

Date: 8 March 2016**Time: 2:00pm****Room: 2097****A G E N D A****Presented by**

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|----|--|------------|------------------------------|
| 1 | Welcome and Apologies for Absence | | DH |
| 2 | Presentation on Local Government Pension Scheme - FRS17 implications | | Andrew Ewart,
D&G Council |
| 3 | Declaration of Interest | | DH |
| 4 | Minute of Meeting of 15 December 2015 | (attached) | DH |
| 5 | Matters Arising | | |
| 6 | Regional Chair's Report | (attached) | DH |
| 7 | Principal's Report | (attached) | CT |
| 8 | President of the Students' Association Report | (attached) | JW |
| 9 | Approved Committee Minutes | | |
| | 9.1 Human Resources Committee Minutes 6.10.15 | (attached) | SM |
| | 9.2 Learning & Teaching Committee of 27.10.15 | (attached) | DH |
| | 9.3 Finance & General Purposes Committee of 8.12.15 | (attached) | JH |
| | 9.4 Remuneration Committee of 28.4.14 | (attached) | DH |
| 10 | Matters for decision | | |
| | 10.1 Strategic Risk Register | (attached) | JB |
| | 10.2 Human Resources Strategy | (attached) | HP |
| | 10.3 Academic Staff Pay Award | (attached) | DH |
| | 10.4 Executive Management Team Pay Award | (attached) | DH |
| | 10.5 Review of Deputising Responsibilities | (attached) | DH |
| | 10.6 Review of Selection and Appointments Committee Remit | (attached) | DH |

and Membership

10.7	Review of Remuneration Committee Remit and Membership	(attached)	DH
10.8	Employer Engagement Strategy	(attached)	CT
11	Matters for discussion		
11.1	Key Performance Indicators 2015-16	(attached)	JB
11.2	Strategic Plan / ROA Update	(attached)	CT
12	Matters for information		
12.1	Equalities Outcome	(attached)	HP
12.2	SFCF Letter of Guidance 2016-17	(attached)	CT
12.3	National Pay Bargaining – Support Staff Pay Award	(verbal)	CT
12.4	College Chairs Remuneration – Revised January 2016	(attached)	JB
12.5	Dumfries and Galloway Skills Assessment January 2016	(attached)	CT
12.6	Education Scotland Review Update	(verbal)	CT
13	Any Other Business		
14	Date and Time of Next Meeting – 7 June 2016, @ 2pm at the Dumfries Campus		

Board of Management

Minute of meeting of the Board of Management of Dumfries and Galloway College held on Tuesday 8 March 2016 at 2 pm in Room 2097 of the Dumfries campus

Present:

Delia Holland (Acting Chair)	John Henderson
Carol Turnbull	Pat Kirby
Janet Brennan	Stuart Martin
Hugh Carr	Ian White
Ros Francis	Kenny Henry
Karen McGahan	Craig McGill

In attendance: Jannette Brown, Secretary to the Board and Vice Principal Corporate Services & Governance
Andy Wright, Vice Principal, Learning and Skills
Helen Pedley, Director of Organisational Development and Facilities

Item 2 only Karen Hunter, Finance Manager
Andrew Ewart, Treasury Finance Officer, Dumfries and Galloway Council
Gillian Ross, Corporate Finance Manager, Dumfries and Galloway Council

Minute taker: Heather Tinning, Executive Team Assistant

1 Welcome and Apologies for Absence

Acting Chair (Delia Holland) welcomed all to the meeting, including Heather Tinning to her first Board meeting as Minute Taker. Apologies for absence were intimated on behalf of Brian Johnstone, Barry Graham and Julian Weir. In the Regional Chair's absence, the Vice Chair, Delia Holland will chair the meeting.

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

2 Presentation on Local Government Pension Scheme – FRS17 Implications

Andrew Ewart and Gillian Ross from Dumfries and Galloway Council provided the Board with an overview of the Local Government Pension Scheme. Dumfries and Galloway Council is designated as a Scheme Manager and is required to operate and maintain a pension fund. The Fund is used to pay pension, lump sum benefits and other entitlements to scheme members and their dependants. Contributions to the Fund are made by employees and by participating employers of which the College is one. The Fund also receives income from the assets it holds, which include equities, property and bonds. The Scheme membership is made up of active members, deferred members and pensioner members.

An actuarial valuation of the Fund is held every three years as an independent financial health check and determines how much money has to be paid into the Fund to keep it in a position to

pay benefits both now and in the future. The next valuation will take place in March 2017. Investment management of the Fund is undertaken by external fund managers and overseen by the Council's Treasury Section.

The Chair thanked Andrew and Gillian for providing the Board with an overview of the pension scheme. Andrew Ewart, Gillian Ross and Karen Hunter left the meeting at this point.

3 Declaration of Interest

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

4 Minute of previous meeting

The minute of the Board of Management meeting held on 15th December 2015 was approved.

5 Matters Arising

There were no matters arising.

6 Regional Chair's Report

The Chair spoke to the report which had been issued. The Chair highlighted to the Board some of the 'key messages in the report. She asked members to e-mail the Regional Chair if they had any queries. The Chair advised that she recently attended one of the Board Induction workshops run by the College Development Network. The Chair found the event very helpful and would recommend that all board members attend where they can.

7 Principal's Report

The Principal spoke to the report which had been issued. The Chair noted the number of activities that had taken place and congratulated the College on behalf of the Board.

The Principal updated members on the recent Education Scotland Review reporting that the College has in place effective arrangements to maintain and enhance the quality of its provision and outcomes for learners and other stakeholders. The College had received a draft copy of the report so that an accuracy check can be undertaken. The Principal and the Vice Chair will take part in an accuracy check discussion with the lead inspector from Education Scotland by telephone on the 9th March. The final report will be published on Friday 8th April 2016. The Lead Inspector will attend the June Board meeting to present the Review findings to members. Again the Chair congratulated the College on behalf of the Board. The Principal advised members that having three areas of excellence recognised by the Review was a great achievement for a small college, which shows how innovative college staff are.

Members noted the report.

8 President of the Students' Association Report

In the absence of the President of the Student Association, the Vice President (Stranraer) spoke to the report which had been issued, advising on activities in Dumfries. The Vice President also provided members with a verbal update on activities in Stranraer. A sponsored walk had been arranged at the Stranraer Campus to help raise funds for a student whose son had open heart surgery. Funds were being raised for the Glasgow Children's Hospital in support of the operation. A bench is being built at the Stranraer Campus in memory of a student, also a member of the Stranraer Student Association, who sadly passed away. The Chair thanked the Vice Principal (Stranraer) for his update.

The Chair reported that the Vice Principal Corporate Services & Governance had invited her to attend a meeting with her and the Student Association Executive. At the meeting the Student Association Executive updated on progress made in the development plan, development of a self evaluation framework and the review of the constitution. Arrangements for 2016-17 elections were also discussed.

9 Approved Committee Minutes

The Chair reported on discussions between herself and the Regional Chair on the historical minutes that were presented at Board of Management meetings, and suggested a way forward to ask each Committee Chair to provide a verbal update of main points to allow for a recent update.

The Secretary to the Board confirmed that it is in the remit of each committee that committee minutes come to the Board. This provides the Board with a level of assurance of the work undertaken by each committee. Due to the temporary changes to operations last year where some committee meetings formed part of the full board meeting, approved minutes for some committees did take some time before being presented to the Board.

9.1 Human Resources Committee Minute 6.10.15

The Chair of the Human Resources Committee presented the minute of the meeting held on the 6th October 2015. He commented on the amount of work involved in the Draft Human Resources Strategy that the Director of Organisational Development and Facilities presented at the meeting.

Members noted the minute.

9.2 Learning & Teaching Committee Minute 27.10.15

The Chair of the Learning & Teaching Committee presented the minute of the meeting held on 27th October 2015. She highlighted the positive outcome of the 2014-15 student satisfaction survey

Members noted the minute.

9.3 Finance & General Purposes Committee Minute 8.12.15

The Chair of the Finance & General Purposes Committee presented the minute of the meeting held on the 8th December 2015.

Members noted the minute.

9.4 Remuneration Committee Minute 28.4.14

Members noted the minute.

10 Matters for decision

10.1 Strategic Risk Register

The Vice Principal, Corporate Services and Governance, spoke to the report which had been issued. She advised that the register is now ordered in rating order of highest to lowest. In line with the College's Risk Management Policy only risks with a rating of 12 or above need to be included in the Risk Register, but for completeness all risks have been included. She advised the Committee there were two changes since the last board meeting. Risk no 4 'Unable to achieve credit (activity) target has increased from a rating of 8 to 12 and risk no 5 'The review of property and provision in Dumfries by the University of the West of Scotland' is an addition to the Register. She advised members that the Strategic Risk Register had been discussed and approved at the Audit Committee at its meeting earlier that day. In response to a question on whether a rating of 3 was sufficiently high for the risk unable to achieve credit targets, the Vice Principal Corporate Services and Governance advised that the rating reflects the shortfall, forecast to be 3% under target. This equates to a potential claw back of £186,354 which has been accrued for in the 2015-16 accounts.

In response to a question on disruption to business continuity in light of the recent flooding, the Vice Principal Corporate Services & Governance confirmed that the procedure was followed. However, as is normally the case, the College would reflect on lessons learned from the event and the business continuity plan updated with any improvements.

The Principal provided an update on the recently held discussions with University of the West of Scotland (UWS) on the review of their Dumfries operations. She advised members that Dean, Professor Foley now has responsibility for Dumfries Campus. UWS were under the impression that they had a service level agreement with the College, although no documentation can be found to confirm this. She also reported on a recent meeting with Professor Malcolm Foley to discuss the review of current provision in Dumfries, including articulation links and future portfolio to be focused on Health and Wellbeing. UWS's current lease expires in August 2016. The intention is to extend the lease for one year to allow alternative options to be considered, including co-location with the College building.

The Principal asked the Board to confirm in principle that they were happy for her to continue discussion with UWS on relocating to the College building with no commitment on either side. Board Members agreed. The Principal advised that SRUC will be included in future discussions also, but at present their focus is on appointing a new Principal. In response to a question on whether to explore articulation routes with other universities, the Principal advised that

articulation opportunities were not exclusive to UWS, for example, the College is working with Strathclyde Engineering Academy in relation to Engineering.

Action: The Principal to continue discussions with UWS and SRUC as appropriate.

The Board approved the Strategic Risk Register.

10.2 Human Resources Strategy

The Director of Organisational Development and Facilities spoke to the report which had been issued. She advised that the strategy had been developed to support Vision 2020 and moving forward. She reported on discussions at the Human Resources Committee in terms of finalising the strategy. Members noted the work involved in developing the Strategy and congratulated the Team involved.

The Board approved the Human Resources Strategy.

10.3 Academic Staff Pay Award

The Chair spoke to the report that had been issued. Members raised concern about the wording of the report and asked for 'impose the pay award' to be changed to 'implement the pay award'. If agreement had been reached at the NJNC then implementing would be accurate, however agreement had not been reached therefore the Board were asked to impose the pay award. Members also sought clarification on affordability. It was confirmed that the college had included the pay award in the 2015-16 budget. Following further discussion members were asked to vote on imposing the pay award. Ian White declared an interest at this point and chose to abstain from the vote. The Chair asked for members to vote, by show of hands, to impose the pay award. By a majority, members agreed to impose the pay award. In reply to a question, why she voted no, the Principal advised of her concern of the damage that may be caused to good industrial relations by imposing the pay award in particular, at college level where the relationship with staff and management is very good. Following a request by some members to change their vote, the Chair confirmed that as the vote had already been counted this was not possible. The Principal confirmed that she would advise staff of the Board's decision.

The Board agreed to impose a pay award of 1% or £300 consolidated (whichever is greater), effective 1st April 2015, to be paid in the March 2016 pay.

The Principal advised that she had received an e-mail informing of the results of the EIS Ballot, and the 32 proposed dates of strike action between now and June. The first strike day had been confirmed for 17th March, with another 2 days the following week, escalating to 3 days per week the week following the Easter Break. The Principal confirmed that the college had been informed that it had 71 EIS members. The Executive Management Team will be meeting on the 9th March to agree contingency plans which will be kept under review as further information becomes available.

In answer to a question on previous strike action, the Director of Organisational Development and Facilities confirmed that in recent years there had been a one day strike over pension changes. The last industrial action over a pay dispute was over 12 years ago.

Ian White confirmed that he had met with most of the Dumfries based EIS members that morning and explained the current situation. He advised that the total number of strike days was a shock to all and that members were conscious of the fact that this may have an impact on relationships within the college. Members also spoke of their concern over their students and the lack of teaching time if all strike days go ahead as planned and the amount of pay lost through strike days. The Principal confirmed that if all strike days go ahead as planned it is unlikely that students will complete their course both here and across the Sector.

It was noted that one of the strike days, 23rd March, was the day arranged for the Board Secretary Interviews. Hugh Carr offered to hold the interviews at DGHP, preventing any potential issues in crossing the picket line at the college.

The Principal re-iterated that the Industrial Action was taking place as a result of National Bargaining and as long as we continue to work with staff and the Union Representatives to acknowledge difficulties, the College can work its way through this difficult time. Members advised that the Board places great value on staff in the college. The Principal was commended on her intention to maintain the strong relationship between staff.

The Vice Principal Learning and Skills and the Director of Organisational Development and Facilities left the meeting at this point.

10.4 Executive Management Team Pay Award 2015-16

The Board discussed the recommendation made by the Remuneration Committee to offer a pay award to the Executive Management Team (including the Principal) of 1% (consolidated) plus two additional days annual leave (unconsolidated) for the period 1st April 2015-31 March 2016. This is in line with the pay award for support staff and on the proviso that, should an improved offer be made to other college staff, this will be extended to the Executive Team.

The Board approved the pay award, on the proviso that, should an improved offer be made to other college staff, this will be extended to the Executive team effective 1st April 2015, to be paid in the March 2016 pay.

10.5 Review of Deputising Responsibilities

The Board discussed the recommendation made by the Remuneration Committee to align the salary of the Director of Organisational Development & Facilities to the same as the Vice Principals’.

The Board approved the salary change for the Director of Organisational Development & Facilities effective from 1 April 2016.

The Vice Principal Learning and Skills and the Director of Organisational Development and Facilities rejoined the meeting at this point.

10.6 Review of Selection and Appointments Committee Remit

The Chair spoke to the report which had been issued, advising that the remit of the Committee be expanded to reflect the 'development of the board' work of the Committee and to change the name of the Committee to better reflect the revised remit. The Board discussed the changes and in answer to a question on the Committee meeting once a year, the Board Secretary advised that there was a short-term need for the Committee to meet to develop the plan.

The Board approved the change of name to Board Development Committee and changes to the remit of the Committee.

10.7 Review of Remuneration Committee Remit and Membership

The Chair spoke to the report which had been issued, seeking approval from the Board to review the Committee remit and membership, to comply with the Scottish Funding Council's guidance on seeking approval for severance schemes and settlement agreements. The Chair asked for volunteers from staff members to join the Committee. Ian White volunteered.

The Board approved the change to remit and membership of the Remuneration Committee.

10.8 Employer Engagement Strategy

The Principal spoke to the report which had been issued, advising that there had been a strong focus on building stronger employer-college relationships over the last couple of years. She advised that the Crichton Institute undertook some of the background research. Members discussed the report, the importance of Employer Engagement and the work done by the College so far. The Board noted that regular updates on progress will be provided.

The Board approved the Employer Engagement Strategy.

11 Matters for discussion

11.1 Key Performance Indicators 2015-16

The Vice Principal, Corporate Services and Governance, spoke to the report which had been issued. She advised that the report had been improved to now include narrative on each of the KPIs. She highlighted to the Board that the College was forecasting a shortfall in credit activity which will require the College to repay some of its Scottish Funding Council grant. A provision has already been made in the accounts to reflect this. The main reasons for the shortfall in credits

relate to some groups not achieving their recruitment target, some courses not running as planned and a drop in early student retention. Further work will be done to better understand the drop in early student retention so that measures can be put in place early next session to improve retention.

The Chair reported on the meeting that she and the Regional Chair had with Education Scotland during the review week which focused on retention. She advised that students leaving for employment should not be seen as a failure. The Vice Principal, Corporate Services and Governance, confirmed that the College records students reasons for leaving. The Chair asked for this information to be made available at a future board meeting. The Principal advised members that one of the main points for action following the Review by Education Scotland is to implement strategies to improve retention rates. Following feedback from Education Scotland the College will also review its Open Access Admissions Policy. The Principal advised members that retention was also a sector problem.

Members noted the report.

Action: The Board requested information on the reasons students for leaving college to be available at a future board meeting

11.2 Strategic Plan/Regional Outcome Agreement Update

The Principal spoke to the report which had been issued on the Board strategic session on 2nd February 2016. The Board confirmed that if the College achieves the priority impacts for 2016-17 it will go some way to achieving Vision 2020. The final Regional Outcome Agreement will be updated to reflect areas identified at the session. The Principal reported that the final version of the Regional Outcome agreement for 2016-17 will be presented to the Board at its June meeting.

Members noted the report.

Action: Final version of the Regional Outcome Agreement for 2016-17 to be considered at the June meeting of the Board.

12 Matters for information

12.1 Equalities Outcome

The Director of Organisational Development and Facilities spoke to the report which had been issued, providing an update on Equality Outcomes for the period 2013-17. A new user friendly Equalities Outcome report will be developed next session and be published in April 2017. In answer to a question on the percentage of staff over 50, the Director advised due to change in the State Pension age assumptions cannot be made on when staff will retire. However, part of the Human Resource Strategy in terms of the Workforce Planning, includes asking staff over 50 for an indication on when they are likely to retire. In answer to a question on 100% of the learners completing the Equality data at time of enrolment, the Director confirmed that students have the option to answer questions with 'I do not wish to respond'. Members noted and thanked the

Director of Organisational Development and Facilities for a comprehensive report. It was noted that the equalities training for board members had not yet taken place.

Action: Board members to undertake Equalities training as soon as can be arranged

12.2 Scottish Funding Council Letter of Guidance 2016-17

The Principal spoke to the Ministerial letter which had been issued to the Scottish Funding Council, identifying the draft budget proposals for 2016-17. The Chair asked the Board to note the letter and in particular the information on Strategic Objectives identified in paragraphs 14 – 21 and Developing Young Workforce paragraphs 37 – 45. The Principal reported that the Scottish Funding Council was still working on grant allocation for colleges.

Members noted the letter.

12.3 National Pay Bargaining – Support Staff Pay Award

The Principal reported that UNISON members had accepted the National Joint Negotiations Committee pay offer of 1% or £300 (consolidated) whichever is the greater, plus 2 additional days annual leave (unconsolidated) for the period 1st April 2015-31 March 2016, to be paid in the March pay.

12.4 College Chairs Remuneration – Revised January 2016

The Secretary to the Board spoke to the letter which had been issued, advising the College that entitlement of remuneration for Regional Chairs had now been revised. The Regional Chair can now claim up to a maximum of £20,800, backdated to when the Chair was appointed.

Members noted the letter.

12.5 Dumfries and Galloway Skills Assessment January 2016

The Principal spoke to the report which had been issued, advising that this was for the Board's information at this stage. The Principal reported that the College will take account of the findings in the report when reviewing the curriculum and at the next Board Strategic Development event. In answer to a question on the data, the Principal advised that it was unlikely that we would receive a split in the areas for East and West. It was noted that the earnings in the area were well below the national average.

Members noted the report.

12.6 Education Scotland Review Update

The Principal provided an update on the recent Education Scotland Review earlier in the meeting, under the Principal's Report (agenda item no. 7).

13 Any other Business

None.

14 Date and Time of Next Meeting

The Date and Time of the next Board of Management Meeting was confirmed as Tuesday 7th June 2016, at Dumfries starting at 2 pm.

Board of Management

FRS17 Briefing Paper

1. Purpose of the Briefing Paper

The purpose of this report is to provide background to the presentation by Andrew Ewart, from Dumfries and Galloway Council, on the Local Government Pension Scheme and FRS17 implications.

2 Accounting for Pensions

The financial reporting framework which applies to the Scottish College Sector accounts for periods up to 31 July 2015 is UK Generally Accepted Accounting Practice (UK GAAP). A number of Financial Reporting Standards (FRSs) have been developed within UK GAAP, and the reporting for pension schemes is covered by FRS17 – Retirement Benefits.

The main requirements of FRS17 are:

- Pension scheme assets are measured using market values;
- Pension scheme liabilities are measured using a projected unit method and discounted at an AA corporate bond rate;
- The pension scheme surplus (to the extent that it can be recovered) or deficit is recognised in full on the balance sheet;
- The movement in the scheme surplus or deficit is analysed into:
 - The current service cost and past service costs, recognised in operating surplus
 - The interest cost and expected return on assets, recognised as other finance costs;
 - Actuarial gains and losses, recognised in the statement of total recognised gains and losses.

The College participates in two pension schemes, the Dumfries and Galloway Council Pension Fund and the Scottish Teachers Superannuation Scheme. Both of the pension schemes are defined benefit schemes, but as the College is unable to identify its share of the underlying assets and liabilities of the Scottish Teachers Superannuation Scheme, in accordance with FRS 17 the amount charged to income and expenditure annually is the amount of contributions payable for the period.

An actuarial valuation of the College's underlying share of assets and liabilities in the Local Government Pension Scheme is carried out annually in order to provide the information required for disclosure in the financial statements, and comply with FRS 17. The valuation at July 2015 showed a net scheme deficit of £5,219,000 which is included in the balance sheet, and the net FRS 17 charge to the income and expenditure account was £286,000 which includes a net service cost of £303,000 and a net return of £77,000.

3 Going Forward

The Scottish College sector is required to prepare the July 2016 financial statements in accordance with the International Financial Reporting Standards (IFRS) accounting standards. Under these standards the reporting of pension schemes is covered by FRS102. The accounting treatment for both pension schemes is broadly similar under FRS 102 as for the current FRS17.

Members are asked to note the key requirements of FRS 17 and accounting for pensions in the College financial statements.

Board of Management

Minute of meeting of the Board of Management of Dumfries and Galloway College held on Tuesday 15 December, 2015 at 1.30 pm in Room 2097 of the Dumfries campus

- Present:**
- | | |
|----------------------------|----------------|
| Brian Johnstone (Chair) | Barry Graham |
| Carol Turnbull | John Henderson |
| Delia Holland (Vice Chair) | Pat Kirby |
| Janet Brennan | Stuart Martin |
| Hugh Carr | Ian White |
| Ros Francis | Craig McGill |
- In attendance:**
- Jannette Brown, Secretary to the Board and Vice Principal Corporate Services & Governance
Andy Wright, Vice Principal, Learning and Skills
Helen Pedley, Director of Organisational Development and Facilities
- John Bowditch, HM Inspector Education Scotland
Karen Hunter, Finance Manager
Angela Pieri, Grant Thornton
- Ron Matthews, Police Scotland
Nick Smith, Grant Thornton
- Minute taker:** Caroline Donoghue, Executive Team Assistant

1 Welcome and Apologies

The Chair opened the meeting by expressing his sadness at the sudden death of Rob Shaw, Chief Executive of the Crichton Trust. Members wished to pass on condolences to his family and friends at this sad time

Apologies for absence were intimated on behalf of Karen McGahan, Julian Weir and Kenny Henry.

The Chair welcomed all to the meeting and in particular John Bowditch from Education Scotland, Ron Matthews from Police Scotland, Karen Hunter, Finance Manager, Angela Pieri and Nick Smith from Auditors from Grant Thornton.

The Chair confirmed that Janice Goldie has resigned from the Board of Management. The Chair gave thanks to Janice for all her work and contribution as a valued board member.

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

2 Declaration of Interest

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

3 Presentation by Ron Matthews, Police Scotland on PREVENT

Ron Matthews, a Terrorism Liaison Officer from Police Scotland, gave a presentation based on the Government's Prevent Strategy and its implications for the Board. It was noted that Jannette Brown, Vice Principal, represents the College on the local multi-agency committee. The College has developed an

action plan in response to the strategy to be considered later in the meeting. Mr Matthews will deliver WRAP training to all staff on 19 February 2016.

Ron Matthews left the meeting after his presentation.

