the expertise of our staff to deliver continuous improvements.

The College sector has undergone a period of fundamental change (Regionalisation and a re-focus of Government priorities) in recent times that has required Colleges to re-evaluate their strategic aims and priorities. This, together with the need to develop a new Strategic Plan has provided the catalyst and opportunity for all staff and Board members to engage and contribute to the development of a collective Vision, Mission and Plan.

**Vision 2020** is our five-year strategic plan that sets out our vision and aspirations. The plan has been developed taking cognisance of: Dumfries and Galloway Council Single Outcome Agreement; Dumfries and Galloway Economic Strategy; Regional Skills Assessment; Scottish Government post-16 legislation, the Developing Young Workforce, Opportunities for All and other national and local strategic developments.

Brian Johnstone, Regional Chair,

Carol Turnbull, Principal and Chief Executive Officer

## **Introduction and Context**

### **Dumfries and Galloway Region**

Dumfries and Galloway Region is the third largest in Scotland, in terms of land mass but is one of the most sparsely populated with 150,800 people spread over 6,426 square kilometres.

The Region is characterised by small settlements of 3,000 people or less spread across a large area. Nearly half of all the population live in settlements with fewer than 3,000 people.

Compared to Scotland as a whole, Dumfries and Galloway has higher than average employment in skilled trades, caring, leisure and other service occupations but lower than average in professional/technical roles.

The local economy consists largely of micro businesses employing less than five employees spread across the Region. These are mainly in the agriculture, hospitality and tourism, arts and crafts, food and forestry sectors. The public sector (NHS, Local Authority, Fire and Rescue, Police and Ambulance Service, Further and Higher Education) is the largest employer with 40% of the total workforce.

### **The College**

Dumfries and Galloway College is located in the beautiful South West of Scotland. It is 77 miles from Glasgow and 79 miles from Edinburgh to the town of Dumfries, where the College main campus is located. A smaller campus is located in Stranraer – 75 miles to the West of Dumfries.

Dumfries and Galloway College is the Regional College in Dumfries and Galloway and potential learners and employers are dependent on it to deliver a curriculum which meets their needs. The College delivers further and higher education across a broad range of curriculum areas from access level (Scottish Credit and Qualifications Framework level 1) to Higher National Diploma (Scottish Credit and Qualifications Framework level 8), to approximately 1,600 full-time and 3,500 part-time learners.

The College's main campus is located in the outskirts of Dumfries adjacent to the Crichton Campus and the Universities of Glasgow and the West of Scotland, Scotland's Rural College (SRUC) and the Open University. The Crichton Campus is a unique collaboration between the College and these universities that brings a broad range of further and higher education to Dumfries. In particular, the Campus brings the choice of university learning to a region that in the past people have had to leave to attend university.

Partnership and collaboration are at the heart of what we do – with our learners, Dumfries and Galloway Council, Schools across the region, other stakeholders and employers. Employer Advisory Boards were established in October 2014 with the aim of ensuring our curriculum is fit for purpose, meets the needs of the business community in Dumfries and Galloway (and beyond) and to enhance the employability skills of our learners through guest speakers, industry visits, work placement and direct recruitment. The College is taking a key role in supporting the establishment of a Developing Young Workforce Dumfries and Galloway group. The Developing Young Workforce initiative allows employers to play a key role in driving the future agenda for Dumfries and Galloway. The programme would provide a much more universal and structured offer for learners as a whole, which in turn will also help our businesses within key areas of economic growth activity.

The Developing Young Workforce initiative has also enabled the College to strengthen links with schools and we will continue to work with them to develop vocational pathways that offer alternative, but meaningful routes to employment with clear progression opportunities linked, where possible directly to industry and employers.

Using the Regional Skills Assessment, provided by Skills Development Scotland, we are ensuring our curriculum aligns to local and national economic needs. We continue to invest in our facilities and opened a new training restaurant and kitchen at our Dumfries Campus in May 2015. Subject to funding, further investment is planned – particularly in the areas of engineering, Care and Early Education. We have a medium-term ambition to become a Science, Technology, Engineering and Mathematics (STEM) centre and are seeking to create learning opportunities through to degree level through collaboration with University partners, including Strathclyde University Engineering Academy. We are also exploring opportunities to develop new curriculum areas, especially in the Food and Drink sector which has been identified as a key sector within Dumfries and Galloway.

Over the next 5 years we will support the Scottish Government's key pledges on growing Scotland's economy and tackling social injustice by ensuring we have the highest quality curriculum offering that delivers skills, education and training to meet local and national needs but one that is also inclusive and enables individuals to achieve their maximum potential.