4 2014-15 Financial Statements incorporating the Financial Review by the Board of Management

Angela Pieri from Grant Thornton tabled copies of the external audit annual report and spoke to the financial statements and report which had previously been issued. The purpose of the report is to provide an overview of the Annual Report and Financial Statements.

Ms Pieri asked members to note that the accounts covered a 16 month period from 01 April 2014 – 31 July 2015. Ms Pieri confirmed that the qualification which had been placed on the remuneration report has now been lifted and the unqualified accounts are now being presented to the Board for approval. The Chair gave thanks to the Auditors, the Vice Principal Corporate Services, the Finance Manager and Team and both Audit and Finance & General Purposes Committees for all their hard work in producing the accounts.

Members wished to note their objections, in the strongest terms, to the publication of personal financial information relating to the Executive Team, in remuneration report. The Chair agreed to highlight the Board's objections at the next Regional Chairs meeting.

Members noted the recommendations of the Audit Committee and the Finance and General Purposes Committee and approved the Financial Statements for signature by the Regional Chair and the Principal.

5 Presentation by John Bowditch, Education Scotland on Annual Engagement

John Bowditch spoke to the annual engagement report which was previously issued. He confirmed that the Education Scotland Annual Engagement visit in May 2015 looked at four areas:

- Learner Progress and Outcomes
- High Quality Learning
- Learner Engagement
- Quality Culture

Mr Bowditch confirmed that the visit was positive with a good report being produced with only one or two areas of issue for the College in particular student retention. He confirmed that the College was doing everything possible to address these issues and congratulated the College but acknowledged the retention issues still exist.

Mr Bowditch congratulated Board members on the support they continue to give the Executive Management Team of the College. The Chair thanked Mr Bowditch for the presentation.

Members noted the report.

There was a short recess to allow the Chair, Brian Johnstone and Principal and Carol Turnbull to sign the Financial Statements. John Bowditch, Karen Hunter and External Auditors left the meeting at this point.

6 Minute of Meeting held on 06 October 2015

The minute of previous meeting of the Board held on 6 October 2015 was approved.

7 Matters Arising

7.1 Internal Audit Plan 2015-16

The Vice Principal, Corporate Services and Governance, spoke to the report which had been previously issued. The Internal Auditors approach to developing the plan is based on analysing the College's corporate objectives, risk profiles and assurance frameworks as well as other factors affecting the College including changes within the sector. The Vice Principal reminded members that the internal audit plan is prepared following consultation and agreement with the College Executive Management Team. The Plan is approved by the Audit Committee.

The Chair commented that he was surprised board members were not involved in the recent audit regarding strategic and financial planning. The Vice Principal, Corporate Services and Governance, advised that the Auditors had gained the necessary evidence of the Boards involvement in strategic planning from board and executive team minutes. Only one recommendation has been identified following the audit - that minutes of strategic sessions be fully documented.

Members noted the report

8 Chair's Update

The Chair spoke to the report which had been previously issued. The purpose of the report is to update the Board of management on recent developments in the Further Education sector, the region as well as feedback from various meetings. There were no comments from members on the report.

Members noted the report.

9 Principal's Update

The Principal spoke to the report which had previously been issued. This is the second report to the Board for this academic year to update the Board on activities of the college with particular focus on the learners. Members noted the success of the recent Reablement event held within the college.

Members noted the report.

10 Student Association Update

In the absence of Julian Weir, Craig McGill, Vice President, spoke to the report which had previously been issued and also updated members on upcoming events at the Stranraer Campus.

Members noted the report.

11 Student Association Development Plan

The Vice Principal, Corporate Services and Governance, spoke to the report which had been previously issued. She advised that the plan had been developed with the assistance of the National Union of Students (NUS). The Student Association had adapted the framework from NUS on developing a sustainable Student Association. The plan will be embedded in the College's planning process and committee structure. Progress on the plan will be reported to the Learning and Teaching Committee.

Members noted the report.

12 Committee Minutes and Reports

12.1 Audit Committee Approved minutes of 22 September 2015

The Chair of the Audit Committee, Hugh Carr, spoke to the report which had previously been issued. He confirmed the private meeting held with the internal and external auditors was very encouraging and gave

good feedback regarding the management team and the Board. The Chair confirmed there was nothing to add to the minutes.

The Board noted the minute.

12.2 Finance and General Purposes Committee Annual Report 2014 – 15

The Chair of the Finance and General Purposes Committee, John Henderson, spoke to the report which had been previously issued. The Chair confirmed there was nothing to add to the report other than to highlight the ongoing deficit in the Financial Statements. The Regional Chair gave thanks to the staff and Finance and General Purposes Committee for all their hard work during the past year.

The Board noted the report.

12.3 Finance and General Purposed Approved Minutes: 07 October 2015

The Chair of the Finance and General Purposes Committee, John Henderson, spoke to the report which had been previously issued. The Chair confirmed there was nothing to add to the minute.

The Board noted the minute.

12.4 Learning and Teaching Committee Approved Minute: 16 December 2014

The Chair of the Learning and Teaching Committee, Delia Holland, spoke to the minute and confirmed there was nothing to add to them.

The Board noted the minute of the Learning and teaching Committee.

12.5 Human Resources Committee Annual Report 2014–15

The Chair of the Human Resources Committee, Stuart Martin, spoke to the report. The Chair highlighted two specific items in the report: staff who are on zero hours contracts enjoy the same terms and conditions as salaried staff within the College and the College has a below average staff turnover rate compared to the rest of the sector.

The Board noted the report.

12.6 Human Resources Committee Approved Minute: 26 May 2014

The Chair of the Human Resources Committee, Stuart Martin, spoke to the report and advised there was nothing to add to the minute.

The Board noted the minute.

13 Matters for decision

13.1 Strategic Risk Register

The Vice Principal, Corporate Services and Governance, spoke to the report which had been previously issued. She highlighted to the Board the increase in ratings in risk number five to reflect members' discussions around the lack of flexibility of the College to manage its finances for future estate developments. The Vice principal advised that the Audit Committee approved the register at their last meeting.

The Board noted and approved the Strategic Risk Register.

13.2 Board Development Plan

The Regional Chair spoke to the report which had been previously issued. To comply with the Code of Good Governance for Scotland's Colleges the Board of Management is required to keep it's effectiveness under annual review and have in place a robust self evaluation process, to this end the Board have

produced a draft version of the development plan which addressed all areas of board development, assessment, evaluation and training. The Chair proposed that the Selections and Appointments Committee be expanded to include all committee chairs and for members to consider if the name of the committee reflects the change in its remit.

After discussion, the Board agreed that the development of the Plan be remitted to the Selection and Appointments Committee and for the Plan to then come back to the full board for approval.

Craig McGill left the meeting at this point

13.3 *Annual Report 2014-15 on Institution led Quality review*

The Vice Principal, Corporate Services and Governance, spoke to the report which had been previously issued. All colleges in Scotland are required by the Scottish Funding Council to provide them with an annual report, endorsed by the governing body. The report provides the requested information under three key principles; learner progress and outcomes, high quality learning, learner engagement and quality culture. The Vice Principal advised that the report would be taken to the Learning and Teaching Committee in January to retrospectively review and discuss any improvements in layout and content for the 2015-16 report.

Although the Board acknowledged due to a timing issue the Learning and Teaching Committee had not had the opportunity to review the report prior to coming to the Board, it was stressed that it is important in future that the report is considered by the Learning and Teaching Committee before coming to the Board.

After discussion, the Board approved the report.

13.4 *Prevent Action Plan*

The Vice Principal, Corporate Services and Governance, spoke to the report which had been previously issued. The purpose of this report was to update members on the new duty placed upon the College in accordance with the Counter Terrorism and Security Act 2015.

Members considered and then approved the Prevent Action Plan

13.5 *Corporate Parenting Action Plan*

The Vice Principal, Corporate Services and Governance, spoke to the report which had been previously issued. The purpose of this report was to update members on the new duty placed upon the College in accordance with the Children and Young People (Scotland) Act 2014.

Members considered and then approved the Prevent Action Plan

Barry Graham left the meeting at this point

Pat Kirby left the meeting at this point

13.6 *Revised Budget 2015-16*

The Vice Principal, Corporate Services and Governance, spoke to the report which had been previously issued. The purpose of the report is to seek approval for revisions to the budget for the 2015-16 financial year. The revised budget has been approved by the Finance and General Purposes Committee. The budget was revised to incorporate a number of changes, but mainly to offset the reduction in Scottish Funding Council income. Members welcomed the additional column showing the changes from the budget approved in June alongside the revised budget with an explanation of the changes.

The Board approved the revised budget.

13.7 *Estates Strategy*

The Director of Organisational Development and Facilities spoke to the paper. The paper has been recommended for approval by the Finance and General Purposes Committee. The Director confirmed the

report would be amended as appropriate following discussions with stakeholders. Members congratulated the Director on a comprehensive report.

The Board approved the strategy.

13.8 Climate Change Action Plan

The Director of Organisational Development and Facilities spoke to the paper. The paper has been recommended for approval by the Finance and General Purposes Committee. The Director confirmed the report was based around a template created by the Carbon Trust. Members discussed and considered the report, no concerns were raised.

Members consider and then approved the Plan.

13.9 Procurement Strategy

The Vice Principal, Corporate Services and Governance, spoke to the report which had been previously issued. She confirmed this is the first separate Procurement Strategy document the College has produced at the recommendation of Advanced Procurement for Universities and Colleges (APUC) to set out a clear pathway for identifying and acting on improvements to ensure that best value is being obtained when goods and services are purchased.

Members considered and then approved the strategy.

13.10 Role of the Board Secretary

The Regional Chair gave a verbal report to the Board on the future role of the Board Secretary. Due to capacity issues within the Executive Team in the College, and a consideration of independence in the role of board secretary, the Chair recommended the recruitment of an external Board Secretary.

Members agreed that the Selection and Appointments Committee be remitted with taking this forward.

The Chair and members of the Board gave thanks to Jannette for all her work.

14 Matters for discussion

14.1 Key Performance Indicators

The Vice Principal, Corporate Services and Governance, spoke to the report which had been previously issued. The report gave an update to the board of where the College is at present with regards to their Key Performance Indicators. She highlighted to the Board that the change from WSUMS to Credits makes it difficult to make comparisons.

The Board Members considered and noted the report.

15 Matters for Information

15.1 Evaluation of Regional Outcome Agreement 2014-15

The Principal spoke to the report which had been previously issued. This report is required by the Scottish Funding Council on an annual basis. The Chair congratulated the Executive team for collating the information. The Board noted the duplication with other reports required by the Scottish Funding Council.

Members considered the report and noted the progress made.

15.2 National Pay Bargaining

The Principal addressed the Board with an update to the National Pay Bargaining situation. She confirmed the EIS have declared they are in dispute and are in favour of Industrial action which they intend to ballot their members for. UNISON intends to recommend the revised pay offer to their members.

Members noted the situation

15.3 *Colleges Scotland Submission to Scottish Government Spending Review*

The Principal spoke to the report which had been previously issued. The purpose of the report was to update members on the Spending Review submission made by Colleges Scotland on behalf of the Sector.

Members noted the report.

16 Any Other Business

None.

17 Date and Time of Next Meeting

Next full board meeting - 8 March 2015 @ 2pm

Xmas dinner in Zest @ 6:30pm

Next full board meeting - 8 March 2015 @ 2pm

Regional Outcome Agreement Workshop - January 2016 (exact date to be confirmed)

All staff session - 19 February 2016 (consultation on Regional Outcome Agreement)

Board of Management

Report to the Board by the Regional Chair

1 Introduction

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

2 Colleges Scotland

2.1 Discussions and correspondence among Board Members on various issues, with most significant being Sector Funding Model and Delivery Framework, and Pay Awards including National Bargaining.

Additionally, information on outcome of Scottish Government Draft Budget and Spending Review 2016-17, and on Senior Management income were shared.

Colleges Scotland also shared 'key messages/lines to take' which I have attached to this report. Hopefully Board members will find these helpful.

2.2 There has been one Colleges Scotland Board meeting on 28th January 2016. Discussions included: The review of the Code of Good Governance, National Bargaining and Student Support Funding Review.

2.3 Colleges Scotland has issued a paper to Scottish Government and MSPs on Arms Length Foundations.

3 Sector

3.1 The Chief Executive of CDN, Joe Wilson has moved to a new job. Candy Munro has been appointed interim Chief Executive at CDN. I attended CDN AGM on 28th January 2016.

3.2 I attended an excellent Board Induction Workshop and Training Day, organised by CDN on 11th February 2016. I know a number of colleagues have attended and I would strongly encourage others to attend similar events.

4 Regional Business

4.1 A number of ongoing discussions and correspondence with Stakeholders and Community Planning Partners in the areas of employability, links with businesses and DYW. I was pleased to be able to confirm that Carol, our Principal is now Chair of D&G Employability Partnership.

Board of Management

4.2 I met with Alistair Marshall, Vice Chair of SRUC Board, in college, where I was able to show him our facilities and provide details of our courses.

4.3 I attended the CCLG meeting in the college on 21st January 2016.

4.4 I attended the Launch of Regional DYW Group with Chamber of Commerce, DGC and Annabelle Ewing, Minister from Scottish Government at Dumfries Timber Headquarters.

4.5 I attended College Remuneration and Board Development Committee meetings.

4.6 I attended various meetings with the Executive Team, Vice Chair and Education Scotland Reviewer as part of the college's recent Education Scotland Review.

4.7 I met with Rona Gunnell and Drew Easton to discuss Construction students' involvement in Historic Church Buildings renovation work contract.

4.8 I attended the Board Strategic ROA Session on 2nd February 2016.

4.9 I attended a meeting with Carol, our Principal, and Brian Richardson, Chief Executive of Chamber of Commerce to discuss DYW Regional Group.

5 Recommendation

5.1 It is recommended that the Board note the contents of this report and feedback any comments to the Regional Chair.

Brian Johnstone
Regional Chair
March 2016

Key Messages/Lines to Take – February 2016

Scotland's colleges:

- contribute positively to the delivery of sustainable vocational and higher education provision for the benefit of students in their career choices
- support Scottish Government priorities and contribute to Scotland as a nation, the economy, our communities and individuals
- widen access and achieve greater fairness and equality in the education sector
- deliver high quality education
- provide high value in return for the public investment in the sector. An independent [study](#) on the economic value of Scotland's colleges, looking at both the investment analysis and an economic impact analysis, showed that for every £1 invested in Scotland's colleges £6.30 is returned to society and that colleges reap £14.9 billion for the Scottish economy each year (representing 8.8% of the total economic output of the nation).

Reaction to Spending Review

We see the flat cash funding for the college sector in 2016/17 at current levels, announced as part of the draft Scottish budget on 16 December 2015, as a vote of confidence in the sector and a strong recognition of the valuable work that colleges deliver for the benefit of students, business and communities across Scotland. Whilst it is acknowledged that this will still mean that colleges need to make critical financial decisions, given the current public sector finance environment and the real term cuts faced by other educational stakeholders, a 'flat-cash' settlement for the sector is considered a good outcome.

Student Support Funding

We support the implementation of a standard and fair system for student support funding. Nobody should be financially worse off by attending college than they would be on benefits and we fully support measures to improve student support to ensure that all students can attend college, regardless of their personal circumstances or background. However, too many students find themselves on different levels of support depending on a wide range of factors. Colleges are doing everything they can to support students through funding and advice, despite very limited financial resources. The current system of student support needs to be changed to ensure that fairness and transparency is at its heart and everyone can access the funds they need in good time. The in-year re-allocation of funds is expected to be announced at the end of January 2016.

National Bargaining

Progress continues to be made to reintroduce National Bargaining to the sector following an absence of over 20 years. The 2015/16 pay offer includes the living wage for all directly employed staff, 1% consolidated pay increase, or £300 for employees earning less than £30,000. This offer exceeds public sector pay policy and the support staff trade unions have confirmed their acceptance of this offer.

2015/16 should be seen as a transitional period and it is therefore disappointing that the EIS have rejected the reasonable pay offer by conflating this with their claim for harmonisation. We recognise that discrepancies in pay and conditions do exist but these cannot be addressed overnight, and we will continue to work with the Trade Unions to reduce differentials in pay and conditions of service. We estimate that the additional funds required to standardise pay and conditions of service would be in the region of £35m.

Workforce for the Future

It is important that colleges have the capacity to deliver the type of learning that society, the economy and individuals will seek in the future – learning that is increasingly personalised and flexible, increasingly assisted by and delivered by sophisticated interactive technologies, and (of course) tailored to employers' requirements and in line with students' preferences, needs and aspirations.

Creating a fit for purpose, cost effective and professional workforce to meet the needs of the college sector in the future is a challenging and extensive project. It is also inextricably linked to National Bargaining and the Trade Union claim for harmonisation, therefore it follows that to deliver both the Employers and Trade Union Side agenda, negotiation of a new flexible contract is required. Colleges Scotland, as the Employers' Association, has developed and scoped that piece of work which will now be developed into a detailed work and project plan due for completion in March 2016. We anticipate that to deliver and fully implement this flexible contract, funding will be required.

Historical Severance Payments

What happened at Coatbridge College in 2014 is unacceptable and undermines the very valuable contribution that colleges make to society every day across the length and breadth of Scotland. We are confident that processes are now more robust and this sort of incident will not be repeated.

Post-study Work Visas

We are supportive of the re-introduction of post-study work visas for international students. These visas allowed recent international graduates to work or set up businesses in the UK for 24 months after graduation, which retained skilled and educated graduates who contributed to the Scottish economy. We will continue to work with the Scottish Government to make the case to the UK Government with the aim of achieving a change in this policy, for the benefit of students and the economy.

Equality and Widening Access

Colleges have a strong track record in helping students from a wide range of socio-economic backgrounds and assisting those who are furthest from the labour market gain additional skills which help them into jobs.

Colleges are responding positively to government policies and to the recommendations of the Commission on Widening Access by lowering the barriers to entry to further and higher education for disadvantaged groups. Colleges are actively involved in a variety of programmes, working in partnership with universities, to provide opportunities for those wishing to achieve a higher education. The [interim report](#) of the Commission for Widening Access identifies positive aspects of the work of colleges in overcoming disadvantage.

Closing the Attainment Gap

We believe that colleges are uniquely placed to make a real difference to attainment levels in Scotland. Colleges work in partnership with schools, local authorities and other agencies to provide highly effective 'alternative curriculum' provision for young people in schools at risk of disengaging and non-attenders. These include programmes designed to develop core and personal skills and a variety of experiences that build relationships with disengaged young people and begin to bring the college environment, and learning itself, within their comfort zone.

We support the intention of the *Developing the Young Workforce (DYW) Scotland's Youth Employment strategy* to ensure that vocational pathways are seen as equally desirable routes to a successful career in employment. Many school-college partnerships offer exposure to learning in a workplace setting, helping young people to make an informed choice about vocational or academic routes and this will impact positively on attainment for all.

Board of Management

Principal and Chief Executive Report: January – March 2016

1 Purpose of the Report

This is the third (normally quarterly) report to the Board for academic year 2015-16 to provide Board members 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 *Regional Outcome Agreement – Progress against targets*

A six-monthly update is provided under a separate agenda item.

2.2 *Applications for 2016-17*

Applications for next session appear healthy at the moment, with 1600+ on the system. Applications for Stranraer are higher than previous years at this stage in the application process.

2.3 *Evening Classes*

The recreational courses are going well. The Fine Art, Pottery, Beginners Spanish and Furniture Upcycling are still proving popular. New courses this year include Spanish at level 1 and 2 which provide progression from the beginners courses, Patchwork Quilting, Cooking Masterclasses, and Introduction to Photography have all just started at Stranraer campus.

2.4 *Learner Activity Highlights*

The first of a series of workshops in the new MakLab in Dumfries was attended by Art and Design students and staff.

Stranraer Beauty student Karen Hughes won 2nd place at the Association for Hair and Therapy 2016 competition for her Body painting which was a 'Las Vegas' theme.

Kerr Inger from Stranraer took part in a Young Chef competition organised through the Rotary Club. Unfortunately Kerr wasn't placed but said he enjoyed the experience and learned a lot.

Over 100 primary school children participated in the Regional Sports Final at the College which was supported by learners on College Sports programmes.

BBC Make it Digital traineeship programme began in February 2016 involving both the Employability and Business and Computing teams from the College.

Zest received an 'Eat Safe' Award recently for promoting Excellence in Food Hygiene.

Board of Management

Learners from Kirkcudbright Academy on one of the Motor Vehicle Maintenance programmes visited Crossflags Motor Company in Dumfries where they learned about the 'wider' employability skills required – customer care, IT etc. as well as seeing the garage area.

Staff from Basement 20 Hairdressers (some are ex learners) worked with the Higher Hairdressing learners to create a Heritage look, following on from the learners creating mood boards. Four learners were selected from this event to create the look in Basement 20 with the Creative Directors. The whole class will be getting an opportunity to work for a day in Basement 20.

2.5 Employer Engagement & DYW

The Creative Industries Business Strategy Group met at the College in January to look at Employability and Skills, including a presentation from Iain Hawker on the external environment such as the Regional Outcome Agreement priorities, Regional Skills Assessment and Scottish Funding Council directives and the impact these have on Curriculum Planning.

An Employer Speaker programme is underway in the Faculty of Business, Computing and Creative Industries.

The Reablement Qualification, designed by the College in partnership with National Health Service and Dumfries and Galloway Council is fast gaining recognition as being a sector leader. The Faculty team are progressing discussions with Wallacehall Academy to deliver this as part of senior phase, a cohort of approximately 20 STARS staff are about to begin the programme and a plan to deliver Reablement awareness training across the region to 1750 staff in the NHS; Council and Third sector services is currently being developed.

Worcester Bosch delivered upskilling training to British Gas Engineers in the College Energy Centre using equipment donated to the College.

A number of full time learners from the Construction Technician Programme have successfully moved into full time employment and this has brought some changes to the course delivery model. The Unit relating to project management is now delivered in the training facility at the New Hospital site with significant input from Laing O' Rourke project managers.

The Engineering team are engaged in a STEM project aimed at 8-18 year olds designed to encourage young people to consider a career in engineers. 'Bloodhound' is the car which is currently under construction in the UK build to take world land speed record to 1000MPH

<https://www.youtube.com/user/1050mph> The College will work with school partners in building and running the rocket cars (probably in the College car park).

Board of Management

As a result of the success of the partnership working between the Council and the Business Development team in delivering Council Modern Apprenticeships last year, 41 candidates have enrolled on the Business and Administration Vocational Qualification and another 10 are about to start. Another information evening is planned for 22 March and, to date, 40 people have expressed an interest in attending, 24 of whom are from the NHS.

Hospitality Learners at Dumfries Campus, in partnership with the Fairtrade Foundation, have organised a 'Sit down for breakfast, stand up for farmers!' event in March that will include interaction with both students and staff. The event's purpose is to allow industry professionals and potential employers, to interact with staff and students and gain a better understanding of the opportunities and expertise that is available in the region.

Various visits/speakers from the Food and Drink Industry have been arranged.

An event is planned for young people interested in finding out more about Construction and Engineering Trades. This has been promoted in the schools, Job Centre Plus, Skills Development Scotland and other training providers.

Through the Employability Fund a Sector based Work Academy course is currently being delivered for Marston's at Lockards Farm. This is the second course the college has delivered for Marston's, two people from the original course are now in promoted posts and are key members of staff within the team.

Finally, a quote from the most recent Skills Development Scotland 'Dumfries and Galloway refreshed Skills Assessment 2015 – 'Employers regard 91% of College leavers in Dumfries and Galloway as being well or very well prepared for work. This is 13% above the Scottish average'.

2.6 Staff News

Head of Business, Computing & Creative Industries Faculty, Iain Hawker and Curriculum Leader Duncan Gillespie visited North Lanarkshire College in February to see their computing department and to explore how they could share good practice and learn from each other on delivery models, resources, progression routes and learning and teaching practice. Following the day a return visit to Dumfries to look at our Quality Approval Systems and unique e-skills lab layout has been agreed.

Two members of staff from the Engineering team have been trained to manage the Bloodhound project.

In recognition of their excellent achievements, staff delivering on the Princes Trust programmes have been invited to a garden party in Buckingham Palace to celebrate 40th anniversary of the Princes Trust. The Garden Party will be hosted by Prince Charles.

Board of Management

2.7 Education Scotland Review

Education Scotland presented their 'provisional' findings of their external review which results in judgements of **effective** or **limited effectiveness** or **not effective** that express the external review team's overall evaluation of high quality learning, learner engagement and quality culture.

The (provisional) overarching judgement is that:

Dumfries and Galloway College has in place effective arrangements to maintain and enhance the quality of its provision and outcomes for learners and other stakeholders. This judgement means that, in relation to quality assurance and enhancement, the college is led well, has sufficiently robust arrangements to address any identified minor weaknesses, and is likely to continue to improve the quality of its services for learners and other stakeholders.

The review team highlighted a number of examples of good practice and some examples of excellence (Reablement Qualification, Learning and Teaching Mentor process and the Overhead Lines Technician courses) which they will consider further, as well as identifying some areas that need further improvement (Strategies to improve retention; Improved arrangements for class representation and effective Self Evaluation arrangements).

One of the Main Points For Action from our previous review in 2012 was '**... further development of approaches to improve planning high quality learning and teaching**'. This time round, they reported that 'almost all' (which is over 90%) learning was well planned with good use of ICT and learners engaged in the lesson, and they felt the Learning and Teaching mentoring process has contributed to that improvement. They also commented that Support functions were very good, team working across the college was strong, learners and staff relationships are very good, and that it appears to be a 'happy place' to work and study.

Next Steps:

A draft report will be sent to the Principal, week beginning 29 February for an accuracy check and the full report will be published on the Education Scotland website on 8 April 2016. The lead Reviewer Andrew Brawley will report on their findings to the Board of Management at their June Board meeting.

3 Recommendation

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

Carol Turnbull
Principal and Chief Executive Officer
March 2016

Board of Management

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

1 Introduction

The purpose of this report is to update the Board of Management on recent developments in the Students' Association.

2 Events/Training

National Union of Students [NUS]

Student Partnerships in Quality Scotland [sparqs]

NUS Training – February 2016

President attended the oversight and direction group in February. This is a group that the president sits on with representation from Dumfries and Galloway College Students Association, New College Lanarkshire and Ayrshire College students' associations. The group also has members from Scottish Government, Education Scotland, NUS and sparqs. During this meeting the focus was on future funding for students' associations and further development of the framework for the development of strong and effective students' associations in Scotland.

NUS have recognised the work done by Dumfries and Galloway College Students' Association and have recommended that we submit a nomination describing the work we have done. We have submitted an entry in to the Student Opportunities Category. The results will be announced at the upcoming Conference in March at Dundee.

3 Student Association Events

Wear Red Day

As Dumfries campus has chosen British Heart Foundation as a charity of the year, they held a wear red coffee morning and added more donations to the annual total.

LGBT

The president continues to work with LGBT Youth programme on the charter of rights.

Class Rep Volunteering Award

Working in partnership with the Quality Department, the president continues to work with the class reps with regards to updates on their progression on the volunteering award. Students have signed up for this opportunity and are working towards gaining the first level offered. During 22nd -26th February, the students' association invited volunteering organisations such as food train, Shelter, MS Society and Project Scotland to attend college to provide information for volunteering opportunities.

4 Education Scotland Student Satisfaction/Learner Voices

The students' association carried out 26 focus groups and gathered online information from the remainder of the classes. This provided the information requested by Education Scotland in preparation for the Review on the 8th – 10th February.

5 Executive Officer Training

The Development Officer has completed 1:1 sessions with all executive officers. This has been valuable to determine the needs of the executive team and help with forward planning.

6 Students' Association Elections

A meeting has been arranged to work with NUS Development Consultant to review the students' association constitution and election process. Elections are planned to take place by the Spring Break. We appreciate that the funding for next session has not been released to colleges at this stage, but we are currently preparing our recommendation for the future funding of the students' association. We would appreciate some guidance on the thoughts of board to the future status of the students' association.

Board of Management

7 Attendance at Meetings

The President continues to attend various meetings, including:

- Executive Team meetings
- Oversight and Direction group with Scottish Government, SFC, NUS, SPARQS and Education Scotland
- Meetings with NUS
- Meetings and trainings with sparqs

8 Moving forward

- 8.1 Students' Association will be represented at NUS Scottish Conference in March
- 8.2 Student Partnership Agreement to be drawn up with the support of sparqs staff.
Workshop planned for April 2016
- 8.3 Continuing training and team building events for officers
- 8.4 Continue work on Volunteering Award offered to student executives and class reps who work in partnership with SA.
- 8.5 Continue working in partnership with sparqs and NUS to access training, campaigns and events

9 Recommendation

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

Jules Weir
President
Students' Association

February 2016

NUS – National Union of Students
sparqs – Student Partnerships in Quality Scotland
SFC – Scottish Funding Council
LGBT – Lesbian, Gay, Bisexual & Transgender

Board of Management

Minute of Meeting of the Human Resources Committee of the Board of Management of Dumfries and Galloway College held on Tuesday 06 October 2015 at 11.30 am in Room 2009

Present: Stuart Martin (Chair) Janet Brennan
Carol Turnbull Ian White

In attendance: Jannette Brown, Secretary to the Board and Vice Principal Corporate Services & Governance
Helen Pedley, Director of Organisational Development and Facilities

Minute taker: Caroline Donoghue, Executive Team Assistant

1 Apologies for Absence

There were no apologies received

2 Declaration of Interest

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

3 Minute of Previous Meeting

The Minute of meeting from 26 May 2014 was approved by the previous Chair at a meeting of the Human Resources Committee, which was incorporated into a full Board of Management meeting held on 3rd March 2015.

4 Matters Arising

There were no matters arising

5 Directors Annual Report

Helen Pedley, Director of Organisational Development and Facilities spoke to the report, which had been previously circulated.

Members noted there are no amendments to policies and procedures affecting Human Resources matters for the Human Resources Committee to consider.

The Director of Organisational Development and Facilities informed the Committee that the College has been working towards removing all zero hours contracts for its staff. This will not be completely possible due to some staff only being employed during exam time as Invigilators or some work based assessors. She did, however, confirm that all staff on zero hours contracts received the same terms and conditions as all salaried contracted staff.

The Director of Organisational Development and Facilities advised that she intends to review the exit interview and questionnaire procedure during the coming year. Janet Brennan agreed to meet with the Director with any changes that could be made.

The members noted there were no disciplinary hearings during the session and only one grievance hearing which was in relation to a probation period and the grievance was partially upheld.

There was one request from support staff for re-grading and remains ongoing.

Members noted the report

Action: Director of Organisational Development and Facilities to meet with Janet Brennan regarding the exit questionnaire.

6 Draft Human Resources Strategy

The Director of Organisational Development and Facilities spoke to the report, which had been previously distributed. The Director of Organisational Development and Facilities wanted to present the report in its draft form to give the Committee an idea of how the Human Resources strategy for the College would look like. The document may change once complete and will be presented at a special meeting of the Human Resources Committee to approve the report before it goes to the Board.

The Director of Organisational Development and Facilities also confirmed that she is working on a workforce plan which will identify all the key areas whereby the age profile of all staff across the departments, succession planning and any recruitment issues which will run in conjunction the Strategy which will address the high turnover of staff which is likely over the next 5 years.

Members noted the draft report.

Action: To convene a meeting of the committee in December to consider the final Human Resources strategy.

7 Sickness Absence Report 2014-15

The Director of Organisational Development and Facilities spoke to the report. During 2014 – 15 the sickness / absence level was 4.37% throughout the year. There are no statistics available for the whole sector. On average it equates to 7.5 days lost per person which is below the public sector level of 9.6 days per person lost. Where stress or anxiety is stated as a

reason for the absence, Occupational Health support is requested automatically. Staff have given good reports of the assistance given from Occupational Health through feedback.

Members noted the draft report

Action: Director of Organisational Development and Facilities to contact the Occupational Health department to question the content of the Health Survey given to staff with regards to the amount of personal information which is asked to be disclosed.

8 Staff Development 2014-15

The Director of Organisational Development and Facilities spoke to the report. The purpose of the report is to provide the Human Resources Committee with a summary of the staff development initiatives across the College during the academic session 2014 – 15

The Learning and Teaching Mentors are now in place throughout the College and are proving very successful with positive feedback coming from staff

Members noted the report

9 National Bargaining / Union Engagement

Director of Organisational Development and Facilities addressed the Committee with an update on recent National Bargaining policy and procedures. Up until recently the College negotiated with unions on a local level, these negotiations are now being held on a national basis.

Members noted the update

10 Any Other Business

There was no other business noted

11 Date and Time of Next Meeting

The next meeting date and time will be confirmed, once diaries have been checked.

Board of Management

Minute of meeting of the Learning and Teaching Committee of the Board of Management held at the Dumfries Campus on Tuesday 27 October 2015 from 2.00 pm in Room 2009.

Members present: Delia Holland (Chair) Carol Turnbull (Principal)
John Henderson Ian White

Faculty representatives: David Denholm Jim Maginess
Peter Woods Lorna Carr

In attendance: Andy Wright, Vice Principal (Learning and Skills)
Jannette Brown, Secretary to the Board and Vice Principal Corporate
Services & Governance
Brian Johnstone (Regional Chair)

Minute Taker: Caroline Donoghue, Executive Team Assistant

1 Apologies for Absence

Apologies for absence were intimated on behalf of Barry Graham, Craig McGill, Kenny Henry and Julian Weir

2 Declaration of interest

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

3 Welcome

The Chair welcomed everyone to the meeting, in particular recently nominated faculty staff members Lorna, Jim, David and Peter. The Chair also welcomed Brian Johnstone, Regional Chair.

3.1 Delia Holland, Chair, Learning and Teaching Committee - Update

The chair addressed the meeting to update members on the positive joint Board of Management meeting with Borders College held at the College on 21 October 2015.

A number of examples where the curriculum has been designed to meet the needs of the Region was highlighted, in particular the outcome of the College working with Laing O'Rourke, main contractors for the new hospital, who identified a skills gap for construction technicians. The College has now developed a programme to meet this need. It was also discussed the important role colleges play as drivers for change where they offer a building block approach to learning which improves access to education and offers an alternative route to university.

It was agreed that as the only two rural FE colleges covering the South of Scotland, the Colleges should work together to influence the Scottish Government on the challenges faced by rural colleges.

Board of Management

A positive outcome from the joint meeting was that the Principal of each college would work with the Policy Lead from Borders Council to prepare a report for Scottish Government on the challenges faced by the South of Scotland.

Ian White reported that he found the meeting interesting and very positive.

The Chair then invited Brian Johnstone, Regional Chair, to provide the committee with an update on the sector.

3.2 Brian Johnstone, Regional Chair

The Regional Chair then addressed the committee and shared a number of matters he has been involved in.

Regional Chairs across the sector had been consulting with Scottish Funding Council on their strategic plan which was published in May 2015.

There had been a proposal by the General Teaching Council (GTC) for College lecturer's professional standards to be agreed by the GTC. However, following a review it was agreed that the sector would continue to set its own professional standards.

The Regional Chairs were continuing to work with Scottish Government teams on the five Change Themes on Developing the Young Workforce, highlighting the important role colleges' play and the need for appropriate funding. The Chair advised the committee that the bid for funding submitted by Developing Young Workforce regional group working closely with the Chamber of Commerce and Dumfries and Galloway Council, was looking very positive.

The Principal confirmed that the Board of Management have been given many good examples of changes made to teaching methods and accommodation as a direct result of Developing the Young Workforce initiative.

4 Minute of Previous Meeting

The Minute of the Learning and Teaching Committee held on 16 December 2014 was approved. It was noted that the last meeting of the committee formed part of the full board meeting held on 21 April 2015 and was recorded in the Board minute of that date.

5 Matters Arising

There were no matters arising.

6 Student Support and Guidance Report

The Vice Principal, Corporate Services and Governance, spoke to the report which had been issued. The Vice Principal stated that the purpose of the report was to highlight to the committee the diverse range of support offered to students at the college and also give a sense of the issues the support team have to deal with on a day to day basis. The Principal confirmed there is currently a review of the funding for extended learning support taking place by the Scottish Funding Council, who will be

meeting with college staff shortly as part of that review. The Committee discussed the contents and complimented the Principal and staff on the comprehensive service offered to students.

The committee noted the report.

6 Internal / External Moderation Report 2014 - 15

The Vice Principal, Corporate Services and Governance, spoke to the report which had been issued. The Vice Principal stated that the contents of the report indicate that the moderation system, the heart of the College quality assurance system, is effective. The moderation system is where the College gets assurance on the quality of learning, appropriate student assessments and that staff decision comply with awarding bodies. The committee felt they would like to gain a better understanding of the moderation system and requested a presentation to aid their understanding at a future meeting.

The Committee noted the report

Action: A presentation on Moderation will be prepared for a future Learning and Teaching committee meeting

7 SFC Students Satisfaction Engagement Survey 2014-15

The Vice Principal, Corporate Services and Governance, spoke to the report which had been issued. The Vice Principal explained to the committee that the College was working the Scottish Funding Council to pilot this survey. Although the number of students taking part in the survey was low (only 146) the results were encouraging in that a very high percentage noting they either agreed or strongly agreed with the statements in the survey.

The committee noted the report

8 Learner Voices Review 2014-15

The Vice Principal, Corporate Services and Governance, spoke to the report which had been issued. Members noted the Self Evaluation Wheel was mentioned frequently by students. The Vice Principal, Learning and Skills, confirmed the Self Evaluation Wheel is still evolving and updated where necessary. The committee was keen to be kept updated on progress on the self evaluation wheel.

The committee noted the report.

9 Complaints Statistics

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

The committee noted the report.

10 Education Scotland Annual Engagement Report

The Vice Principal, Corporate Services and Governance, spoke to the report which had been issued. Members were advised that this report was compiled by Education Scotland following the annual engagement visit to the College. John Bowditch, HM Inspector with Education Scotland will attend the Board of Management meeting in December to present the report. The committee were reminded that the College will be reviewed by Education Scotland in February 2016. Members congratulated the College on a positive report.

The committee noted the report.

11 Student Association Development Plan

The Vice Principal, Corporate Services and Governance, spoke to the report which had been issued. The Vice Principal advised that the College has been charged with developing a sustainable Student Association. This session for the first time, the College has a full time President, Julian Weir, and 2 part-time Vice Presidents. The Student Association followed the framework developed by National Union of Students (NUS) in preparing the development plan. The committee is keen to be kept updated on progress.

The committee noted the report

12 Vice Principal (Learning and Skills) Update

The Vice Principal, Learning and Skills, spoke to the report which had been issued. The Committee discussed the contents and acknowledged the range of issues behind the Performance Indicators.

The Committee commended and noted the report.

13 Any Other Business

The Vice Principal, Learning and Skills advised the committee that the College has been shortlisted for three Princes Trust Awards. The Committee congratulated the College on achievement and wished them well at the final event.

Peter Woods advised the Committee he attended the Scottish Learning Festival and would like to highlight to the committee the interesting reports on the Education Scotland website from the Festival. The Education Scotland website address is

<http://www.educationscotland.gov.uk/slf/slf2015/slfhighlights.asp>

14 Date and time of the Next Meeting

The next meeting of the Learning and Teaching Committee will take place on 19 January 2016 at 2pm

Board of Management

Minute of the Meeting of the Finance and General Purposes Committee of the Board of Management of Dumfries and Galloway College, held on Tuesday 08 December 2015 at 2.00 pm in Room 2009, Dumfries campus.

Present: John Henderson (Chair) Karen McGahan
Kenny Henry Carol Turnbull
Ros Francis

In attendance: Brian Johnstone, Regional Chair Karen Hunter, Finance Manager
Jannette Brown, Secretary to the Board and Vice Principal Corporate Services & Governance

Minute Taker: Caroline Donoghue, Executive Team Assistant

1 Welcome and Apologies

The Chair welcomed members to the meeting. There were no apologies received for absence.

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

2 Declaration of Interest

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

3 Minute of Previous Meeting

The Minute of the Finance and General Purposes Committee held on 07 October 2015 was approved.

4 Matters Arising

4.1 Insurance

The Vice Principal, Corporate Services and Governance, spoke to the report which had been issued. She advised members of the outcome of the recent tender exercise for insurance and insurance services. The College secured the services of Advanced Procurement for Universities and Colleges to assist them in the tendering process. Members were asked to note that Zurich Municipal has been awarded the contract for the period 01 August 2015 to 31 July 2018 at a saving of £2,518 over 3 years.

Members noted the report.

4.2 Part-Time Course Costing Model

The Vice Principal, Corporate Services and Governance, spoke to the report which had been issued detailing the course costing model operated by the College. The model allows for a % contribution to

Board of Management

college overheads and allows for flexibility to consider a number of factors before determining the final fee such as:

- Is this fee in line with the market?
- Can the market take a higher fee?
- Is this the first time we have run the course (it's a pilot)- consider a reduced group size or reduced the fee to the student
- Is this the first time working with a specific employer / sector – consider a reduced fee in spirit of partnership working and volume of future business

Members discussed and noted the report.

4.3 Estates Project Update

The Director of Organisational Development and Facilities spoke to the report, the purpose of which was to update the Committee with an update on Facilities developments and Health and Safety. The Director gave an overview of all completed projects and those which are to be completed before the end of session 2015-16. The Director also confirmed that the College has employed the services of a health and safety consultant who is reviewing the College's procedures in relation to health and safety.

Members noted the report.

5 Estates Strategy

The Director of Organisational Development and Facilities spoke to the paper which had been issued. The purpose of the paper was to provide the Finance and General Purposes Committee with an opportunity to comment on the draft Estates Strategy before the Strategy is presented to the Board of Management for approval. The Director confirmed this was a live report and after discussion members congratulated the Director on a comprehensive report.

Members approved the report which will now be presented to the Board of Management for approval at its meeting on the 15th December 2015.

6 Climate Change Action Plan

The Director of Organisational Development and Facilities spoke to the paper which had been issued. The purpose of the paper was to provide the Finance and General Purposes Committee with an opportunity to comment on the Climate Change Action Plan before the Plan is presented to the Board of Management for approval. The Director confirmed the report was based around a template created by the Carbon Trust. Members discussed and considered the report, no concerns were raised.

Members approved the report which will now be presented to the Board of Management for approval at its meeting on the 15th December 2015.

Board of Management

7 Financial Statements 2014 - 15

The Vice Principal, Corporate Services and Governance, and the Finance Manager spoke to the report which had been issued. The Vice Principal confirmed that the qualification which had been placed on the remuneration report had been lifted. The Finance Manager provided an overview of the Annual Report and Financial Statements for 2014-15. After discussion an amendment to some of the narrative was agreed. The amended copy would be submitted to the External Auditors. The members congratulated the Auditors, the Finance Manager and her team for all their hard work.

After narrative amendments, members recommended the Financial Statements to the Board for approval at its meeting on the 15th December 2015.

8 Financial Update

The Finance Manager spoke to the report which had been issued. The report is an update for the committee on the income and expenditure up to the end of September 2015. The Finance Manager reminded members that the accounting period has reverted to a July year end with the current period ending on 31 July 2016.

Members noted the report.

9 Revised Budget

The Finance Manager spoke to the report which had been issued. The purpose of the report is to seek approval for revisions to the budget for the 2015-16 financial year. The budget had previously been approved by the Committee and the Board. The review has been necessary because of European Funding income that the College will now not receive. Members felt that the figures in this report should show a comparison between the Budget approved in June alongside the revised budget with an explanation of the differences. The Finance Manager agreed to update the report with these changes before submitting the report to the Board for approval.

Members noted the amendments to the revised budget and will now be presented to the Board of Management for approval at its meeting on the 15th December 2015.

10 Procurement Update

The Finance Manager spoke to the draft procurement strategy which had been issued. She confirmed this is the first Procurement Strategy the College has produced at the recommendation of Advanced Procurement for Universities and Colleges (APUC). It sets out a clear pathway for identifying and acting on improvements to ensure that best value is being obtained consistently when goods and services are purchased. Members were asked to consider the draft strategy and feedback on any inclusions they deem necessary.

Members noted a comprehensive strategy. The committee recommends the strategy to the Board of Management at its meeting on the 15th December 2015.

Board of Management

11 Aged Debt Report

The Finance Manager spoke to the report which had been issued. The report was a breakdown of all aged debt balances up to 31 October.

Members approved the write-off of balances totalling £2,106.79.

12 Cash Flow Forecasts

The Finance Manager spoke to the report which was issued. The purpose of this report is to present the updated 2015-16 Cash Flow forecasts to the Committee and highlight the key aspects for review.

Members noted the report and complemented the Finance Manager on a comprehensive report.

13 National Pay Bargaining Update

The Principal gave an update to the meeting with regards to the National Pay Bargaining. There has been no change to the situation since the last update given. No new meetings have been held since 19 November.

Members noted the update.

14 Any other business

The Finance Manager spoke to the tabled management accounts for November 2015. This report had already taken into account the changes to the budget discussed earlier in the meeting.

After discussion, the Chair of the Committee, John Henderson, expressed a desire to have monthly management accounts submitted to him for information purposes rather than wait until committee meetings. The Vice Principal, Corporate Services and Governance asked the Chair if he had any concerns regarding financial management particularly given the various assurances from external and intern audit. The Chair explained that he would like monthly reports and didn't see that this would be an onerous task as the executive team monitored the figures on a monthly basis. The Principal stated that she did not understand why the Chair felt it was necessary to receive this report monthly and that given there are not issues with financial management saw monthly monitoring as an operational matter.

The Principal agreed to provide the Chair with a copy of the monthly accounts up until the next Finance and General Purposes committee.

15 Date and Time of Next Meeting

The next meeting of the Committee would take place on Tuesday 01 March 2016 at 2pm

Board of Management

Minute of the Meeting of the Remuneration Committee of the Board of Management of Dumfries and Galloway College held on Monday 28 April 2014 at 13:00 in Room 2009.

Present: Brian Johnstone (Chair)
Delia Holland
John Henderson

In attendance: Carol Turnbull, Principal
Jannette Brown, Secretary to the Board

1 Apologies for Absence

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 Remuneration Committee held on 25 March 2013 was approved.

4 Matters Arising

None

5 Appointment of Regional Chairs

The Secretary to the Board spoke to the report which had been distributed. She highlighted the appointment of twelve chairs and the remuneration rates for each region. The committee noted the report.

6 Staff Pay Award 2013-14

The Principal spoke to her report which had been distributed. The Principal updated members on the outcome of the Joint Negotiating Committee with the Trade Unions regarding pay award for the period covering August 2013-March 2015. She confirmed that agreement had been reached with EIS to award teaching staff 2% consolidated for the period 1 August 2013 to 31 March 2015. She then went on to confirm that agreement had been reached with UNISON to award support staff £500 per pay scale or 2% whichever was greater consolidated for the period 1 August 2013 to 31 March 2015. This award also ensured the lowest hourly rate being paid was above the current Living Wage guidance. She further explained that agreement had been reached to award an additional 2 days consolidated annual leave to support staff only to be fixed by College management to

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enable the College to close for additional days at the Christmas period. The Principal confirmed that the cost of the pay award to teaching and support staff were included in the budget already approved by the Board.

The committee noted the award but expressed concern at the additional 2 days annual leave which is 2 lost working days. These lost working days have the potential to increase staff costs if work cannot be absorbed into remaining working days. The committee believes the College already awards generous annual leave to its support staff.

7 SMT Pay Award 2013-14

The Principal spoke to her report which had been distributed. The Principal proposed a consolidated pay award to the Senior Management Team of 2% plus 2 days annual leave for the period 1 August 2013 to 31 March 2015. The Principal confirmed that the cost of the pay award to the SMT was included in the budget already approved by the Board.

The committee raised concerns about the increased annual leave entitlement but accepted for fairness should be same as awarded to support staff. The committee approved the award proposed by the Principal.

The Principal left the meeting at this point.

8 Principal's Annual Performance Appraisal

A general discussion took place in relation to Principal's annual appraisal/pay award. The committee agreed that the Principal should be offered the same pay award as the SMT unless the previous Chair had agreed other arrangements. It was agreed that the Chair would take forward with the Principal and report back at the next meeting.