## **Mission:**

One College, one Team where:

- Learners come first;
- The changing needs of the economy are met; and
- Innovation, collaboration and creativity are core to what we do

### ***Strategic Outcome 1: What will we do?***

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

#### ***Success criteria: How will we know if we've done it?***

- The curriculum provides a range and level of courses that meets Regional and National needs.
- All programmes have clear progression, articulation and/or exit routes
- Programmes are relevant, fit for purpose and of high quality
- Overall Student experience is of high quality
- College PI targets are aspirational
- The college meets the Sector recommendations of 'Developing Scotland's Young Workforce'
- College Portfolio supports lifelong learning

### ***Strategic Outcome 2: What will we do?***

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

#### ***Success criteria: How will we know if we've done it?***

- Increased number of full-time learners progressing to employment
- Increased number of full-time FE learners progressing to a higher level of study
- Increased number of full-time learners progressing to University
- Increased number of part-time learners progressing to employment
- Increased number of part-time FE learners progressing to a higher level of study
- Increased number of part-time learners progressing to University

### ***Strategic Outcome 3: What will we do?***

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

#### ***Success criteria: How will we know if we've done it?***

- Increased commercial and external income
- Increased delivery of bespoke courses to meet and satisfy employer workforce development needs
- Increased number of learners progressing to employment
- Increased numbers of SVQ/Modern Apprenticeships
- Increased engagement with schools and employers to raise awareness of vocational opportunities



**Strategic Outcome 4: What will we do?**

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

**Success criteria: How will we know if we've done it?**

- Increased participation rates with communities in the geographic areas
- Increased partnership delivery arrangements across the region
- Increased range of flexible delivery offerings
- Enhanced support for self-employment opportunities
- Partnership funding opportunities should be maximised
- Increased participation from under-represented groups

**Strategic Outcome 5: What will we do?**

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

**Success criteria: How will we know if we've done it?**

- Curriculum encourages and embeds enterprise and entrepreneurialism
- Increased number of learners developing enterprise and entrepreneurial skills
- Enhanced engagement with start-up businesses
- Enhanced partnership delivery arrangements
- Enhanced use of college facilities by business community

**Strategic Outcome 6: What will we do?**

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

**Success criteria: How will we know if we've done it?**

- Improved learner confidence/independence
- Improved independent learning
- Increased student attainment/qualifications
- Increased participation by students to be active citizens

## Board of Management

### Stranraer Campus

#### 1 Purpose

The purpose of this paper is to provide the Board with an outline of the challenges and opportunities relating to Stranraer campus for consideration and discussion.

#### 2 Background

2.1 Previous to 1990, courses in Stranraer were delivered in Portacabins but, with the support of European funding the campus building as we know it was opened in 1990.

#### 2.2 Curriculum Offering

A range of Further Education programmes are offered in the following subject areas:

- Hospitality
- Hair and Beauty
- Technology (mainly construction and Motor Vehicle)
- Health and Social Studies
- Business and Computing

In 2014-15 Higher Education programmes (Higher National Certificates) were delivered in Care, Early Education and Beauty and the first HN graduation ceremony was held in June 2015.

#### 2.3 Enrolment figures

There has been a small, but steady decline in full-time enrolments in recent years. (See Table 1 below).

Subject	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016*
Hospitality	40	40	40	29	24
Hair & Beauty	73	77	52	65	64
Technology	81	78	71	61	46
Health & Social Studies	70	73	72	80	103
Business & Computing	13	17	19	14	13
Total	277	285	254	249	250

Table 1 \*(application numbers as at 19 June 2015)

### 3 SWOT Analysis

#### 3.1 Strengths:

- Stranraer campus is the only general Further Education provider in the West of the region – the alternatives would be to travel to Ayr or Dumfries.
- Good facilities (although building fabric & infrastructure is likely to require some significant investment in the next few years).
- Committed and enthusiastic academic and support staff
- Innovative teaching in some areas
- Viewed as a Community college

## Board of Management

### 3.2 Weaknesses:

- Declining/shifting enrolments numbers may mean that some curriculum areas become non-viable. Eg an increase in demand for Health & Social studies places but a decrease in demand for Hospitality & Technology.
- The need to deliver multi-level teaching in some curriculum areas places additional demand on staff and could impact on the quality of the learning experience.
- Anecdotal evidence that it is seen as a place for those less academically able rather than offering a vocational alternative to traditional academic learning.
- Curriculum subject areas have remained the same for a number of years – nothing 'new'
- Cannot achieve efficiencies due to smaller than average class sizes and the need to duplicate services of main campus.
- A significant weakness is the lack of job opportunities in the local labour market. Most students come to college to learn a skill to get a job and choose courses where there are employment opportunities.

### 3.3 Opportunities:

- Introduction of HN programmes may attract more enrolments in the future.
- It is the ambition of the College Executive Team that degree opportunities may be available in the future – through working with University partners (particularly the Open University).
- Review of Training skills needs funded by Dumfries and Galloway Council may provide the opportunity to bid for funding to support the introduction of new curriculum areas – eg engineering.
- It is hoped that Senior management focus on building & strengthening relationships with local schools will lead to increased vocational pathways in school, offering progression opportunities at college and new pathways – eg energy
- Senior management focus on building & strengthening relationships with local employers may lead to increased employability and employment opportunities – including Modern Apprentice training.

### 3.4 Threats:

- Opening of new Ayrshire College campus in Kilmarnock may attract more learners from Stranraer and surrounding area which could result in a further decline in enrolment numbers.
- Further decline in enrolment numbers would make it difficult to justify maintaining all curriculum areas due to costs.
- Further decline in the local economy may result in fewer people choosing to undertake education or training.
- Biggest threat is potential further reductions in funding. Stranraer campus costs approximately £1m per annum to maintain. Theoretically, the College could achieve its activity target through Dumfries campus only at marginal additional costs. Rural and remoteness premium amounts to £800,000 but this is intended to support both campus sites.

## 4 Action:

The Board is invited to consider and discuss the challenges and opportunities outlined above.

Carol Turnbull  
Principal and Chief Executive Officer  
June 2015