9 Matters Arising

None

10 Date and Time of Next Meeting

The next meeting is scheduled to take place on 23 September 2014 at 2.00 pm.

Note: There being no matters of business for the committee to consider the committee did not meet again until 26th January 2016.

Board of Management

Strategic Risk Register

1. Introduction

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

2 The Report

- 2.1 In line with the College's Risk Management Policy any risk with an inherent rating of 12 or above must have mitigating controls in place and where the residual ratings remains above 12. The College has identified 12 strategic risk, 4 of which are rated 12 or above. For completeness all risks are included in the attached register, in order of high to low ratings.
- 2.2 The Principal and Executive Management Team routinely review the Strategic Risk Register to reflect the risks the College is facing and the mitigation that will be applied to each risk.
- 2.3 There are two changes since the last board meeting. Risk no 4 'Unable to achieve credit (activity) target has increased from a rating of 8 to 12 and risk no 5 'The review of property and provision in Dumfries by the University of the West of Scotland' is an addition to the register
- 2.4 The Audit Committee considered and approved the Strategic Risk Register at its meeting on 8 March 2016.

3. Recommendation

- 3.1 The Audit Committee recommends that the Board of Management consider and, approve the Strategic Risk Register.

Strategic Plan 2015-2016 Risk Register

Risk No.	Risk Description	Inherent Risk			Controls in Place	Assurances	Internal/ External	Residual risk			Further Action	Risk Owner
		Likelihood	Impact	Total				Likelihood	Impact	Total		
1	National Pay Bargaining	4	4	16	1. Detailed financial planning undertaken and approved by Finance and General Purposes Committee to ensure "affordability" of any offer. 2. National negotiation processes in place with recognised unions. 3. Government public sector pay guidance for 2015-16 is for maximum 1%.	1. Feedback to EMT and the Board 2. Included in budget which is monitored and reported through F&GP and Board 3. Sound internal planning and monitoring to ensure service continuity in event of industrial action	Internal/ External	4	4	16	Regular communication with staff and student association executive on sector developments and management position. Regular liaison with union bodies in college. Industrial action will be detrimental to learners achieving their aims/qualifications.	EMT
2	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 EMT and L&T 2. Budget approved by the Board	Internal	3	4	12	Reduce curriculum provision and or student services in line with funding and implement cost savings. Seek to increase non SFC income.	EMT
3	Governance issues: Reclassification and other changes to governance reduce the flexibility of the College to manage financial and estates issues and meet targets in the Outcome Agreement.	4	4	16	1. Executive Management Team and Finance Manager representation at relevant briefings and ongoing monitoring of changes 2. External audit advice	1. Appropriate and robust internal planning and monitoring arrangements 2. Regular liaison with Scottish Funding Council	Internal/ External	3	4	12	Seeking support from Scottish College Foundation to support College's continuing development. SFC Guidance on Depreciation and Deficits	EMT
4	Unable to achieve credit (activity) target	3	4	12	1. Real time monitoring system. 2. Contingency plans in place to offer additional provision as required. 3. Annual review of staffing and provision to rebalance areas of growth with areas of decline. 4. Annual review carried out by internal audit	1. Reviewed by 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	3	4	12	No further action.	EMT
5	University of West Of Scotland - Review of property and provision in Dumfries. Immediate concerns relate to reduction in income / contribution to overheads UWS pay for the library, potential redundancy of college staff who deliver on UWS courses and reduction in articulation opportunities for students	4	3	12	1. Principal meeting with Senior Management of UWS 2. Principal and Vice Principal on the Joint Academic Strategy Group. 3. Regular reporting and discussion at EMT as information becomes available.	1. UWS Provision and Property Plans for Dumfries 2. EMT meetings/minutes 3. Meet with the SFC regarding potential loss of income for shared space	Internal / External	3	3	9	Continue dialogue with UWS. Keep SFC informed of potential changes to shared accommodation. Seek to open up dialogue on articulation possibilities with other Universities.	EMT
6	Failure to achieve attainment targets	4	4	16	1. Real time monitoring systems in place 2. Strategies in place to improve retention. 2. Strategies in place to improve student success 3. Poorly performing programmes removed from the curriculum.	1. Monitored at course level and review by Vice Principal (Learning and Skills) 2. Monitored through self evaluation process and reported to ET and L&T committee	Internal/ External	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	EMT
7	Implications following the implementation of 'needs-led' funding model, in particular ELS and rural funding	4	4	16	1. Principal member of College Sector Funding Group. 2. 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	Implementation of 'needs led' funding approach in 15/16. Internal audit review planning for 15/16. ELS audit requirements in 2016/17	EMT
8	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	EMT

Strategic Plan 2015-2016 Risk Register

Risk No.	Risk Description	Inherent Risk			Controls in Place	Assurances	Internal/ External	Residual risk			Further Action	Risk Owner
		Likelihood	Impact	Total				Likelihood	Impact	Total		
9	Prevent Duty – disruption due to threat of extremism / risk of external influences	3	4	12	1. Vice Principal attendance at local multi-agency CONTEST group 2. Regular reporting of Prevent issues at EMT. 3. Constant scanning to identify new potential threats.	1. College Prevent Action Plan 2. CONTEST meetings/minutes 3. EMT meetings/minutes	Internal	2	2	4	Vice Principal leading on Prevent Action Plan, any issues would be identified through regular reporting at EMT. Immediate concerns to be raised with contact within Police Scotland. Review of evacuation procedures in relation to 'stay safe' principles planned for January 2016	EMT
10	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	EMT
11	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	EMT
12	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 15/16	EMT

Board of Management

Human Resources Strategy

1. Introduction

- 1.1 The purpose of this paper is to provide the Board with the opportunity to provide input to the Human Resources Strategy currently being developed.

2. Background

- 2.1 Now that the College Strategic Plan – Vision 2020; has been launched it is important that a Human Resources strategy is developed and implemented to support this plan. One of the duties of the Human Resources Committee is to approve the College's Human Resources Strategy which they did at its meeting on 11 December 2015.

3. Recommendation

- 3.1 The Human Resources Committee recommends that the Board of Management consider and, approve the Human Resources Strategy.

Draft Human Resources Strategy

INTRODUCTION

At Dumfries and Galloway College, we are moving in to an exciting stage of our development, building on the success 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 which has resulted in the College re-evaluating its strategic aims and priorities. Vision 2020 is our five year strategic plan that sets out our vision and aspirations. The plan has been developed in consultation with all staff and Board members and takes cognisance of Dumfries and Galloway Single Outcome Agreement; Dumfries and Galloway Economic Strategy; South of Scotland regional Skills Assessment; Scottish Government post 16 legislation; Developing Young Workforce; opportunities for All and other national and strategic developments.

Our Mission is to be One College, One Team where:

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

We currently employ a total of 301 people, 50 of which are based at our Stranraer Campus. Our overall headcount has remained static over the past 5 years following a major restructure in 2010 where we were required to make significant reductions across all areas of the College due to reduction of funding to the College sector. The College has subsequently been subject to continual change and this Strategy has been developed as a key driver to support the College to maximise the potential of our most valued asset, our employees, to deliver essential services, efficiently, to the highest quality, and with pride.

Building on the College's existing HR policies and procedures, the purpose of the Strategy is to provide an effective framework for recruiting, developing and retaining staff in an effective, fair and supportive environment. To this end, the Strategy is structured around the following key themes:

- 1) An engaged, diverse and high quality workforce.
- 2) Adaptable, flexible and innovative staff, teams and organisation.
- 3) Excellent leadership and management.
- 4) A safe and healthy working environment.

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THEME 1: AN ENGAGED, DIVERSE AND HIGH QUALITY WORKFORCE.

In order to deliver Vision 2020, we will need to engage effectively with our employees to inspire and encourage them to generate ideas to improve how we deliver our services. We also need to continue with our development programmes and respond proactively to the feedback we get from our staff.

Our key objectives are therefore to ensure that:

- there is a fair and effective recruitment process in place.
- staff are retained and motivated at all levels to achieve Vision 2020.
- all staff are engaged in and utilise regular, effective development reviews so they can receive feedback, understand their objectives and have opportunities for development.
- there is proactive and supportive management for staff to enable them to perform effectively.
- there is effective communication across and within departments in the College.
- staff are provided with regular opportunities to engage with and contribute to the aims and objectives of the College.
- the College provides a positive workplace culture which is representative of the diverse local community.
- staff are engaged, feel involved and able to contribute to the development of the College and can see their input and suggestions have real outcomes.
- staff are encouraged to take a proactive approach to their own personal and career development.

In order to achieve the above the College will:

- review the recruitment and selection process.
- produce a workforce plan which includes a succession plan for all key posts.
- conduct a staff survey every two years, particularly reviewing engagement with staff and respond according to the results.
- continue to mainstream equality into everyday life producing an annual update in relation to the protected characteristics under the Equality Act (2010).
- review the Staff Development Review process and act on findings.
- identify gaps in knowledge, skills, behaviour and qualifications and address these at organisational and individual need through the annual review process.

Board of Management

THEME 2: ADAPTABLE, FLEXIBLE AND INNOVATIVE STAFF AND ORGANISATION

Within any organisation there is constant change and it is important to support our staff to enable them to respond to these changes. We wish our staff to have an eye on the future and engage positively with and adapt to change, without a sense of threat, and work together to innovate and improve the work and service provided by the College.

Our key objectives are therefore to:

- ensure there is effective communication of the reasons for, and consequences of proposed change.
- provide high quality training, advice and support to significant change initiatives to improve personal resilience of staff and managers so they are better prepared for change.
- ensure there is effective communication across and within departments in the College.
- improve manager's and staff's awareness and delivery of effective change management practice.
- embed a philosophy of continuous quality improvement, innovation and evolution.
- consult with stakeholders to seek their input in to plans and decisions which may have an impact for them.

In order to achieve the above the College will:

- provide development for managers in change management.
- review communication processes when changes are proposed.
- provide consistent and appropriate toolkits and skills for managing change.

THEME 3: EXCELLENT LEADERSHIP AND MANAGEMENT

Effective leadership and management are strongly valued and recognised as essential aspects of the College's success. It is important that managers understand and fulfil their roles to enable their departments to demonstrate the vision, leadership, culture and ambition of a successful College.

Our key objectives are therefore to ensure that:

- all managers are aware of their key responsibilities and have the capacity to fulfil them.

Board of Management

- managers fulfil their roles, skilfully balancing the tensions and complexities involved.
- managers receive and accept clear expectations and accountability for their roles.
- leadership and management are strongly valued and recognised as essential to all aspects of the success of Vision 2020.

In order to achieve the above the College will:

- implement a plan to develop management and leadership capabilities across the College. The plan will evolve over time and will develop capabilities in leadership, change management, strategy development, and performance management at an organisational and individual basis.
- review the career review scheme.
- proactively manage leadership and management succession.

THEME 4: A SAFE AND HEALTHY WORKING ENVIRONMENT

The promotion of well being can have benefits for both employees and the organisation in the form of increased commitment and job satisfaction, improved morale, staff retention, improved performance and productivity and reduced staff absence. To this end a range of staff benefits are already in place including an occupational health service, work/life balance policies such as flexible working/career breaks, cycle to work scheme, employee savings scheme and free use of the fitness suite. It is important that staff are supported to manage their work demands and minimise risks to health.

Our key objectives are therefore to ensure that:

- managers are able to proactively assess and manage wellbeing within their teams.
- appropriate control measures are in place to support safe working practices for all.

In order to achieve the above the College will:

- consider what further strategies could be put in place to improve the work/life balance of staff.
- include a review of well-being in the staff survey and act on feedback.

Board of Management

- ensure that relevant health and safety information, instruction and training are provided to staff and managers to increase their competence in managing risks to health.

SUCCESS INDICATORS

We will be confident in our HR Strategy if we find that overall staff engagement and satisfaction survey feedback shows a continuous improvement and there is evidence of staff experiencing good management practice. We will also see evidence of well-managed change programmes e.g. through audit or staff survey.

REVIEW

This is a living document which will be updated to reflect the changing needs of the organisation and external environment.

Board of Management

ACADEMIC STAFF PAY AWARD

1 Introduction

On the 16th February 2016, the Regional Chair emailed a letter (attached) to all board members seeking agreement to impose a pay award for 2015-16 to academic staff. .

2 The Report

The Regional Chair prepared a letter, agreed by the Principal, detailing the pay award offered to college staff. The Regional Chair sought advice from the Secretary to the Board, on governance arrangements in relation to imposing a pay award.

The Secretary to the Board of Management, on behalf of the Regional Chair, emailed all 15 board members with the attached letter, asking them to respond directly to the Regional Chair.

In summary, of the 15 members, 13 responded, 2 did not respond. A total of 12 (80%) members supported imposing the pay award and 1 member did not support it.

The Regional Chair informed Colleges Scotland, by email, on Friday 19th February 2016, that the Board of Management of Dumfries and Galloway College supports imposing the pay award.

3 Recommendation

Members are asked to formally approve the agreement reached through email correspondence, to impose the pay offer to academic staff of 1% or £300 consolidated (whichever is greater) effective from the 1 April 2015 and payment to be made no later than 31st March 2016.

Board of Management



16 February 2016

Dear Colleague

2015/16 Pay Award

You may be aware of the agreement reached between the Unions and Management Negotiators and implementation of the 2015/16 Pay Award for support staff.

Unfortunately, for lecturing staff the NJNC have been unable to reach agreement with the EIS who have now raised a formal dispute with the Management side of the NJNC. EIS will be balloting members on industrial action.

At the Colleges Scotland board meeting last week it was agreed that notwithstanding the lack of a formal agreement with the EIS, an award, identical to the award recommended for support staff, should be implemented for our lecturing staff in the March payroll.

This offer has been approved by the board of Colleges Scotland – however to implement the award (the target date is for inclusion in the March payroll) this requires the approval of the individual college boards.

As a board member of Colleges Scotland, I support this award. I would remind you that Dumfries and Galloway College signed the NRPA.

For completeness, I note below the proposals relating to each group of staff.

Colleges Scotland has requested a response from Colleges by Friday 19th February.

Can you please respond directly to me with your agreement or otherwise in order that we may respond to Colleges Scotland. Views will be ratified at the Board meeting on the 8th March 2016

Proposal

Support Staff

- 1 Given the agreement reached between the Unions and Management negotiators, that in March 2016 the negotiated pay award should be implemented in full with payments backdated 1 April 2015 (which was the expiry date of the previous College negotiated pay deal) for support staff. (This was considered and approved with recommendation to the full Board for agreement at the Remuneration Committee on Tuesday 26 January). The full pay award is 1% or £300, whichever is greater, backdated to 1 April 2015, plus 2 days unconsolidated holidays.

Board of Management

Lecturing Staff

- 2 There is currently no agreement between the EIS and Management negotiators. However, given the strong recommendation made by College Scotland to implement their pay offer for 2015-16, the proposal is that in March 2016, a 1% pay award should be implemented and backdated to 1 April 2015, which was the expiry date of the previous negotiated pay deal for lecturing staff.

For your information, the text below has been provided to the EIS to set out the Management Side position.

“We have now been in negotiation with both staff sides of the NJNC for some months. We have sought from the outset to ensure that FE staff suffered no detriment in comparison to staff elsewhere in the public sector in making our final offer of 1% or £300, whichever is the greater. This offer is in line with settlements across the public sector. Support staff have now agreed a settlement for 2015/16 based on these figures. Unfortunately, we have been unable to reach agreement with EIS and our last meeting with you made it clear that you did not see a ready path to such a settlement. We have concluded therefore that the opportunity to agree a pay uplift with you for 2015/16 through collective bargaining will not be possible.

We do not wish our teaching staff to suffer detriment in comparison with others in the sector and across the public sector because of this failure to agree a settlement with you. As said earlier, we must reluctantly conclude that there is no prospect in reaching agreement with the EIS at the NJNC for 2015/16. Therefore we are resolved to now proceed to implement the terms of our last offer unilaterally. We hope this new salary level and back pay will be available to staff in the March salary round”.

If you have any questions, please do not hesitate to contact me (07850 706881/01387 820251).

Best wishes



Brian Johnstone
Regional Chair of the Board of Management

Board of Management

EXECUTIVE TEAM PAY AWARD 2015-16

1. PURPOSE

The purpose of this report is to seek approval for a Pay Award to the Executive Management Team (the Principal, Vice Principal Corporate Services & Governance, Vice Principal Learning & Skills and the Director of Organisational Development & Facilities) for the period 1 April 2015 – 31 March 2016.

2. PROPOSAL

Through the National Joint Negotiation Committee a pay award of 1% or £300 (whichever is the greatest), backdated to 1 April 2015, plus 2 additional days annual leave, unconsolidated, has been made to college staff. EIS has rejected this offer and have issued notices of ballot for industrial action. UNISON members, however, have agreed the offer, on the proviso that should an improved offer be made to EIS members, this offer will be extended to Support staff. Support staff will receive the pay award in their February Pay.

Members of the Executive Management Team are not part of National Pay negotiations and any changes to salary/annual leave are at the discretion of the College Board of Management, as recommended by the Remuneration Committee.

Historically the Executive Team has been awarded the same pay award and annual leave as has been agreed for the staff across the College. The most recent award was made in August 2013.

At its meeting on the 26th January 2016, the Remuneration Committee considered and agreed a 1% increase in salary (consolidated) plus 2 additional days annual leave unconsolidated for the Executive Management Team for the period 1 April 2015 – 31 March 2016. This is on the proviso that, should an improved offer be made to other college staff, this will be extended to the Executive Management Team.

3. RECOMMENDATION

The Remuneration Committee recommends that the Board of Management consider and, approve the pay award for the Executive Management Team.

Board of Management

REVIEW OF DEPUTISING RESPONSIBILITIES

1. PURPOSE

The purpose of this report is to seek approval to add deputising for the Principal duties to the role of the Director of Organisational Development and Facilities and to increase the salary, accordingly, to bring it in line with other members of the Executive Team.

2 PROPOSAL

The custom and practise in recent years has been for some members of the executive team to deputise for the Principal where appropriate. This would include attending events/meetings on behalf of the Principal and providing a single senior management contact in college if the Principal is on annual leave/out of college. Traditionally, this has been the Vice Principal role but given the recent reallocation of strategic responsibilities the Principal would like to review this to include the Director of Organisational Development and Estates.

Traditionally the Vice Principals were paid a slightly higher salary (an extra £742) in recognition of the deputising responsibilities.

The Remuneration Committee considered and agreed that, in recognition that this post will also deputise for the Principal, the salary of the Director of Organisational Development and Facilities be increased by £742 per annum with effect from 1st April 2016.

It is important to note that 'deputising' is not the same as a formal depute role. A formal depute role would take on CEO responsibilities should the Principal be unable or unavailable to carry these out for a particular reason. Currently, the College does not have a formal depute role but the Principal may wish to review this moving forward.

3 RECOMMENDATION

The Remuneration Committee recommends that the Board of Management consider and, approve the pay award for the Director of Organisational Development and Estates.

Board of Management

Review of Selection and Appointments Committee Remit and Membership

1. Introduction

- 1.1 The purpose of this paper is to provide the Board of Management with the opportunity to review the Committee remit and membership.

2 The Report

- 2.1 At the full board meeting on the 15th December 2015 it was agreed that this committee lead on board development. The current remit of the committee does not reflect this new responsibility. At its meeting on the 29th January 2016 the committee agreed that the current remit must be strengthened to ensure compliance with the following sections of the Code of Good Governance for Scotland's Colleges:

Board Member Appointment, Induction and Training:

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

Board Evaluation:

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

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

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

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

- 2.2 The committee agreed to change the name of the committee to 'Board Development Committee' to better reflects the revised remit
- 2.3 The also agreed to widen its membership to included all committee chairs. Members should consider increasing membership to reflect the additional work of the committee.

Board of Management

- 2.4 The revised name, remit and membership is as follows with changes and or additions highlighted in red:

SELECTION AND APPOINTMENTS BOARD DEVELOPMENT COMMITTEE	
	Membership: Chair of the Board of Management Vice Chair of the Board of Management Chair of Audit Committee Chair of HR Committee Chair of Remuneration Committee Chair of Learning and Teaching Committee Chair of Finance and General Purposes
	Quorum 3 members
	Remit General The Committee has responsibility for advising the Board of Management on matters relating to members of the Board of Management <ol style="list-style-type: none"> 1. In accordance with applicable legislation, and relevant guidance on standards in public life and college board appointments manage the process of recruitment and appointment of candidates for membership of the Board of Management; 2. To recommend candidates for the approval of Chair of Board and Scottish Ministers; 3. To review and consider the composition and balance of the Board in relation to equality, skills and experience balance; 4. To develop policies and procedures for the induction, training and development of Board members; 5. To advise the Board of Management on matters relating to the self evaluation and development of the Board as an entity 6. To advise the Board of Management on matters relating to the self evaluation and development of individual board members 7. To report to the Board as required – minutes of the meetings should be circulated to the Board.
	Meetings The selection and appointments Board Development Committee will meet at least once per year or as required

3. Recommendation

- 3.1 The Selection and Appointments Committee recommends that the Board of Management consider, and approve the changes to name, remit and membership.

Board of Management

Review of Remuneration Committee Remit and Membership

1 Introduction

- 1.1 The purpose of this paper is to provide the Board of Management with the opportunity to review the Committee remit and membership.

2 The Report

- 2.1 At its meeting on the 26th January 2016, the Remuneration Committee considered the remit and membership. The Committee agreed that the current remit must be strengthened to ensure compliance with the Code of Good Governance for Scotland's Colleges, guidance from the Scottish Funding Council and Scottish Government.

- 2.2 The role of the remuneration committee is highlighted in a letter of Guidance from the Scottish Funding Council (SFC) on 'Seeking Approval for Severance Schemes and Settlement Agreements'. The guidance states

*'In considering any severance colleges must ensure that issues of regularity, propriety and value for money are fully taken into account. In doing so it is important that policies and procedures are established and applied, including ensuring documentation of decisions is retained and that there is clear evidence of governance oversight. We expect the Remuneration Committee, or equivalent, to undertake robust scrutiny of proposed severance schemes and settlement agreements before recommending approval to the Boards. In the event of complex or sensitive cases it may be necessary for the Remuneration Committee, or equivalent, to meet on a number of occasions. In order to preserve governance boundaries it is important that the Chair of the Remuneration Committee is **not** the Chair of the Board'.*

- 2.3 In the 'Effectiveness' section of the Code of Good Governance for Scotland's Colleges relating to the Principal's performance it states that:

D9. The Board must ensure a clear process is in place to set and agree personal performance measures for the Principal. This process should seek the views of students and staff. The chair, on behalf of the board, should monitor, review and record the principal's performance, at least annually, against the agreed performance measures.

D10. There must be a formal procedure in place for setting the remuneration of the principal by a designated committee of non-executive members. The board may wish to supplement this by taking evidence from a range of sources. In particular, staff and students should have a role in gathering and submitting evidence to the relevant committee.

Board of Management

- 2.4 In line with the SFC guidance, the Committee agreed that the chair of the committee be the Vice Chair of the Board of Management with immediate effect. The Committee also believe it would benefit from a staff board member joining the committee.
- 2.5 The revised remit and membership is as follows with changes and or additions marked in red:

REMUNERATION COMMITTEE	
	Membership: Chair of Board of Management Vice Chair of Board of Management (Chair of the committee) Chair of Finance and General Purposes Committee Staff board member
	Quorum 2- 3 members
	Remit <ol style="list-style-type: none"> To determine and review the salaries, terms and conditions and, where appropriate severance payments, of the Principal, members of the Executive Team and the Secretary to the Board; To ensure robust scrutiny of proposed severance schemes and settlement agreements before recommending approval to the Boards To determine the process for setting and agreeing the Principal's performance; To receive annual reports from the Regional Chair on the Principal's performance; To ensure efficient and effective use of public funds; To report to the Board as required – minutes of the meetings should be circulated to the Board.
	Meeting The Remuneration Committee will meet at least once per year or as required

3. Recommendation

- 3.1 The Remuneration Committee recommends that the Board of Management consider, and approve the changes to remit and membership and to also nominate a staff board member to join the Committee.

Board of Management

EMPLOYER ENGAGEMENTS STRATEGY 2015-2020

1. Introduction

The purpose of this report is to provide the Board of Management with the opportunity to input into the Employer Engagement Strategy currently being developed.

2. Background

The Employer Engagement Strategy has been developed to support the College's Vision 2020 (five year strategic plan) and the College's Regional Outcome Agreement.

The strategy has been developed following wide research, discussions with staff, discussions with Faculty Heads, employers, the Regional Chair and best practice elsewhere in the sector.

3. Recommendation

The Board of Management are asked to consider and, approve the Employer Engagement Strategy.

Board of Management

Employer Engagement Strategy 2015 - 2020

1. Vision

"Inspiring our People, Businesses and Communities to be successful."

Vision 2020, the five-year strategic plan for Dumfries and Galloway College, emphasises that partnership and collaboration are at the heart of the College's aim to support and grow local and national economies.

Dumfries and Galloway College will ensure that it has the highest quality curriculum offering that delivers skills, education and training to meet local and national needs and at the same time is inclusive and enables individuals to achieve their maximum potential.

2. Objectives

The Employer Engagement Strategy supports the College's *Vision 2020* and *Outcome Agreement 2014 – 2017* by:

- Recognising the important role employers, businesses and industry have in developing College curriculum and services.
- Highlighting how the College will strengthen relationships with employers and businesses in the region and beyond.
- Setting out how the College can identify and respond to any skills gaps and shortages.
- Demonstrating how the College can ensure that the curriculum is fit for purpose.

3. Context

Dumfries and Galloway College is a single college within the local authority region of Dumfries and Galloway. The region is very rural, with many people living in remote areas with poor transport and broadband connections. The local economy is dominated by micro-businesses, low average wages and an ageing population. The region's population also has a higher than average employment in skilled trades, care, leisure and other service occupations but lower than average employment in professional and associated roles.

The most recent *Skills Development Scotland Regional Skills Assessment* (2012) identifies the key sectors in Dumfries and Galloway as:

- a. Accommodation and Food/Drink
- b. Health and Social Work
- c. Engineering and Construction
- d. Arts and Entertainment
- e. Professional Services

The College has two campuses, the main campus in Dumfries and a smaller campus in Stranraer. The College has developed strong relationships with other academic institutions (i.e. Open University in Scotland, SRUC, University of Glasgow, University of Strathclyde, University of the West of Scotland) which facilitates close collaboration, shared services and development of curriculum options and deliveries that meet local needs.

Recent investments in new hospitality and catering training facilities, the opening of the Energy Centre and increased blended learning opportunities are examples of how the College responds to industry and business needs across the region.

Board of Management

The College's Strategic Objectives are to:

- a. Provide opportunities to access and progress through education and training at all levels.
- b. Deliver education and training that is a route to employment and career development and is aligned to local and national economic need.
- c. Be the first choice for recruitment, training and development of the workforce
- d. Support more businesses to start-up, grow and diversify.
- e. Enable people to build their independence and confidence in a supportive environment.

4. Goals and Outcomes

The College will adopt a flexible approach to employer engagement by developing and extending Employer Engagement Partnerships between the College, stakeholders and businesses; ensuring the College can adjust and adapt to the changing economic, social and cultural landscape of the region and further afield.

In order for the College to deliver its Vision and associated objectives these goals and outcomes will be achieved by:

- **Extending and strengthening relationships with key stakeholders**, i.e. Scottish Government, Scottish Funding Council, Dumfries and Galloway Council, NHS Dumfries and Galloway, Skills Development Scotland, Chambers of Commerce, Federation of Small Businesses etc. in order to contribute to and influence policies and other decisions that will affect College operations and in turn the relationship with employers and businesses. (The College is already represented on a number of influential regional groups and bodies, i.e. Dumfries and Galloway Employability Partnership, Community Planning Executive, Creative Industries Strategy Group etc.)
- **Liaising closely with industry bodies** to ensure curriculum development and employer engagement meets industry standards (the College works closely with Skills Development Scotland as well as sector skills bodies such as Habia, IMI, People 1st, Construction Industry Training Board etc)
- **Working with local and national employers** to develop robust niche courses and offerings to support the local economy, including renewable industries and Science, Technology, Engineering and Maths (STEM) programmes (recent examples include Overhead Linesmen Training, Electrical Competency and Welding Programme, and Wind Turbine Technician programmes)
- **Continuing to build on, expand and strengthen existing relationships with local businesses and employers to:**
 - review and identify workforce development requirements and associated course offerings;
 - increase the number of work placements and Modern Apprenticeships
 - increase the number of students and graduates directly recruited by businesses;
 - identify and respond to skills needs to support the local economy;
 - support College staff to improve their vocational expertise and to gain knowledge of the latest operational developments in the sectors relevant to their curriculum areas;
 - facilitate with the identification and organisation of events to showcase good practice and skills, career fairs, presentations and competitions;

Board of Management

- Develop further key progression routes and articulation opportunities for all learners with direct relevance to the local economy needs and requirements;
- work closely with local schools to offer a path from secondary provision to local further and higher education opportunities in line with Curriculum for Excellence;

5. Responsibilities

The leadership, implementation, monitoring and evaluation of this strategy is the responsibility of the Executive Management Team of Dumfries and Galloway College. However, the strategy will be shared with all College staff and the College Board of Management, ensuring they are aware of how each individual is able to contribute to the successful achievement of the strategy.

6. Monitoring and Review

All staff will be asked to monitor and review the execution and progression of this strategy through regular self-evaluation. Additionally, an annual update to the Executive Management Team will be provided by Curriculum and Business Development Teams and the Board of Management will be kept informed of progress.

7. Related Documents

- a. Regional Outcome Agreement 2014-2017
- b. Dumfries and Galloway College Vision 2020
- c. Skills Development Scotland Regional Skills Assessment
- d. Dumfries and Galloway Economic Strategy

Carol Turnbull
Principal and CEO
February 2016

Board of Management

Key Performance Indicator Report

1 Introduction

The purpose of this paper is to provide the Board of Management with an update on the Colleges Key Performance Indicators.

2 The Report

One of the many duties of the board is to ensure satisfactory delivery of the College's performance and financial targets and, if necessary understand and agree actions when targets are not being achieved.

The Board has agreed four Key Performance Indicators (KPIs) to monitor and review at each board meeting. They are: Credit Activity; Retention (both early and further); Student Outcomes; and Income & Expenditure.

2.1 Credits

For session 2015-16, WSUMs activity target was replaced with a much simpler credit activity target. WSUMs had been the building block to our funding for the past 20 years. Under the WSUMs measure set tariffs were applied for students on full-time courses, SUMs could be claimed for students receiving extended learning support (ELS) and a subject weighting was applied to each student.

The Credit measure more closely matches student activity and is identical to the way we counted part-time SUMs. A credit is equivalent to 40 hours of learning. The Credit system pays the same pro rata price for a full or part-time student which means the funding system supports protected groups such as women returners who are more likely to study on a part-time basis. The College Credit target is around 25% lower than the equivalent WSUMs target as a result of removing the full-time tariffs, ELS activity and subject weightings.

The table below shows actual activity against target. Activity for session 2015-16 is the current position which includes a forecast to the end of the session. Final (audited) activity figures against target are also shown for the previous three sessions.

	Target	Actual	Variance	Projected Further Credits	Projected Total	Projected Clawback
2015/16	30,371	28,246	(2,125)	1,054	29,300	£186,354
2014/15	42,529	42,413	(116)	n/a	n/a	£22,806
2013/14	42,529	42,761	232	n/a	n/a	none
2012/13	38,711	39,014	303	n/a	n/a	none

It is likely that for session 2015-16, the College will not achieve its credit target. There are a number of reasons for this: many full-time groups did not achieve target numbers, because of changes in the sector one of the Overhead Lines Technician courses did not run; changes at DGHP resulted in the full-time construction skills course not running, however they are

working with us to develop a series of short topic based courses; and credits from the school links activity is approx 200 less than planned. In addition as a consequence of a delayed start to one of the Princes Trust groups credits will not be able to be claimed this session.

2.1.1 Enrolments

Whilst enrolment figures do not form part of the Board KPIs, the College reports them for information. There is growing interest from Scottish Government in Full Time Equivalent (FTE) places delivered by colleges. Under the new simplified credit system it is easier to work out the level of FTEs delivered by colleges and overall in the sector. There may be a requirement for colleges to be measured by FTE places delivered, in the near future.

The table below shows the total enrolment for session 2015-16 to date, compared to final enrolment figures for the previous three sessions.

Enrolments	Full-time					Part-time	Total
	HE Dfs	HE Str	FE Dfs	FE Str	Total		
2015/16	456	24	894	225	1,599	2,890	4,489
2014/15	470	35	895	215	1,615	4090	5,705
2013/14	393	-	984	255	1,632	4,098	5,730
2012/13	373	-	958	285	1,616	3,938	5,554

2.2 Retention

There are two retention KPIs the Board monitors:

- Early Student Retention – a measure of the number of students that meet the required retention date for Credit funding purposes (approx 25% of the course duration) as a percentage of total enrolments; and
- Student Retention – a measure of the number of students who complete the course as a % of total enrolments.

The table below shows the retention figures for session 2015-16 to date, compared to final retention figures for the previous three sessions. At this stage in the session there is unlikely to be much movement in the early student retention figure, however, full-time students still have 11 weeks of their course to run, therefore student retention is likely to further decrease.

	Early Student Retention (%)		Student Retention (%)			
	Full-time Further Education	Full-time Higher Education	Full-time Further Education		Full-time Higher Education	
	Actual	Actual	Actual	Target	Actual	Target
2015/16	88	95	77	75	87	82
2014/15	91	96	70	74	84	81
2013/14	92	94	74	74	82	81
2012/13	91	94	73	74	80	80

2.3 Student Outcomes

The student outcome measures the % of successful students as a % of total enrolments. This measure is analysed at the end of each session. Headline student outcomes for the past four sessions are as follows:

	Outcome (%)			
	Full-time Further Education		Full-time Higher Education	
	Actual	Target	Actual	Target
2014/15	64	64	71	71
2013/14	64	65	71	72
2012/13	63	63	70	73
2011/12	61	61	70	61

2.4 Income and Expenditure

A break-even out-turn on operating activities at 31 July 2016 is planned. The changes arising from the year-end accounting adjustments for pension obligations and any additional expenditure from depreciation cash will continue to have an impact on the results reported in the financial statements in due course. The following table shows the headline figures, income and expenditure is also monitored by the Finance and General Purposes Committee:

Income and expenditure	PERIODS 1 TO 6 (January 2016)		FORECAST TO JULY 2016		
	Actual	Budget	Forecast	Budget	Variance
	£000	£000	£000	£000	£000
Income (1)	<u>6,274</u>	<u>6,207</u>	<u>11,970</u>	<u>11,904</u>	<u>66</u>
Staffing Costs (2)	3,677	3,651	7,699	7,675	<u>-24</u>
Other Costs (3)	1,748	1,942	4,266	4,228	<u>-38</u>
Total Expenditure	<u>5,425</u>	<u>5,593</u>	<u>11,965</u>	<u>11,903</u>	<u>-62</u>
Operating Surplus/- Deficit	<u>849</u>	<u>614</u>	<u>5</u>	<u>1</u>	<u>4</u>

3. Recommendation

The Board is asked to discuss progress against targets.

Board of Management

Strategic Plan/Regional Outcome Agreement

1 Introduction

On the 2nd February 2016, the Board of Management of Dumfries and Galloway College held a strategic session to consider Regional Outcome Agreement progress against outcomes 2015-16 and Priority Impacts for Regional Outcome Agreement 2014-17, updated for 2016-17.

2 The Report

As per the notes of the strategic session (attached) members were satisfied with progress against outcomes for 2016-17, agreed that Priority Impacts identified for 2016-17 contributed towards the achievement of Vision 2020 Strategic Plan, and highlighted some areas they felt could be strengthened.

A final version of the Regional Outcome Agreement 2016-17, incorporating these suggestions, will be presented to the Board for approval, once College funding and activity targets are known.

3 Recommendation

Members are asked to note the outcome of the Board Strategic Session.

Board of Management

Board of Management Strategic Session 2 February 2016

Regional Outcome Agreement – 2014-17 (updated for 2016-17)

Programme

- 1330 Welcome, aims of session – Brian
- 1345 Background to Regional Outcome Agreements – Carol
- 1400 Update on progress with 2015-16 ROA – Carol
- 1420 Priority Impacts – 2016-17 – Brian & Carol

Workshop activity – Do the Priority Impacts outlined for the Regional Outcome Agreement 2016-17 align with the achievement of Vision 2020? Are there any areas from the Strategic Plan not covered?

- 1515 Feedback from workshop - All
- 1530 Closing remarks – Brian

Board of Management

Board of Management Strategic Session 2 February 2016

Regional Outcome Agreement – 2014-17 (updated for 2016-17)

Notes from Workshop Activity

Workshop activity – Do the Priority Impacts outlined for the Regional Outcome Agreement 2016-17 align with the achievement of Vision 2020? Are there any areas from the Strategic Plan not covered?

Strategic Outcome 1

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

Overall it was agreed that the Priority Impacts in the ROA contribute to the achievement of this Strategic Outcome. However, members felt there should be some specific reference made to Stranraer and Learner Destination statistics.

Strategic Outcome 2

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

Overall it was agreed that the Priority Impacts in the ROA contribute to the achievement of this Strategic Outcome.

Strategic Outcome 3

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

Overall it was agreed that the Priority Impacts in the ROA contribute to the achievement of this Strategic Outcome although it was highlighted that there was nothing in the ROA regarding bespoke programmes.

There was a discussion regarding whether early leavers to jobs counted as a success or not (PI's would show this as a negative in terms of retention and outcomes). Carol followed this up after the meeting – only 11% of early leavers state their reason for leaving is to go to a job.

Board of Management

Strategic Outcome 4

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

Overall it was agreed that the Priority Impacts in the ROA contribute to the achievement of this Strategic Outcome. However, members felt there should be some specific reference made to Stranraer.

Strategic Outcome 5

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

Members felt this was not covered in the ROA and there was a discussion regarding the role the college could/should play in this area, taking account of Business Gateway. However it was agreed that the Exec Team should consider including some specific Impacts in the ROA in respect of this area, including promoting use of college facilities to businesses.

Strategic Outcome 6

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

Members felt there were a number of Impacts in the ROA relating to those who need help but would like to see some outcomes relating to mainstream learners.

Action Points and Next Steps


Principal will consider outputs from the Strategic Session with Executive Team namely:

- 1 Priority Impacts relating specifically to Stranraer to be included in ROA in respect of access and progression and delivery of local education and training.
- 2 Priority Impacts relating to learner destinations to be included in ROA.
- 3 Priority Impacts to be included in ROA relating to business start up and growth including promotion of college facilities.
- 4 Priority Impacts relating to building independence and confidence in mainstream learners to be included in ROA.

Following discussions with relevant teams, the ROA will be updated accordingly.

There was also general agreement amongst members that the ROA is far too operational in respect of the role of the Board and should be more strategic. Principal and Chair agreed to raise this through appropriate networks.


Carol Turnbull
Principal
February 2016



Regional Outcome Agreement 2014-17 Update for 2016-17

Carol Turnbull

Continuing Education Company Training Solutions Community Learning


 www.dumgal.ac.uk

ROA's – What are they?

Outcome Agreements set out what colleges and universities plan to deliver in return for their funding from the Scottish Funding Council. Their focus is on the contribution that the colleges and universities make towards improving life chances, supporting world-class research and creating sustainable economic growth for Scotland.


They comprise: Regional Context statement followed by strategic themes: Efficient Regional Structures; High Quality & Efficient Learning; Access for People from the widest range of backgrounds; Right Learning in the Right Place; A Developed Workforce, Sustainable Institutions;

A Measures table is included.

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Efficient Regional Structures

- ☐ To implement a 5-year Strategic Plan (Vision 2020) for the period August 2015-July 2020
- ☐ To establish an 'Invest in Youth' Partnership
- ☐ To continue to work with Dumfries and Galloway Council to secure access to SWAN
- ☐ To explore the possibility of a shared data centre with Dumfries and Galloway Council
- ☐ To upgrade/renew network infrastructure and cabling in Stranraer campus Summer 2016
- ☐ To develop an action plan to achieve a sustainable Student Association

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Efficient Regional Structures (2)

- To reduce tCO2 emissions by 128 to 1,185 in 2016-17
- To continue to seek opportunities to expand shared services with Crichton partners
- To continue to collaborate with SRUC to identify future curriculum delivery opportunities
- To explore joint student association activities with students from DAGCOL and SRUC
- To continue to collaborate with partners to identify future funding opportunities
- To develop a Procurement Strategy in response to the new Act by December 2015.



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High Quality & Efficient Learning (1)

- To continue to increase the number of programmes leading to recognised qualifications and level qualifications through SCQF.
- To continue to develop strategies for improving attainment at course level
- To review the personal tutorial system ensuring a focus on 'on-course progress, employability and career guidance.
- To introduce a new Mechanical Engineering course at SCQF level 6
- To introduce 2nd year HND Coaching and Fitness



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High Quality & Efficient Learning(2)

- To introduce 2nd year HND Beauty Therapy
- To continue to work with UWS and UoG to offer 23 HN funded places.
- To continue to work with Universities, including the Open University, to increase the number of students articulating to degree level courses with advanced standing.
- To explore the possibility of a dedicated degree in creative industries with Crichton University partners.
- To continue discussions with UoG in respect of articulation opportunities on the MA Primary Education
- To continue its discussions with Strathclyde University to introduce a SWAP access to engineering course in 2016-17



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High Quality & Efficient Learning (3)

- To develop a new HNC in Care and Administration for 2016-17 in partnership with the NHS and UWS with direct articulation to UWS Nursing Degree.
- To pursue articulation arrangements with Strathclyde University Engineering Academy
- To achieve a successful Education Scotland Review
- To evaluate the effectiveness of the Learning & Teaching Mentors pilot
- To achieve a 1% improvement in the proportion of full-time students with a the positive destination in session 2014-15, with a further 0.5% improvement in 2015-16



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Access for People from the Widest Range of Backgrounds

- To utilise SFC ELS funding to continue to provide support and services to students with additional support needs
- To deliver 3,386 (10.7%) credits to learners from the most deprived 10% postcode areas in Dumfries and Galloway in session 2015-16
- To review progress towards achieving equality outcomes, publish report and develop action plan if required
- To further develop the monitoring and support of learners in and leaving care for enrolment and success from 2015-16 onwards.
- To improve the transition arrangements from school to college for students in and leaving care in session 2015-16



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Access to People from the Widest Range of Backgrounds (2)

- To deliver 5 Princes Trust programmes in 2015-16
- To deliver an increase of 24%, to learners with profound or complex needs with the introduction of a new 'Project Search' course.
- To continue to address gender imbalances at course level
- To work with the CPP to identify any unmet demand for Gaelic speaking courses and or support



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Right Learning in the Right Place (1)

- To increase places in engineering, Hospitality & Catering and a new Certificate of Work Readiness programme
- To harmonise approaches to community provision to ensure a more coherent offering to best meet the needs of all the local communities.
- To work with the Dumfries Learning Town initiative on joint initiatives to improve learning provision across the region, particularly for young people, those returning to work or furthest removed from the economy.



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A Developed Workforce

- To establish additional employer advisory boards
- To explore Graduate Apprenticeships in Engineering – demand from local employers – links with Strathclyde University
- To increase employer engagement in the design of college programmes
- To deliver an Engineering Programme to Winter leavers in partnership with the Schools, and the Employability team
- To increase the number of senior vocational pathways in partnership with local schools
- To work with SDS and Local schools to identify opportunity to pilot foundation apprenticeship in D&G



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A Developed Workforce (2)

- To explore and implement partnership arrangements between Annan Academy, a local food manufacturing business and College that will offer routes to employment for senior phase pupils
- To explore and implement partnership arrangements with Dalbeattie High School, a local engineering business and College that will offer routes to employment for senior phase pupils
- To continue to offer HNCs for delivery in schools.
- To identify in collaboration with the schools further HNCs to be developed for delivery in schools
- To explore and implement partnerships with other schools and employers to ensure courses offer routes to employment



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A Developed Workforce (3)

- To implement actions from Dumfries Learning Town initiative to increase choice and progression opportunities for learners in Dumfries and Galloway
- To evaluate effectiveness of Job Fayre hosted in College in March 2015 aimed at pupils intending leaving school at the end of S4, with a view to organising similar events for college students in the future
- To deliver NC Mechanical Engineering in 2015-16
- To explore Graduate Apprenticeships in Engineering opportunities with Strathclyde University Engineering Academy – based on demand from local employers



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A Developed Workforce (4)

- To continue offering HNC Electrical Engineering to Schools
- To include renewable energy solutions in all full-time engineering programmes
- To continue to expand opportunities for work placements in programmes
- To increase by 26% the number modern apprenticeships delivered by the College from 70 in 2014-15 target to 94 in 2015-16
- To support 533 learners undertaking qualifications in the work place in 2015-16, an increase of 10% on the 2014-15 target
- To increase employer engagement with learners through industry visits, work experience opportunities and work-related projects



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A Developed Workforce (5)

- To work with employers and key stakeholders to ensure the employability skills delivered are current
- To maximise positive destination opportunities for young people through the Concordat between Dumfries and Galloway Council, Skills Development Scotland, Scotland's Rural College and Dumfries and Galloway College.
- To continue to work with NHS D&G relating to opportunities for Modern Apprentices (technical level), supervisory staff, and work placements.
- To develop a new HNC in Care and Administration for 2016-17 in partnership with the NHS and UWS with direct articulation to UWS Nursing Degree.



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Sustainable Institutions

- To increase its non SFC income by 0.5% (£60,000) from 21% to 21.5%
- To achieve a target of 95% staff to possess TQFE qualification and 5% to possess a PDA
- To achieve a target of 100% of assessors to possess the assessor award
- To review current and future accommodation needs
- To develop an Estates Strategy to support Vision 2020
- To participate in all consultation/discussions relating to National Bargaining to ensure the interests of Dumfries and Galloway College are fully represented.



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Thank you.



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Board of Management

Equality and Diversity Update

1. Introduction

- 1.1 The purpose of this paper is to provide the Board of Management with an update regarding the College's Equality Outcomes.

2. Background

- 2.1 Under the Scottish Specific Duties of the Equality Act 2010 Colleges were required to develop and publish a set of equality outcomes by April 2013 which the Board of Management subsequently approved. The attached report provides an update on progress to date. In addition a copy of the College's Mainstream Report is attached for information as appendix 1.
- 2.1 Under the current legislation the College is required to review their Equality Outcomes and publish revised Outcomes in April 2017. A further report will be provided to the Board of Management with draft Outcomes for approval.

3. Recommendation

- 3.1 It is recommended that the Board of Management note the attached report.

Board of Management



EQUALITY OUTCOMES **2013 – 2017** **(Update March 2016)**

1. INTRODUCTION

Under the Scottish Specific Duties of the Equality Act 2010 Colleges were required to develop and publish a set of equality outcomes by April 2013. This document sets out the background, process and outcomes developed with an update on progress to date.

2. BACKGROUND

2.1 Legislation

The Public Sector Equality Duty (PSED) of the Equality act came in to force on 5 April 2011, replacing the previous separate equality duties for disability, gender and race. The PSED consists of a general duty supported by specific duties which are intended to assist organisations to meet the PSED. The specific duties for Scotland commenced on 27 May 2012 and included a duty to set equality outcomes. Equality outcomes must say how the College will pay due regard to:

- Eliminating unlawful discrimination, harassment and victimisation and other conduct prohibited by the equality act 2010;
- Advancing equality of opportunity between people of different groups;
- Fostering good relations between people from different groups, tackling prejudice and promoting understanding between people from different groups.

The PSED covers the following protected characteristics that are recognised within the Equality Act 2010:

- Age
- Disability
- Gender reassignment
- Pregnancy and maternity
- Race
- Religion or belief
- Gender
- Sexual orientation
- Marriage and civil partnership

2.2 Equality Outcomes

Colleges were required to prepare and publish a set of equality outcomes by 30 April 2013 and subsequently at intervals of not more than 4 years. Colleges were also to consider relevant evidence relating to people who share a relevant protected characteristic, and take reasonable steps to involve people with those characteristics, or who represent those with a protected characteristic. The equality outcomes must cover all protected characteristics or reasons must be provided as to

why one particular group is not mentioned. The outcomes were to be reviewed and a report published by 30 April 2015 on progress made towards achieving the outcomes, and subsequently every 2 years. The outcomes are to be based on evidence and involvement of equality groups.

2.3 Process to setting outcomes

A 5 step process was used to provide a high level overview of the situation for Dumfries and Galloway College in 2013. This involved:

Step	Action
1. Gathering information and data	Local and national demographics, comparing with College statistics.
	HR data relating to staff statistics
	CMIS data relating to learner statistics
	Community survey in partnership with D&G Fire and Rescue Service, D&G Constabulary, D&G Council, NHS D&G, Barony College and the University of West of Scotland. The aim of the survey was to assess general satisfaction with the wide range of public services provided across the region and to identify negatives and gaps to aid service planning.
	D&G Diversity Working Group
	Complaints and Grievances
	Learner Voices
	Census data
	Anecdotal evidence on staff and learner experiences
	LGBT Youth Survey results 2012
2. Considered evidence and gaps	Statistics all reviewed and compared
	Gaps identified
3. Prioritise important areas	High priority areas were identified where the most impact could be achieved.
	Priorities considered alongside the College partners.
4. Formulate equality outcomes	Equality Outcomes drafted ensuring action plans and accountability measures matched the scale and timeframe for each equality outcome, and are embedded in internal processes.
5. Equality outcomes published	Outcomes published which are easily accessible for the public in terms of location, format and content.
	Rationale provided to accompany the outcomes to help stakeholders etc to understand how the decisions and priorities were reached.

3. SUMMARY

Embedding equality outcomes within the core college strategies and activities will ensure they are mainstreamed into the operation of the college and progress is made. They will be clearly visible in strategic plans and college aims and objectives.

The outcomes are set out in the next few pages and support all the protected characteristics. 4 outcomes in total have been set with a range of actions in order to support these outcomes. Key indicators have been identified which will enable the college to monitor progress towards achieving the outcomes.

This is a live document and we would welcome your thoughts on the equality outcomes for the College, in particular:

- Do you agree with the selected outcomes?
- Do you agree with the suggested actions?
- Are there any actions missing?

Thank you for your help. Should you wish to discuss any of the content of this document then please do not hesitate to contact:

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4. EQUALITY OUTCOMES 2013-2017

Equality Outcome 1: The College has a culture that is inclusive and respects diversity in all its activities.				
Area	Issues identified from evidence	Action	Measure	Timescale/ Responsibility
Leadership, Governance and management All characteristics	Leadership for equality and diversity could be more visible across the organisation with a clearer indication of responsibility.	<p>The College will have an organisational structure where equality is mainstreamed through effective governance and management arrangements.</p> <p>The College will have robust policies and procedures in place to aid in the elimination of bullying, harassment and discrimination.</p>	Published information on equality leadership, governance and management structure.	Director of HR June 2013
			Mandatory on line training and development for all staff on equality and diversity.	Director of HR June 2013
			Review of equality impact assessment process to ensure this is embedded within the Quality process.	Director of HR June 2013
			Principal's welcome speech to new learners will set the standard for equality and diversity to be adhered to by all.	Principal August 2013
			Job descriptions for all College posts will include accountability for Equalities.	Director of HR June 2013
			Person specifications for all posts within the College will include knowledge and understanding of equality and diversity as an essential competence.	Director of HR June 2013
			All Board of Management members will undertake training in equality and diversity.	Clerk to the Board August 2013

Equality Outcome 1: The College has a culture that is inclusive and respects diversity in all its activities.				
Area	Issues identified from evidence	Action	Measure	Timescale/ Responsibility
			The Dignity at Work (Staff) and Anti bullying (learners) procedures will be reviewed and re-launched.	Director of HR and Assistant Principal (Curriculum) August 2013
<p>UPDATE: MARCH 2016</p> <ul style="list-style-type: none"> The College identified that the Director of Organisational Development and Facilities has strategic responsibility for Equality and Diversity across the College. His information is published in the College's organisational strategy and is reinforced through the Equality Mainstream Report, also available on the College website. The Director of Human Resources and Development meets with all new staff as part of induction and explains her role in relation to Equality and Diversity and explains to all new staff that they equally have a responsibility for ensuring equality across the College. A new on line training module relating to Equality and Diversity was introduced as mandatory training for all staff. This module is to be completed by all new staff as part of their induction process. The training package contains a test and completion certificates are forwarded to Human Resources to be retained in the individual's file. Refresher training will be reviewed during the 2015/16 academic session. The equality Impact assessment process has been reviewed and all new/revised policies and procedures will be required to have an assessment completed prior to publication on the College Intranet. The Principal includes as part of her welcome speech to all new learners that each individual has a responsibility for mutual respect to all. Job descriptions were reviewed and it was agreed that all would contain a key task to adhere to all college policies and procedures which includes the College's Equal Opportunities Policy. Person specifications were reviewed and the College took the decision not to include knowledge of equality and diversity as an essential competence in all person specifications as this may restrict candidates applying and compulsory equality and diversity training takes place as part of induction for all new staff. All Board of Management members received training for Equality and Diversity at the time of publishing the outcomes. Subsequent changes and Regionalisation has resulted in new Board members and training will be organised during the 2015/16 academic session for all Board members. This will be the same training as undertaken by staff and will be included in the development plan for Board members. The Dignity at work Policy and anti-Bullying procedures were reviewed and re-launched at the launch of the outcomes. These will be reviewed every 3 years as part of the Quality cycle or more frequently if required. 				

Equality Outcome 2: All learners have the confidence and ability to access the services provided by the College				
Area	Issues identified from evidence	Action	Measure	Timescale/ Responsibility
<p>Student Participation</p> <p>Age, Gender, Religion/Belief, Gender reassignment, sexual orientation, disability, race</p>	<p>Internal data shows :</p> <ul style="list-style-type: none"> - fewer female students enrol on construction and engineering courses. - fewer male students enrol on care, hair and beauty courses. - age profile for learners is predominantly 20 – 64 with 16 – 19 year olds and over 65s being lower. - the percentage of learners from black and minority ethnic groups does not match statistical data for the region - more male learners than female. - learners from certain protected characteristic groups appear to be reluctant to declare this e.g. sexual orientation, gender reassignment, religion/belief. <p>College outcome agreement with the SFC places an emphasis on younger learners.</p>	<p>The College will increase the participation levels of learners where they are underrepresented.</p> <p>Action plans will be developed to address areas of inequality working in partnership with local groups e.g. LGBT, DGMA.</p>	<p>Increase the number of female learners studying in construction and engineering.</p> <p>Increase the number of male learners studying in care, hair and beauty.</p> <p>Increase the proportion of learners 16-19 year old learners enrolled on full-time courses, in line with Opportunities for All.</p> <p>Increase participation of learners from black and minority ethnic groups across the College in line with regional demographics.</p> <p>A more balanced split between male and female learners will be evident.</p> <p>Non stereotyped gender representation will be increased at all stages of the learner journey.</p> <p>Protected characteristics will be embedded within the life of the College e.g. people with a disability, different religions, ethnic minority groups, same sex relationships and transgender people will be visible in the images and resources used.</p>	<p>Assistant Principal (Curriculum)</p> <p>August 2015</p>

Equality Outcome 2: All learners have the confidence and ability to access the services provided by the College				
Area	Issues identified from evidence	Action	Measure	Timescale/ Responsibility
	<p>UPDATE: MARCH 2016</p> <ul style="list-style-type: none"> The number of female learners within construction and engineering has increased from 2.2% to 4.7% on full time courses and from 5% to 12.5% on the school link programme. The number of male learners in care has not increased and remains static at 14.5% for full time and a decrease in school link from 16.9% to 9.5%. The number of male learners in hair and beauty has decreased from 4.3% to 1.8% on full time courses with no change in school link programme. The number of learners aged between 16-19 enrolled on full time courses has increased from 54.4% to 54.8%. In addition the school link programme has increased from 267 learners in 2014/15 to 316 in 2015/16. The number of learners enrolled from black and ethnic minority groups has increased from 1.7% to 2.3%. The current profile for the region 1.2% (Census 2011 data for Dumfries and Galloway Council Region). Current gender profile is male 47%:female 53%, this has moved more towards female learners than the previous year of 50:50. This could be attributed to the increase in enrolments in childcare, health and social care which tend to be predominantly female learners. The College ensures promotional materials include non stereotyped images e.g. College website shows video of two female learners promoting engineering, male learner promoting care. Gender taster sessions will take place within the schools for S3 pupils during the 2015/16 academic session to support our campaign to challenge Gender Imbalances on College Courses. The following subject areas have been identified: males in hairdressing, barbering, beauty, childcare and care; females in construction, engineering, motor Vehicle, sport, computing and digital media. 			

Equality Outcome 3: The College will set future meaningful and specific outcomes for learners and staff relating to gender reassignment, religion/belief, sexual orientation and civil partnership.

Area	Issues identified from evidence	Action	Measure	Timescale/ Responsibility
Information and Data Gaps Gender reassignment, religion/belief, sexual orientation, civil partnership	<p>A lack of data gathered across certain protected characteristics – gender reassignment, religion/belief, sexual orientation and civil partnership</p> <p>Anecdotal evidence suggests that learners who have a disability are still reluctant to identify this at the time of application for fear of not being accepted on the course.</p>	<p>The college will review the equality data collected from learners to ensure that all protected characteristics are represented and information can be monitored and analysed.</p> <p>Consult with local user groups, learners and staff to ensure that effective and meaningful data is collated.</p>	Equality data capture forms will be reviewed to ensure that all protected characteristics are represented.	Director of HR September 2013
			100% of learners completing the Equality data at time of application where all sections are completed with no gaps in the data.	Director of HR September 2014
			An increase in the number of learners declaring their additional support needs at the time of application.	Assistant Principal (Learner Services) September 2014
			A suite of monitoring reports developed by Information Services to enable accurate analysis.	Director of HR September 2014
			Evidence gathering discussed at learner voices/ learner survey.	Director of HR December 2014
			Information provided to learners regarding the importance of the data to be gathered.	Director of HR September 2014

Equality Outcome 3: The College will set future meaningful and specific outcomes for learners and staff relating to gender reassignment, religion/belief, sexual orientation and civil partnership.

Area	Issues identified from evidence	Action	Measure	Timescale/ Responsibility
	<p>UPDATE MARCH 2016</p> <ul style="list-style-type: none"> Equality monitoring forms for staff and learners were reviewed and now include all protected characteristics with the exception of marital status for learners. This has been added for 2016 applications. Pregnancy is not included at the application stage for staff or learners however this is monitored on an ongoing basis and adjustments made for individuals as required. In addition to completing an application form, learners are required to complete an enrolment form. The College took the decision to ask a learner to complete equality data on the enrolment form as the application form is lengthy and the shorter enrolment form may encourage a better response. Forms are being completed and responses have increased however there remain gaps in the data where learners prefer not to say particularly in relation to sexual orientation and religion. Responses to sexual orientation have increased from 46% to 54.1% and religion from 47.6% to 57%. The College will continue to monitor the responses and work with the Student Association and Partner organisations such as LGBT and Stonewall to identify ways of increasing the response rates. A suite of equality monitoring reports for learners has been developed by the College IS team and is available on the College Intranet site. These are continually reviewed and enhanced as required. 			

Equality Outcome 4: Provide a positive workplace culture which is representative of the diverse local community.				
Area	Issues identified from evidence	Action	Measure	Timescale/ Responsibility
Workforce Planning All Characteristics	Current staffing profile does not reflect the diverse make up of the region/working population:	The College will be an employer of choice and representative of the community working with our community partners and local groups.	Employee information is collected with a 80% response rate across all characteristics by 2015; 90% by 2016 and 100% response rate by 2017	Director of HR
	The majority of our employees are female (63%)		Monitor and review our promotion and progression opportunities to ensure they are fair and transparent.	Director of HR December 2013
	Only 4% of our workforce declared a disability		Review and update our monitoring categories on our HR electronic information system to ensure all protected characteristics are represented.	Director of HR April 2013
	We have an aging workforce with 35% of staff aged over 50.		Undertake targeted monitoring to address the gaps in our existing information.	Director of HR August 2014
	Gaps identified in the data collection e.g. 89% of staff did not wish to declare their sexual orientation, 95% did not specify faith/religion therefore it is difficult to have an effective evidence base for employment policy decisions.		Annual staffing data, disaggregated by protected characteristic.	Director of HR December 2013

UPDATE MARCH 2016

- In 2015 the response rate for certain characteristics has improved with 100% for gender, age, ethnicity and marital status. Only 13% had declared their religion and 14% declared their sexual orientation but these are an improvement on previous years. HR will continue to work with staff to improve the response rate. With regard to declaring if an individual has a disability or not staff are contacted on an annual basis and asked if they have a disability which they wish to notify the College and also if they already have declared a disability, if their circumstances have changed. This results each year on staff newly declaring a disability and notifying HR of their circumstances have changed. This has resulted in 6.4% of staff declaring they have a disability with 12.5% clearly stating they have no known disability and the remaining 81.1% making no declaration. Work is ongoing during 2015/16 session to increase this level of declaration.
- With regard to ethnicity the College workforce has 3.1% from black and ethnic minority groups which is greater than the regional profile of 1.2% (Census 2011 data for Dumfries and Galloway Council Region).
- The College continues to review and monitor progression and promotion opportunities. There is no evidence to suggest that there is any discrimination in relation to any of the protected characteristics when opportunities arise within the College.
- The new HR system introduced in 2015 has all the protected characteristics included. Upon the introduction of the new HR system all existing staff were encouraged to review their data and update as appropriate to reflect the various protected characteristics. As staff are able to input this information directly this has improved the response rate however there remains significant gaps in the data relating to sexual orientation, 76.6% not given (decreased from 89%) and religion, 89% not given (a decrease from 95%). Marital status is now 100% response.
- Reports are included within the College's Equality Mainstream Report identifying the data in relation to the protected characteristics. This information is updated annually and published internally and externally.
- The College has worked with LGBT locally to identify the best way of monitoring sexual orientation and will also be working with Stonewall during 2015/16 to identify ways of improving the response rate. The HR department annually ask staff to update their data and this has shown a gradual improvement each year.
- In line with the College's Strategic Plan (Vision 2020) a new HR Strategy has been developed in 2015 and will produce a workforce plan which will take in to consideration any issues identified through our equality monitoring e.g. ageing workforce.
- The gender balance across staff remains in favour of female with 63% and only 37% male. This is also reflected within our promoted posts with 64% female and 36% male.



Equality Mainstreaming Report

**2013 – 2017
(updated 2015)**

1. INTRODUCTION

Dumfries and Galloway College is committed to the principles of equality and diversity for everyone. The College's existence and activities are determined by a belief in, and desire to ensure that all members of the College have an equal opportunity to maximise their potential and are equally valued and treated with respect. We seek to improve education, employment and services in an environment in which diversity is valued.

The belief in equality and diversity underpins and impacts on all areas of activity and influences how the College works and what it does. The College is opposed to any form of unlawful discrimination and commits itself to eliminating any inequalities by taking positive action wherever possible. Leadership and commitment at all levels are therefore central to creating an inclusive culture which continues to provide equality of opportunity for all learners, staff and stakeholders.

This report sets out the College's key achievements in the promotion of equality, how equality is mainstreamed into the core functions and activities of the College, equalities data and how this demonstrates the College's commitment to better perform the Equality Act 2010 Public Sector Duty (PSED).

MISSION STATEMENT AND STRATEGIC OUTCOMES

During 2014/15 session the College developed a new 5 year Strategic Plan, Vision 20/20, which 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 which is also inclusive and enables individuals to achieve their maximum potential. Our Strategic Plan sits alongside the College's Outcome Agreement which sets out how we will meet the Government's expectations. Our Mission statement is:

One College, one Team where:

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

The following Strategic Outcomes will support our commitment:

- We will provide opportunities to access and progress through education and training at all levels;
- We will deliver education and training that is a route to employment and career development and is aligned to local and national economic needs;

- We will be the first choice for recruitment, training and development of the workforce;
- We will enable communities to grow and develop through local education and training;
- We will support more businesses to start-up, grow and diversify; and
- We will enable people to build their independence and confidence in a supportive environment.

Dumfries and Galloway College is committed to anti-discriminatory practice in all its functions and relations. The College is constantly aiming towards increasing participation, social inclusion and widening access as well as ensuring that the curriculum meets the needs of all our students and our various communities. We are therefore committed to enabling all of our learners and staff to fulfil their potential irrespective of disability, sex, marital status, ability, race, ethnic background, religion, sexual orientation, gender reassignment, marriage and civil partnership and pregnancy and maternity.

2. LEGISLATION

The Public Sector Equality Duty (PSED) of the Equality Act came in to force on 5 April 2011, replacing the previous separate equality duties for disability, gender and race. The PSED consists of a general duty supported by specific duties which are intended to assist organisations to meet the PSED. The purpose of the public sector duty is to ensure that all public bodies, including Colleges, mainstream equality into their day to day business by proactively advancing equality, encouraging good community relations and addressing discrimination. The specific duties for Scotland commenced on 27 May 2012 and included a requirement to:

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

Equality outcomes must say how the College will pay due regard to:

- Eliminating unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010:
- Advancing equality of opportunity between people of different groups;

- Fostering good relations between people from different groups, tackling prejudice and promoting understanding between people from different groups.

The PSED covers the following protected characteristics that are recognised within the Equality Act 2010:

- Age
- Disability
- Gender reassignment
- Pregnancy and maternity
- Race
- Religion or belief
- Gender
- Sexual orientation
- Marriage and civil partnership

3. MAINSTREAMING EQUALITY

Mainstreaming is a specific requirement for public bodies in relation to implementing the Equality Duty. In simple terms it means integrating equality into the day to day working of College, taking equality into consideration as part of everything we do. The Equality and Human Rights Mainstreaming guidance states that mainstreaming the equality duty has a number of benefits including:

- Equality becomes part of the structures, behaviours and culture of the College
- The College knows, and can demonstrate how, in carrying out its functions it is promoting equality
- Mainstreaming equality contributes to continuous improvement and better performance

4. KEY ACHIEVEMENTS

The College supports all equality strands and protected characteristics – race, disability, gender, sexual orientation, gender reassignment, age, religion and belief, pregnancy and maternity, marriage and civil partnership – in various ways. These activities have been supported by the Board of Management, the Executive Management Team, all staff and students within the college and are now an integrated part of College life.

- Diversity Week

Each academic session the College holds a very successful Diversity week across both campuses. This is hugely supported by the learners and the Student

Association who play a lead role in the organisation. The week is planned to ensure that all the strands are reflected to raise awareness across the College to students, staff and visitors. The following is an example of some of the events that have taken place during the week in previous years:

- LGBT Youth Dumfries (Lesbian, Gay, Bisexual, Transgender) visit both Dumfries and Stranraer Campuses to raise awareness
 - Disability lunch held in both Campuses. This gave students and staff the opportunity to experience lunch time in College with a disability. An example of this was one student wore ear protectors to impair their hearing and another guided a student who wore a blindfold.
 - Recipe sheets were made available for food from a variety of countries
 - Student Association offices provided tastings of food from different cultures and ran a competition
 - The canteen provided international food options for each day during that week
 - Some of the Colleges Chinese students offered tastings of Chinese food and were available to talk to students about their culture and traditions.
 - Storyboards around the College provided examples of various students' experiences in College across all the diversity strands.
 - A group of elderly residents from a local residential home came to College for morning coffee with some of the Students.
 - Students visited elderly care homes.
- LGBT Charter Mark

The College works very closely with LGBT Youth Dumfries and this resulted in the Dumfries Campus achieving the LGBT Charter Mark in 2011 and Stranraer Campus in 2014. The aim of the Charter Mark is to establish and promote the College as a centre for LGBT equality and inclusion and provide a positive signal to all existing and potential learners and staff. A number of training and awareness events were held throughout the year, strongly supported by LGBT Youth Dumfries. We were required to pull together a summary of our current practices which included areas such as resources, outreach, services, promotion, training, policy and feedback. The Charter Mark recognises that the College has completed the steps outlined in the LGBT Charter of Rights to support and value lesbian, gay, bisexual and transgender people. The College has identified LGBT Champions at both Dumfries and Stranraer Campuses who act to promote the Charter of Rights and Charter Mark across the College. The College are currently working with LGBT Youth Dumfries to review the Charter Mark and upgrade to the new standards in 2015/16.

- International Student Recruitment

Following successful development visits to China in session 2009-10 and other international marketing initiatives, the College has successfully recruited international

students from China, Bangladesh, Nepal and other countries over recent years. During 2012/13 and 2013/14 the College hosted a six month study visit for a group of students from Shandong in China. The visitors attended classes with full time students at HNC level and successfully achieved units at HN level. During each session additional English and study skills classes were provided to assist students in developing their written English skills – particularly in relation to report writing and analytical and evaluation techniques. As part of the study visit the College also assisted the students to gain a better understanding of the culture of Scotland and arranged for visits to cities such as Glasgow and Edinburgh and visited places of cultural significance. Due to circumstances within Shandong it was agreed to not have a study visit in 2014/15 and review for 2015/16.

- Multicultural Awareness

In 2013/14 a China Day was held in the College, as part of Citizenship week where students were invited to taste Chinese food and learn more about the Chinese culture. In particular, the students from China brought Chinese New Year into the College and provided traditional decorations and food for staff and students to try. The students from China also visited schools in the region to talk about the difference in culture between their country and Scotland and their experiences in the UK. This involvement was further expanded with an event held at the College to celebrate the Chinese New Year and pupils from the regions schools were invited to attend where each student was presented with a traditional red envelope.

- ESOL

The College has successfully delivered ESOL courses during each academic session. These courses are at various levels, ranging from National Level 3 to 5 in 2014/15, and are delivered both in the College and at external venues. The College employs a part-time ESOL co-ordinator who works well with Dumfries and Galloway Multi Cultural Association identifying courses for delivery and what level is appropriate. Additional ESOL support is also provided to International students where required.

- Student and Class Representative Training

The Human Resources Officer meets with the Student Association and Class Representatives each year and delivers a session on Equal Opportunities highlighting to the students changes in legislation and responsibilities both as individuals and on a corporate level. The feedback on this training has been very positive. Class Representatives have also taken part in Equality Exercises as part of their development upon election. In 2014/15 the Student Association elected an Equalities Officer for the first time.

- Disability

During each session a large amount of support is put in place to ensure that students who have declared a disability were able to attend the College and complete their studies. Examples of support include providing scribes, readers, specialist equipment, dyslexia screening, advising on funding and travel. Students who declare a disability on their application form are offered the opportunity to undertake a needs assessment. This will identify if any additional support is required and will result in the development of a Personal Learning Support Plan (PLSP). Sometimes students do not declare their disability at the application stage and this is subsequently declared once they have started the course or perhaps through their personal tutor identifying that the student may be struggling with certain elements of the course. Over the last 3 years this has reduced as students appear to be more confident that by declaring their disability this does not affect their application. Previously students had indicated concern that a disability may affect their application. Students have been assured that this is not the case. Student advisers are able to provide advice to students who have a disability and assess what support may be required to ensure they are not disadvantaged. They are also able to provide advice to staff to assist them in their role with students.

Staff who declare they have a disability are also supported should they require any reasonable adjustments to ensure they are not disadvantaged in their role. This has resulted in the purchase of specific IT equipment, specialist chairs, adjustment to hours etc. Each year the HR department request staff to notify them if they have a change in their circumstances which may require a review of their adjustments or if a member of staff now wishes to declare a disability. Advice is sought from Occupational Health regarding adjustments and how the College can assist a member of staff to remain in employment.

Each year the College's approach, policies and procedures are reviewed in relation to how we support applicants for vacancies and subsequently staff who have declared they have a disability. The College was successfully reviewed in 2014 and received positive reports which enable the college to display the two tick symbol thereby identifying to potential candidates that we will support applicants and staff and do not discriminate on the grounds of disability.

- Consultation

Dumfries and Galloway College is committed to ensuring that all stakeholders are given the opportunity to contribute to and influence policy formulation. The College has therefore worked in partnership with other local employers and user groups to identify how we can support individuals in the Community and ensure our service delivery is appropriate to learner needs.

The College is a member of Dumfries and Galloway Diversity Group which includes representatives from the regional public authorities (Local Authority, Fire Brigade, NHS, Prison Service and Police) and local user groups which represent all strands of diversity. This has resulted in the above organisations conducting joint consultation events with users. A joint questionnaire was also widely circulated across the region to ascertain if there are any barriers to individuals attending each service (NHS, College, and Local Authority etc) and seeking views on how we improve our service.

We also work closely with our student body that amended their Student Association Committee to ensure that an Equalities Officer was appointed. This has helped to reinforce the importance of Equality and Diversity within the student body.

- Training – staff

As part of the training plan within the College all staff are required to undertake Diversity training as part of their induction. Staff are then required to update this training. In 2013 a new programme of on line training was rolled out to all staff which was received positively and all existing staff were required to complete this as a refresher. All new staff completes this as part of their induction and the Human Resource department is able to monitor that this is completed. In 2016 a revised training programme will be introduced as a refresher for all staff.

5. IMPACT ASSESSMENT

We will examine each of the functions, policies and procedures of Dumfries and Galloway College to assess them for compliance with the general and specific duties. Where functions, policies and procedures are not compliant we will take immediate action to rectify this.

The aims of our assessment are to:

- identify and highlight the potential effects that proposed policies will have on different groups;
- to take action to reduce or eliminate any identified adverse impact on equality that cannot be justified before the policy is implemented;
- identify issues in the context of other relevant policies;
- consider the potential impact on equality at later stages in the process of implementing, monitoring and evaluating; and
- ensure all new functions and policies promote the statutory general duty as far as possible.

6. DATA

Monitoring of statistics relating to the key equality strands is completed for each academic session and analysis is conducted to assist the College in gaining a better understanding as to whether our commitment to equality is working and where we can make improvement in our approach. A suite of reports are available on the College Intranet site which staff are able to use to monitor their students at course and Faculty level. A new report was devised for 2014/15 which identifies performance indicators for success for students in relation to disability, age and gender. Further reports will be developed over the next 2 years. This is particularly relevant in relation to student outcomes where students have been unsuccessful in their studies and if their declared protected characteristic has contributed to this result e.g. ethnicity.

Student data demonstrates that in terms of representation for disability, ethnicity and gender we are very similar to that of the national figures. We collate and monitor these figures annually.

Staff data is summarised in appendix 1. In 2012 the equality monitoring form for staff was amended to reflect all the protected characteristics. Existing staff were asked to update their data within their personal profile however this has been a slow process and not all data fields are complete. The HR department will continue to work with staff to populate as much information as possible. This data collection is ongoing and will be monitored in line with our Equality Action Plan.

Appendix 2 provides information regarding the College's gender pay gap and occupational segregation information with the College's Equal Pay Statement in appendix 3.

STAFF PROFILE**Ethnicity (%)**

	2012/13	2013/14	2014/15
Any Mixed Background	0	0	0.3
Black African	0.5	0.6	0.3
Chinese	0.5	0.3	0.3
English	15	15.9	15.5
Irish	0.5	0.9	1
Indian	0.5	0.3	0.3
Other Asian	0.5	1.2	0
Other White	6	6.3	5.3
Other African	0	0	1.3
Other Black	0	0.3	0.3
Scottish	71	72.4	74.3
Welsh	0.5	0.6	0.7
Not Given	5	1.2	0.3

Ethnicity statistics for staff for the previous 3 years show a low percentage of staff from ethnic minority origins. This has increased slightly over this period and the Human Resource department continue to attempt to increase the applications from ethnic minority groups. All staff vacancies are circulated to the Dumfries and Galloway Multicultural Association who kindly agree to circulate widely on behalf of the College. The profile reflects the profile of the region as per the Scottish Census 2011.

Disability (%)

	2012/13	2013/14	2014/15
Yes	4	5.7	6
No	96	94.3	94

The latest figures show that 6% of staff have declared they have disability. Where appropriate reasonable adjustments are made to accommodate staff and ensure that they are able to continue to work within the College. This has been in the form of changes to working hours, specialist equipment and changes to job roles. Support is also provided in the form of phased returns to work where a member of staff has had a long period of absence. Support is also provided through the College's occupational Health provider.

Religion/Faith (%)

	2012/13	2013/14	2014/15
Catholic	0.5	0	0
Christan	1	1	2.1
Church of Scotland	0.5	0	0.3
Church of England	2.5	3.0	4.3
Protestant	0.5	1.2	0
Not Given	95	93.9	89
None	0	0	4
Agnostic	0	0	0.3
Atheist	0	0.3	0
Other	0	0.3	0
Orthodox	0	0.3	0

89% of staff have not specified their religion/faith, this data was only requested in 2012/13 academic session and is a target within our equality Outcomes to increase disclosure by staff. There has been an increase of 4.9% from the previous year. The Human resource department continue to work with staff to increase the level of Disclosure.

Age (%)

	2012/13	2013/14	2014/15
<20	0	0	0
20 – 29	7	6	3.9
30 – 39	17	14.1	14.5
40 – 49	27	29.4	29.3
50 – 59	35	38.4	38.8
>60	14	12	13.5

The College has an increasing percentage of staff over 50 however this does reflect the age profile for the region with an estimated 53% of people aged over 50 in Dumfries and Galloway at June 2012 (NRS Mid-Year Population Estimates, 2012). With the removal of the default retirement age of 65 the College has not seen an increase in the number of staff working beyond the age of 65 however this may change due to the changes in pension legislation and the increase in the age of entitlement.

Sexual Orientation (%)

	2012/13	2013/14	2014/15
Bisexual	0.5	0	0
Heterosexual	10	12.4	23.4
Gay Man	0	0	0
Gay woman/Lesbian	0	0	0
Other	0	0	0
Do not wish to answer	0.5	0.6	0
No answer	89	87	76.6

76.6% of staff have not specified their sexual orientation, this data was only requested in 2012/13 academic session and is a target within our equality Outcomes to increase disclosure by staff. The College worked closely with LGBT (Lesbian Gay Bisexual Transgender) to identify appropriate terminology to use within our equality monitoring tool. There has been an increase of 10.4% in staff declaring since last year.

Marital Status (%)

	2012/13	2013/14	2014/15
Co-habiting	5	5.7	5.3
Divorced	6	7.2	5.9
Married	60	62.8	65.1
Single	20	18.9	19.1
Widowed	3	2.4	2
Separated	3	2.1	2.6
Not given	3	0.9	0

100% of staff have now specified their marital status. Civil partnership has also been added to the Equality Monitoring Form and data will be available from 2015/16.

Gender (%)

	2012/13	2013/14	2014/15
Female	63	63	63
Male	37	37	37
Transgender	Not recorded	Not recorded	0

The gender makeup of the College has not altered over the previous 3 years with the majority of staff being female. The split is slightly higher than that of the region which is 51.5% female as per the 2011 census. On further analysis the gender split within teaching is 53% female and 47% male however the split is more apparent in support areas with 68.2% being female. This may be as a result of more part time roles within support which are additionally held by females.

Transgender has also been added to the equality monitoring but this statistic is currently zero.

Pregnancy

	2012/13	2013/14	2014/15
% of staff pregnant	1.2	0.6	0.9

Upon return from maternity leave 33% of staff chose to reduce their hours with the remainder returning to the same contracted hours.

RECRUITMENT

The college monitors equality data as part of the recruitment process and requires all applicants to complete the monitoring form. The form includes all the current protected characteristics and will be updated should these be added to. The form is anonymised and is detached from the application form prior to shortlisting. This aims to prevent any discrimination or unfair treatment during the shortlisting process. In the majority of cases the form is completed in full however the fields for sexual orientation and religion are not always populated making analysis of the data difficult.

The College took part in an on line recruitment pilot during 2013/14 to 2014/15 and unfortunately one of the concerns during the pilot was the monitoring of the equality data for recruitment. This has resulted in inaccurate data for the 18 month period and difficulty in comparing data pre and post the pilot. Prior to the pilot the College was paper based and subsequent to this period we have used on line applications via the College website. From the available data it is clear that the College receive the majority of applications from female candidates who are Scottish. The age profile is spread across 20-29, 30-39, 40-49 and 50-59 with very few applications from candidates under 20 and over 60. Very few applications are received from candidates who declare they have a disability, less than 2% each year for the past 3 years, with no appointments made from these applications. The College can confirm that the disability was not the reason for the candidate being unsuccessful.

With regard to successful candidates the majority of appointments are Scottish with less than 1% being from an ethnic background. This reflects the applications. The College continues to advertise all vacancies with Dumfries and Galloway

Multicultural Association with the aim to increase the number of applications from ethnic minority groups.

With regard to gender there are slightly more female appointments over the previous 3 years with 54% female and 46% male.

In 2015 the College purchased a new HR system which contains an on line recruitment portal which will enable more accurate monitoring of the equality strands for future years.

Gender Pay Gap and Occupational Segregation

Following a review of pay statistics it has been identified that an overall pay gap exists of 8.1% in favour of male employees which is a decrease from 11% in 2012 . The most recent report from the Office of National Statistics noted that the pay gap in the UK was approximately 9.4% April 2014. The College therefore measures favourably against national statistics.

There are 3 main reasons for a gender pay gap in any organisation:

- Occupational segregation
- Lack of flexible working
- Discrimination

Following analysis it appears that the reason for the gender pay gap within the College is occupational segregation. There are more women (58) than men (27) who earn below £20,000 per annum (per full time equivalent) which covers mainly manual and administrative work. There are more women (87) than men (40) earning between £20,000 and £30,000 with an even split of staff earning over £30,000 (48). Within the executive management team there is a bias towards women (3) to men (1).

There is no evidence to suggest that lack of flexible working has contributed to the gender pay gap as the College has agreed to the majority of requests over the past 5 years.

There is also no evidence to suggest that discrimination is a factor in the gender pay gap. There have been no grievances or disciplinary cases relating to sex discrimination involving staff and no such issues have been raised by staff or staff representatives.

It is therefore concluded that the gender imbalance (63% female:37% male) and occupational segregation in the lower grades is contributing to the gender pay gap.

Equal Pay Policy

Dumfries and Galloway College is committed to the principle of equal pay for all our employees. We aim to ensure that there is no gender bias in our pay systems.

We understand that equal pay between men and women is a legal right under both domestic and European law.

It is in the interest of the college to ensure that we have fair and just pay systems. It is important that our staff have confidence in the process of eliminating gender bias and we are therefore committed to working in partnership with the recognised trade unions. We are committed to take action to ensure that we provide equal pay.

We believe that by eliminating gender bias in our pay system, we are sending a positive message to our staff, students and partners. It makes good business sense to have a fair, transparent reward system and it helps us to control costs. We recognise that avoiding unfair discrimination will improve morale and enhance efficiency.

Our objectives are to:

- Eliminate any unfair, unjust or unlawful practices that impact on pay and
- Take appropriate remedial action if any unequal pay is identified

We will:

- Implement an equal pay review in line with E.O.C guidance for all current staff and starting pay for new staff (including those on maternity leave, career breaks or non-standard contracts).
- Plan and implement actions in partnership with trade unions
- Respond to grievance on equal pay as a priority
- In conjunction with trade unions monitor pay statistics annually.

Professor Alice Brown CBE FRSE
Chair
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8 February 2016

Dear Professor Brown

SCOTTISH FUNDING COUNCIL (SFC) – LETTER OF GUIDANCE 2016-17

Ministerial Letter of Guidance to the Scottish Funding Council

Introduction

1. I wrote to you in September 2015 setting out my expectations for the funding provided to the Scottish Funding Council (SFC), before you finalised your guidance to institutions for outcome agreements for 2016-17. I made clear in that letter that the timing of the UK Government's Comprehensive Spending Review meant I was unable at that point to advise on funding figures, and that I would write again following publication of the Scottish Draft Budget.

2. The Scottish Government has now published its Draft Budget proposals for 2016-17, including planned funding for colleges and universities:

Financial Year 2016-17	(£m)
Higher Education Resource	1027.2
Higher Education Capital	35.7 (including £10m Financial Transactions)
College Resource	530.3
College Capital	27.0
College NPD Expenditure	24.4

3. As normal, transfers in and out of the budget will be detailed in the Spring and Autumn Budget Revisions, published each year and subject to Parliamentary scrutiny. Budgets for 2017-18, and subsequent years, will be confirmed as part of the forthcoming Spending Review.

4. In what has been a tight financial settlement for public services across Scotland, I am pleased to confirm that I have been able to protect college resource funding at 2015-16 levels, and that I have maintained investment in the university sector at over a billion pounds. The Scottish Government makes a significant investment in Scotland's people through the resources provided to schools, colleges and universities. We want to build a stronger economy and a fairer society. Part of that is ensuring that the post-16 learner journey delivers for every individual.

5. This settlement clearly recognises the importance the Scottish Government places on the vital role of Scotland's colleges in ensuring learners have employment-focused learning opportunities; and our continued commitment to supporting a world-class university sector delivering high quality learning and contributing to economic growth through skills, research and innovation.

Effectiveness and Efficiency

6. In 2016-17, I again look to the SFC to make decisions that ensure the funds provided to it by the Scottish Government are used strategically and in a way that enables institutions and their partners to deliver high quality outcomes for Scotland's learners. These decisions should support the development and delivery of study programmes that offer coherent, accessible, high-quality provision for learners across Scotland, and enable universities to undertake world-class and impactful research.

7. Consistent with the principles of the Christie Commission, we want organisations delivering public services, and in receipt of public funds, to work together effectively to achieve outcomes, improve performance, and secure public value. In 2016-17, I want you both to generate ideas and explore existing mechanisms through which the SFC can work with Strategic Forum Partners (Scottish Enterprise, Highlands and Islands Enterprise, Skills Development Scotland and Visit Scotland), as well as other partners across the education and skills landscapes to maximise opportunities for efficiencies and to support delivery of a more coherent learner journey.

Funding and High Level Objectives

8. I set out in my letter of 10 September 2015 the high level strategic objectives for both the college and university sectors and can now confirm that these remain unchanged. I expect to see the SFC use the resources available to it to deliver against each of these strategic objectives.

9. The SFC has, for the first time, been allocated £10m of financial transactions to support capital activity in the university sector. I expect the SFC to work collaboratively with the sector to determine the most effective way in which these can be used. This work should align with the SFC's forthcoming Infrastructure Investment Plan which I expect to be ready in Spring 2016.

10. The budget allocated to the SFC also includes £24.4m to cover College NPD expenditure. I expect the SFC to use this funding to cover the unitary charge payments required for college NPD projects in 2016-17.

11. I welcomed the publication of the SFC's Strategic Plan 2015-2018 in November 2015 – a plan which is broad in scope and stretching in terms of ambition. I note the three main outcomes set out in the plan which are to be delivered by 2018: delivery of high quality learning and teaching; provision of world leading research; and stimulating innovation in the economy. I ask that the SFC ensures that robust processes are in place to ensure delivery of its aims and that regular progress towards meeting these ambitions is reported to the Scottish Government, noting the ambitions of the Deputy First Minister for reform and simplification of the innovation support landscape.

12. In addition, I would like to restate my commitment to supporting free tuition. The substantial resource provided to the SFC enables all Scottish domiciled first time undergraduates to access high quality education without having to pay for it. A firm emphasis on access to education being based on the ability to learn, not the ability to pay is one that the Scottish Government places right at the heart of our ambitions for Scotland. I am also committed to both the FE and HE sectors supporting our broader ambitions for Scotland and communities across the country, including the development of a strong and productive labour force, with the skills to maximise our country's economic potential, and improve life chances for all our citizens. Colleges in particular have an important contribution to make to these objectives, working closely with local and regional partners, the business and third sectors, and local communities.

13. The Community Empowerment (Scotland) Act 2015 places statutory duties on regional colleges and Regional Strategic Bodies to work closely with other partners and community bodies in Community Planning Partnerships to improve local outcomes and tackle inequalities. I look to the SFC to support the Boards of Management of regional colleges and Regional Strategic Bodies in meeting these and other statutory duties in the Act in order to exploit opportunities to use collective resources in ways which can deliver for communities across Scotland.

Strategic Objectives

Fair Work and Living Wage Accreditation

14. Ministers have been clear that public bodies should lead the way on Fair Work, ensuring access to good jobs providing security and opportunity to employees, treating them with respect and providing fair reward. In line with this, I welcome confirmation that the SFC has, over the course of 2015-16, become an Accredited Living Wage Employer. I would ask that you build on this by encouraging more FE and HE institutions to become Accredited Employers themselves and to promote the benefits of Fair Work, both through their HR functions and more widely to staff and students.

Gender Balance

15. Gender Equality on Boards is a key focus of the programme for Government. Ministers have made clear their commitment to change through 50:50 by 2020 and I am pleased to note the progress the SFC has made on this with regard to its own Board.

16. I would also like to reiterate my commitment to working in partnership with the SFC, college and university sectors and others to address the underrepresentation of women in STEM subject courses, in academia and on the governance structures of many of our institutions. In line with this, I expect the SFC and its education partners to engage actively

with the college and university sectors in the development of the gender action plan, and to address the gender imbalance at senior academic levels in our institutions.

STEM

17. I expect both colleges and universities to shape their offer to address the known and emerging skills needs of different parts of the economy. To that end I look to the SFC to collaborate closely with SDS on the use by the university and college sectors of Skills Investment Plans and to ensure that close links with industry are maintained and developed by institutions. Of particular importance are the high level skills which support economic growth. To this end, I expect the SFC to work closely with partners and institutions to support the delivery of STEM provision which meets the needs of employers and the economy. Of particular interest are the ICT-digital and low carbon sectors, which are identified as priorities in Scotland's Economic Strategy.

Learner Journey

18. Within the college and university sectors, I believe there is potential to ensure a more streamlined approach to the learner journey, ensuring that there is a clearer, more targeted path for young people between schools, colleges, universities and employment. In that context, I would like the SFC to allocate funding in a way that can best support more impactful delivery and, crucially, improvement in the quality of the learner experience.

19. I want to secure an education system that better enables schools, colleges and universities to offer a diverse range of learner journeys. Each sector should link with, and build upon, other parts of the system, at all times putting the learner at the centre. I therefore want to step up significantly efforts to get people into work, or to the next level of education at the right pace for the student.

20. For some, this will mean a focus on courses that articulate effectively with higher education; for others, we shall need provision that builds quickly, and with purpose, on what they have learned at school - including the new vocational pathways created through *Developing the Young Workforce* - and which get people ready for work quickly.

21. For others, colleges are a route to higher education. I want to make increasing use of the role of colleges in higher education – both in providing higher national qualifications that are valued by industry in their own right, and in articulating with university courses. Effective and successful learning will improve outcomes for Scotland's learners. This is a complex matter requiring genuine collaboration. The SFC should strengthen its role in ensuring that what we offer to learners is coherent and of high quality.

Outcome Agreement Process

22. The outcome agreement process is now entering its fifth year. I welcome the progress that the SFC has made in delivering this important reform. By continuing to use this process, and focusing on the importance of outcomes for learners and the Scottish economy across both the college and university sectors, I expect the SFC to be able to demonstrate clearly how Scotland's colleges and universities are contributing to the delivery of our national priorities, and particularly the expectations set out in both the Government's Programme for Government and Scotland's Economic Strategy.

23. Moreover, I expect the SFC to support institutions to develop and deliver these outcome agreements in an inclusive, outward-focussed way. You should therefore continue to work to improve the outcome agreements process for future years, ensuring robust negotiation, and performance management, of commitments.

Institutional Governance

24. All institutions in receipt of public funding are required to adhere to the highest possible standards of good governance at all times: SFC must play a key leadership role in pro-actively assuring itself that institutions are governed effectively and are meeting the terms and conditions of their grant.

25. I welcome the SFC's input to my College Good Governance Task Group in considering further measures to improve college governance and to increase confidence therein. The Group will report in March and I expect the SFC to implement its recommendations swiftly and effectively. Among other things, the report will inform a revised college code of good governance.

26. The Higher Education Governance (Scotland) Bill is nearing the end of its consideration by Parliament. Should Parliament pass this legislation, I expect the SFC to continue to work with the university sector to improve and refine governance practices. A review of the Code of Good HE Governance is planned for 2016. I also expect the SFC to engage with sector partners in this work, with the aim of embedding a more modern, transparent and inclusive approach to governance as we move further into the 21st century.

Higher Education Institutions

27. I will continue to work with the university sector to build a long term partnership underpinned by our significant investment, supporting the delivery of our key priorities, including our economic strategy and our widening access ambitions. The SFC shares my ambitions for a university sector that delivers world-class research, excellent and widely accessible learning for all, and innovation that drives business growth. I look to the SFC to work collaboratively with my officials and the sector to ensure that this ambition becomes a reality, working together to maximise the benefits of higher education for Scotland's success.

28. The recently published UK Government Green Paper "Fulfilling Our Potential – Teaching Excellence, Social Mobility and Student Choice" sets out a number of reform proposals for England. However, a number of proposals - including the Teaching Excellence Framework, new Research UK and the REF review - have the potential to impact on the competitiveness and funding of Scotland's university sector. I look to the SFC to work with my officials to ensure that the development and implementation of these proposals have no adverse consequences for the provision of higher education in Scotland.

Access and Learning

29. Core budget allocations to universities are important to ensure high quality, widely accessible learning experiences and to support world class research. As such I ask the SFC to protect, as far as possible, the available budget for core teaching and research.

30. At the same time, I want to ensure a continued focus on benefits for learners and to ensure that there is no diminution in efforts to widen access. This Government is firmly committed to achieving our ambition that every child, whatever their socio-economic background, should have an equal chance of attending university. I therefore expect the SFC to drive further and faster progress here, using the various levers at its disposal, informed by the findings and forthcoming recommendations of the Commission on Widening Access. I would expect to see this progress reflected in continued improvements in national measures.

Skills

31. A particular priority is digital skills. We currently have an insufficient number of college and university graduates entering the labour market with the necessary digital skills to occupy the wide-range of jobs available within the sector itself and across other sectors. I expect the SFC to ensure students have access to the courses that reflect the needs of industry (particularly Computing Science) and to ensure that the links currently established between industry and HE/FE are built upon. I also expect the efforts of the SFC to reflect that of the public sector as a whole in addressing the gender imbalance within computing science studies across the education pipeline.

32. The Scottish Government is considering recommendations contained in the final report of the review, led by Professor Bryan MacGregor, of the support for taught postgraduate students in Scotland. I would expect the SFC to work with Scottish Government officials to examine the format of support for postgraduate students in future. This work will be also be informed by the introduction of new support for students in England by the UKG.

Research

33. I believe that the budget settlement for the university sector will enable the core research budget for higher education to be protected as a key investment for the future of Scotland that supports the leverage of funds into Scotland from elsewhere. In recognition of this, I would ask the SFC to seek to maintain the Research Excellence Grant in 2016-17 at the same level as in 2015-16.

Knowledge Exchange and Innovation

34. Innovation is a key driver of growth, competitiveness and productivity and sits at the heart of Scotland's economic policy. As set out in the Draft Budget, we also believe that our approach to innovation requires greater focus to maximise economic impact. Universities are central to our ambition of becoming a world-leading entrepreneurial and innovative nation. I therefore expect to see the SFC engage with the Scottish Government, Scottish Enterprise, Highlands & Islands Enterprise and the sectors to support a journey of major reform that enables us to further align our approach to innovation, pool resources and simplify the innovation landscape.

35. As you know, the 2015-16 Programme for Government announced initial plans for Innovation and Investment Hubs and the Draft Budget identified £3.5 million to support initial hubs in Brussels, Dublin and London. While each of the hubs has different objectives to reflect the nature of the challenges and opportunities in each location, I would look to the SFC to support the sector, including innovation centres, to use the hubs to collaborate and engage in innovation beyond Scotland.

36. The SFC's programme of eight innovation centres builds on Scotland's successful collaborative approach; responds to the demands of businesses, and remains a flagship priority for this Government. I recognise that capacity to develop additional innovation centres may be constrained, but I look to the SFC to work to maximise the impact of the existing innovation centres to the economy and ensure they continue to focus on the needs of businesses. As the six year programme reaches its mid term, I expect the SFC to undertake a comprehensive review to ensure that the programme remains effective in delivering against its objectives, and to consider the long-term sustainability of the programme.

College Sector

Improvement in Learner Outcomes: Developing the Young Workforce and Measuring Success

37. Our college sector has been transformed over the recent period of reform, and the period of restructuring has allowed it effectively to target provision on the young people most at risk of becoming a 'lost generation' because of the downturn in 2008. As you know, Ministers have set a clear priority for this cohort of learners, and the resultant impact on relative levels of youth unemployment has been a positive one. I am grateful to the SFC – and, of course, to colleges - for their efforts in maximising the number of full time college places available for young people. Providing opportunities for our young people remains a priority for this administration.

38. The Scottish economy and its labour market demands have changed: we are now entering a period in which the challenges are markedly different to those of the last four years. The number of young people of school leaving age has dropped - and the demographic position confirms this to be a medium-term trend - and the proportion of young people staying on at school has increased. *Developing the Young Workforce (DYW)*, the Government's Youth Employment Strategy, is setting in train a step change in how schools and colleges cooperate and collaborate to serve young people. Additionally, through widening access to university, there is greater emphasis on colleges' role, again taking a learner centred approach to progression and articulation through further and higher education.

39. Building on the recent successes of the sector in responding to the needs of young people, to learners of all ages and to the local and national economy, I wish the college sector to continue its focus on the following priorities:

- **learner success.** I welcome colleges' success in improving the proportion of their learners that are successful in their chosen course. By way of another illustration of the gains from reform, in 2014/15 10,916 more students (FE and HE) successfully completed full-time courses leading to recognised qualifications than in 2008/09 – an increase of 24%. I now want to focus on reinforcing and driving forward that record of success;
- **continuing to implement *Developing Scotland's Young Workforce*.** Colleges have played a central role in the introduction of new vocational pathways in the senior phase of Curriculum for Excellence. I now want colleges to work with partners to learn the lessons of the first pathways and expand these widely so that all schools have the opportunity to offer high quality pathways informed by regional and national labour market demand in partnership with colleges.

40. Against this background, I invite the SFC to work with my officials, and with representatives from the college sector, to consider how best to set a framework for further improvement, including in both learner outcomes and support, in the light of the changing context for the college sector. I should welcome advice in this respect by 19 February and will write to you again on the basis of that advice.

41. In collaboration with Skills Development Scotland and colleges, I expect the SFC to maximise the opportunities available through the current European Funding programme, paying particular attention to your responsibility to comply with regulations and audit procedures.

42. In addition to the above, 2015-16 saw the baselining of funding for the English for Speakers of Other Languages programme into the SFC's main budget. I want you to maintain delivery of this important programme, the shape of which should be determined by the work you have been carrying out with key stakeholders, to determine a sustainable model going forward.

Funding and Accountability

43. A key role of the SFC is to ensure the financial sustainability of individual colleges through effective engagement and monitoring of college finances, either directly or through the effective monitoring of regional strategic bodies and proactive risk management.

44. I welcome the support that the SFC has offered the college sector since ONS reclassification and expect the SFC to continue to work constructively with the sector to manage and mitigate the impact, and to provide practical advice and support. This should focus particularly on ensuring the quality and robustness of financial reporting from the sector; effective, timely and efficient handling of any challenges which may arise as well as monitoring the sector's use of Arm's Length Foundations.

45. It is also important that the SFC continues to support regional strategic bodies to assume their full responsibilities for funding their assigned colleges and for college planning and board appointments in their region and that it has robust arrangements in place to discharge its duty to monitor the performance of them.

National Bargaining

46. I expect the SFC to continue its efforts to ensure the college sector maintains progress on national bargaining and its plans for modernising the college workforce.

Employability Services for Unemployed People

47. We have started to plan our approach to employability services for long-term unemployed and unemployed disabled people, ahead of further devolution from 1 April 2017. I look forward to discussing with the SFC the college sector's contribution, building on its experience to date, including delivery of the Employability Fund.

Corporate Expectations

48. Alongside its role in ensuring that delivery across Scotland's college and university sectors is effective, the SFC itself must demonstrate the highest standards of corporate governance, financial and risk management, and outward focus. It is important that the SFC is able to demonstrate the right levels of flexibility and responsiveness, supported by the right levels of expertise. I welcome the steps already taken by the Chief Executive to support the organisation through a period of reform.

49. I look to you, as the Chair of the SFC Board, to ensure that the Chief Executive continues to be supported by a Board structure that provides strong, appropriate challenge as well as constructive feedback and timely intervention. In a time of increasing financial pressures, your Chief Executive's role as accountable officer for public funds granted to colleges and universities remains a crucial one. I expect you, and your Board, to use the powers available to you to ensure no ambiguity across either sector about the importance of absolute compliance with the terms and conditions of grant set out in the SFC's Financial Memoranda.

50. Equally, you should ensure that the organisation itself has the necessary capacity and capability to monitor proactively and seek reassurance that processes and procedures are being followed throughout both the financial and academic years.

51. In order to measure progress and demonstrate success, it is essential to have access to high quality evidence on a timely basis which also will help inform future decisions. As a producer of official statistics, you should focus on the continuous improvement of your statistical outputs, building on best practice and ensuring any products are trustworthy, high quality and of public value, as defined in the Code of Practice for official statistics.

52. I also urge you to participate in analytical developments that are being promoted by the Scottish Government, such as data linkage and open data. You should also endeavour to follow the Government Social Research code which provides similar guidance on the development, use and publication of Social Research for public policy making and monitoring.

53. The Scottish Government has set clear and ambitious targets for carbon emissions reductions in the Climate Change (Scotland) Act 2009. I note the commitments made by both colleges and universities towards these targets, in the form of the Universities and Colleges Climate Commitment for Scotland. I welcome the investment made recently by the SFC to help reduce the carbon footprint in the university sector.

54. However given the Government's ambitions in this area, including adapting to the impacts of climate change as set out in 'Climate Ready Scotland: Scottish Climate Change Adaptation Programme' which was laid before Parliament in May 2014, I expect the SFC to make further progress both to reduce the carbon footprint of both sectors and prepare effectively for the unavoidable impacts of climate change. This includes working with the newly merged colleges to encourage them to comply with the newly introduced legislation for all universities and colleges in Scotland to report annually accurate, consistent, and complete information on the climate change duties by 30 November each year. In doing so, you should make all universities and colleges aware that they can call upon the free advisory tools and support provided by the Sustainable Scotland Network, Resource Efficient Scotland, Adaptation Scotland and the Energy Saving Trust to help with effective and timeous climate change reporting for 2015/16.

Conclusion

55. This has been an important year for the SFC. I want to thank you and the Board for providing continued guidance, support and challenge. Moving forward I ask that you continue to deliver effective and ambitious support for both the FE and HE sectors in Scotland.



ANGELA CONSTANCE

Copies:

Stewart Maxwell MSP, Convener of Scottish Parliament Education and Culture Committee
Hugh Hall, Chair, Colleges Scotland
Shona Struthers, Chief Executive, Colleges Scotland
Liz McIntyre, Convenor, Scotland's Colleges' Principals' Convention
Professor Sir Peter Downes, Convener, Universities Scotland
Alastair Sim, Director, Universities Scotland
Barbara Lindsay, Acting Chief Executive, COSLA
Bill Maxwell, Chief Executive, Education Scotland
Damien Yeates, Chief Executive, Skills Development Scotland
Grahame Smith, General Secretary, Scottish Trades Union Congress
Mary Senior, Scottish Official, University and College Union
Larry Flanagan, General Secretary, Education Institute for Scotland
Mike Kirby, General Secretary, UNISON Scotland
Pat Rafferty, General Secretary, UNITE Scotland
Gary Smith, Acting Secretary, GMB Scotland
Vonnie Sandlan, President, NUS Scotland
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Carol Turnbull
Principal
Dumfries and Galloway College
College Gate
Bankend Road
Dumfries
DG1 4FD

27 January 2016

Dear Carol,

**SECTION 12(4A) OF THE FURTHER AND HIGHER EDUCATION (SCOTLAND) ACT 1992
DETERMINATION OF REMUNERATION OF CHAIR OF BOARD OF MANAGEMENT OF
DUMFRIES AND GALLOWAY COLLEGE**

1. I am writing to advise that the Scottish Ministers have, in exercise of their powers in section 12(4A) of the Further and Higher Education (Scotland) Act 1992, determined that the chair of the board of management of your college is to be remunerated as follows:

- a) The chair is to receive a fee of £200 for every 7.5 hours (excluding meal breaks) devoted to performing their functions on a pro rata basis, up to a maximum total fee of £20,800.
- b) The chair will receive no fee for any time devoted to performing their functions which exceeds 104 days in each financial year. However, the Scottish Ministers may, exceptionally, approve additional remuneration if they consider it necessary or expedient that the chair devotes significantly more time to performing their functions during a particular financial year.

2. This is effective from 27 February 2016 and applies for the whole period of the chair's term of office. This letter supercedes the letter I issued on 13 March 2014.

3. As before, I should also advise that the chair is not entitled to a pension in respect of their office, and they will generally not be entitled to any gratuity, allowance or compensation when their period in office ends (whatever the reason). Remuneration will be paid through the college payroll and is taxable. PAYE deductions in respect of income tax and National Insurance will be made.

Yours sincerely

MICHAEL CROSS
Deputy Director

Dumfries and Galloway

Skills Assessment
January 2016



Scottish Funding Council
Promoting further and higher education



Scottish Enterprise



Acknowledgement

The Regional Skills Assessment Steering Group (Skills Development Scotland, Scottish Enterprise, the Scottish Funding Council and the Scottish Local Authorities Economic Development Group) would like to thank Ekosgen for their highly professional support in the analysis and collation of the data that forms the basis of this Skills Assessment Update.

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Introduction

What is this report?

This is the 2015 summary Regional Skills Assessment (RSA) for Dumfries and Galloway. It has been developed by Skills Development Scotland (SDS) in partnership with Scottish Enterprise (SE), the Scottish Funding Council (SFC) and the Scottish Local Authorities Economic Development (SLAED) Group. It updates the 2014 RSA evidence base with the latest data, refreshing and developing what this means for skills investment planning.

The 2015 RSA areas now align with Regional Outcome Agreement areas. As part of this realignment, the regional footprint for some RSAs remains unchanged, whilst for others, there has been some change. Dumfries and Galloway was previously combined with Borders to make the South of Scotland RSA, whereas now it stands on its own. The update is therefore designed to support the SFC and Regional Colleges in negotiating Regional Outcome Agreements. The update also supports SDS in planning its provision for individuals and businesses, whilst also helping regional partners with their skills investment planning.

The 2015 series of update reports highlight some of the key messages for the regions. They are summary reports, underpinned by the full data matrix, available at sds.co.uk/what-we-do/partnerships/regional-skills-assessments/. The data matrix has been redesigned to be more user-friendly, and accompanying guidance on how to use the matrix can be found alongside the full data matrix.

What has changed since 2014?

The economic situation in Scotland has continued to improve in the last year, and the recovery evident at the time of the last RSA is more firmly established, with rising GVA and falling unemployment. Against many indicators, Scotland has returned to pre-recession levels. There continues to be a rise in the participation of women and older workers, and youth unemployment previously apparent has started to fall. Still, under-employment remains an issue and productivity growth in Scotland (and the UK) remains weak and largely consumer-driven.

In policy terms, a new Economic Strategy for Scotland is in place. It puts the 4 'I's – Internationalisation, Investment, Innovation and Inclusive Growth – as central to the strategy. Increasing exports continues to be a key policy objective, and the prominence of Inclusive Growth reflects the desire for a re-balancing form of economic growth. Innovation, including workplace innovation, continues to be highly important. Investment continues to be necessary for firms to be successful. Existing strategies and policies also remain important, including the 2010 Skills Strategy and the 2014 Developing the Young Workforce - Scotland's Youth Employment Strategy.

The 2015 RSA update seeks to reflect some of these policy developments. For the first time the data matrix includes deprivation indicators, and there is greater attention paid to inequality issues such as age, disability and gender indicators. There is also more detail on school-level provision, migration, travel to work/study, claimant counts and employment projections.

The Dumfries and Galloway RSA

This 2015 RSA update covers the geographic area of Dumfries and Galloway, which is coterminous with the local authority area.

Selected headline indicator changes

	2014 RSA	2015 RSA	% change
Economic performance			
Gross Value Added (GVA) (£m)	£2,297 (2012)	£2,329 (2013)	+1.4%
GVA per worker	£35,400 (2012)	£35,100 (2013)	-0.1%
Number of businesses	7,370 (2013)	7,445 (2014)	+1.0%
Business births per 10,000	21 (2012)	29 (2013)	+38.1%
BERD per head	£32 (2012)	£33 (2013)	+3.1%
Profile of the workforce			
Total employment	57,100 (2013)	58,700 (2014)	+2.8%
Professional occupations	8,400 (2013)	7,700 (2014)	-8.3%
People and skills supply			
Total population	150,300 (2013)	149,900 (2014)	-0.3%
ILO unemployed	4,700 (2013/14)	3,900 (2014/15)	-17.0%
16-24 unemployed	573 (Sep 2014)	306 (Sep 2015)	-47%
18-24 unemployed (claimants)	585 (Aug 2014)	280 (Aug 2015)	-52%
Deprivation			
Workless households	11,646 (2012)	10,414 (2013)	-10.6%
% of children with free school meals	n/a	36% (2015)	n/a
Education and training			
MA starts	710 (2013/14)	755 (2014/15)	-6.3%
MA achievements as % of all leavers	80% (2013/14)	76% (2014/15)	-4%
Employability Fund starts	-	455 (2014/15)	-
College provision (headcount)	n/a	6,377 (2013/14)	n/a
College provision of HE	11%* (2012/13)	9% (2013/14)	-2%
Total Higher Education students	n/a	1,175 (2013/14)	n/a
Skills mismatches			
% of employers reporting hard to fill vacancies	3%* (2014)	(next updated 2016)	n/a
% of employers reporting skills shortage vacancies	2%* (2014)	(next updated 2016)	n/a

**Please note, these figures are for the South of Scotland (Scottish Borders and Dumfries and Galloway)*

1 Economic performance

Headline summary

- GVA continued to rise by 1.4% in the region between 2012 and 2013, 2% of the national total, largely due to the production sector.
- Productivity levels remain below the Scotland and UK averages, and have fallen slightly since 2011, despite a 19% growth since 2006.
- Average workplace earnings in Dumfries and Galloway remain below Scottish and UK averages, and earnings fell in the last year while they rose nationally.
- The business base continued to grow, although at a lower rate than nationally, and it is dominated by the agricultural sector which makes up almost a third of the entire base.
- Business Expenditure on Research and Development (BERD) per head continues to be low, around one fifth of the Scottish average.

Gross Value Added (GVA)

Output in Dumfries and Galloway grew between 2012 and 2013, after it had contracted the previous year. The region accounts for 2% of Scotland's total output in 2013, the same as the previous year, although one percentage point lower than the region's share of national population. Output from the region is dominated by the production sector which accounts for 30% of total GVA.

The growth rate to 2013 (latest data) was at 1.4%, higher than the annual average growth rate from 2010 to 2013 of 0.6%.

Productivity

Levels of productivity in Dumfries and Galloway are below the Scottish and UK averages and have declined slightly in recent years. GVA per worker as a measure of productivity in the region was £35,100 in 2013, 25% lower than the Scottish average of £47,000 and 31% above the UK average of £51,000. Despite GVA per worker in Dumfries and Galloway falling more recently by 4% between 2011 and 2013, it grew by 19% between 2006 and 2013, slightly above the 18% growth in Scotland and 17% for the UK.

Earnings



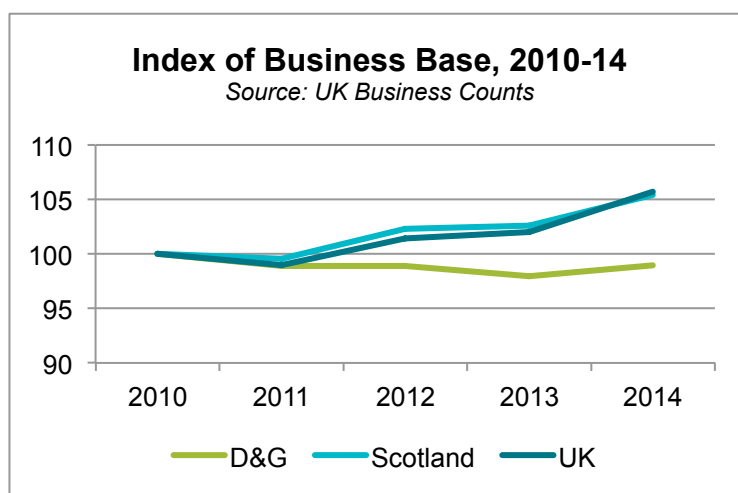
Most recent (2014) data shows that jobs in **Dumfries and Galloway, at £432 per week**, pay well below the Scotland average of £519 and the UK average of £518. Since 2013, these full time worker earnings in the workplace have actually fallen by 1% in Dumfries and Galloway, while they have risen by 2% across Scotland.

However, those **living** in Dumfries and Galloway earn more than those working in the region - £454 per week. Many may commute to slightly better paid jobs in the surrounding local authority areas. For residence-based earnings, this is below the national average, £518. This is for those in full time work.

Business base

There were 7,445 VAT/PAYE registered businesses in 2014, up 1.0% between 2013 and 2014, lower than the 2.8% Scotland increase.

The base has shrunk by 1.1% since 2010, in contrast to the 5% increase in Scotland and 6% increase in the UK.



The business base is dominated by the agriculture, forestry and fishing sector, which accounted for 28% of all businesses in 2014, over three times the Scotland proportion, and higher than the 25% in 2013. The retail, accommodation and food services and professional, scientific & technical sectors all make up a smaller proportion of the business base than nationally.

TOP 3 BUSINESS SECTORS



Business base by sector	Dumfries and Galloway	Scotland
Agriculture, forestry & fishing	28%	9%
Retail	10%	11%
Construction	9%	9%
Accommodation & food services	7%	8%
Professional, scientific & technical	6%	15%
Health	6%	6%
Arts, entertainment, other services	6%	7%
Production	5%	5%
Wholesale	4%	4%
Transport & storage	4%	3%
Business admin & support	4%	6%
Motor trades	3%	3%
Information & communication	2%	5%
Property	2%	3%
Education	2%	3%
Finance & insurance	1%	2%
Public admin & defence	1%	1%
Total	7,445	203,760

Source: UK Business Counts

The profile of businesses by size remains fairly similar to Scotland, where 83% of registered businesses in Dumfries and Galloway are micro firms employing fewer than 10 people. Around 2% employ more than 50. In 2014, there were 15 businesses in Dumfries and Galloway employing more than 250. There were 435 business births in 2013, and at 29 per 10,000 population, this was a significant increase on the 21 per 10,000 in 2012, but still below the Scottish average of 40.

Levels of Business Expenditure on R&D (BERD) continue to be well below the national average – at £33 per head compared to £150 per head nationally.

There are 50 Scottish Enterprise account managed companies, compared to 116 across the whole of South of Scotland¹ a year previously; 2% of the lowland Scotland total, lower than the region's share of businesses.

Infrastructure

Current major developments occurring in the region include the c.£240m refurbishment of Dumfries General Hospital acute in-patient facilities and £24m development of the new shared Dalbeattie Learning Campus. There are also a number of planned developments including Dumfries Learning Town, a £50m programme of work to bring together all schools, FE/HE and local businesses in the town (which includes Dalbeattie Learning Campus), which has the potential to rise to £100m; the Whitesands Regeneration project (£18m); the Stranraer Waterfront Regeneration project (£10m); and the Stranraer and Dumfries Town Centre Regeneration programmes (£6m combined).

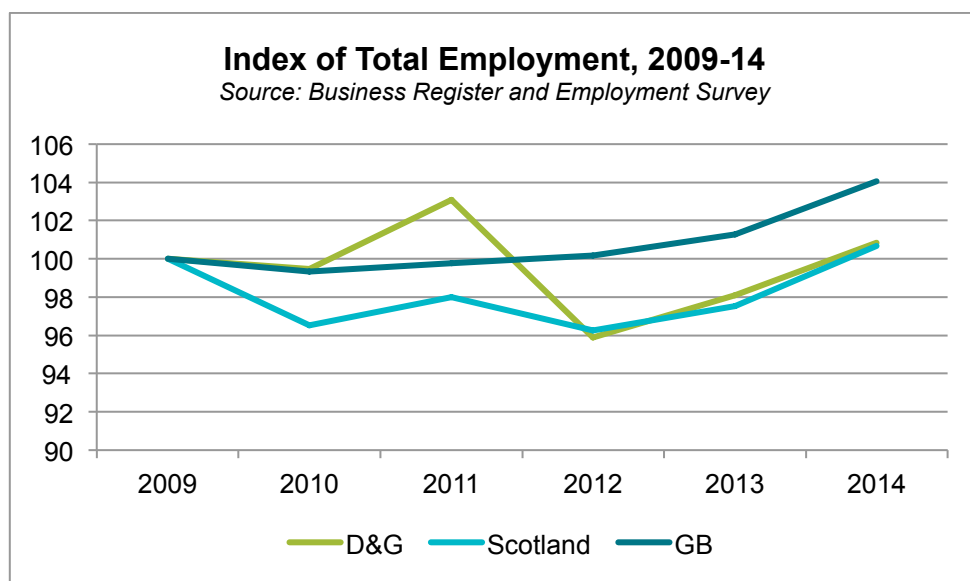
2 Profile of the workforce

Headline summary

- Total employment continued to rise at an increasing rate in 2013 and 2014, and at a rate equal to the Scottish average.
- The health sector continues to dominate the employment base, with some 11,000 jobs.
- There was significant employment growth in residential care between 2012 and 2014, over 750 jobs, and a decline in sawmilling.
- 11% of the workforce is employed in professional occupations in the region, likely down from last year and well below the national average. Over 11,000 are employed in skilled trades.

Total employment

This update provides new employment data for 2013 and 2014. **Total employment rose over the period 2009 to 2014 to 58,700.** This represents a growth rate of 1%, equal to the Scotland rate, with the growth rate increasing between 2013 and 2014.



¹ Please note, this figure includes data for both Dumfries and Galloway and the Borders; separate data is not available.

Employment structure by industry



The employment by industry sector broadly mirrors the business base, with two exceptions. **The top employing sector continues to be health. Some 19%, or 11,000, are employed in the sector,** above the Scottish and Great Britain proportions, although the sector only accounts for 6% of the business base, reflecting a small number of large employers in the sector, such as local hospitals. Similarly, agriculture represents just 2% of employment but 28% of the business base, suggesting lots of small farms/employers and reflecting the fact that agriculture is not a highly labour intensive sector.

Retail and production are the two other key sectors of employment in the area, and both have a high employment concentration in Dumfries and Galloway, again signifying the predominance of lower paid jobs in the area. Other large employment sectors include education and accommodation & food services, both of which are also over-represented in the region.

Dumfries and Galloway region sector specialisation (2014)			
Motor trades	149%	Construction	102%
Retail	126%	Public administration & defence	89%
Production	125%	Arts, entertainment, recreation & other services	87%
Accommodation & food services	121%	Agriculture, forestry & fishing	60%
Transport & storage (inc postal)	120%	Professional, scientific & technical	52%
Education	118%	Business admin. & support services	51%
Health	117%	Information & communication	41%
Wholesale	115%	Financial & insurance	30%
Property	113%	Source: Business Register and Employment Survey	

The 2014 RSA identifies the top 20 sectors in 2012 (of 616 sectors). The key changes over the 2012-2014 period were the expansion in employment in residential care, an increase of over 750 jobs. There were few significant job loss sectors, although there was a decline of almost 150 jobs in sawmilling activities. The key changes over the two years were:

Residential nursing care (+34%)	Sawmilling and planing (-20%)
Restaurants (+34%)	Beverage serving (-10%)
Other residential care (+33%)	Other social work activities (-7%)

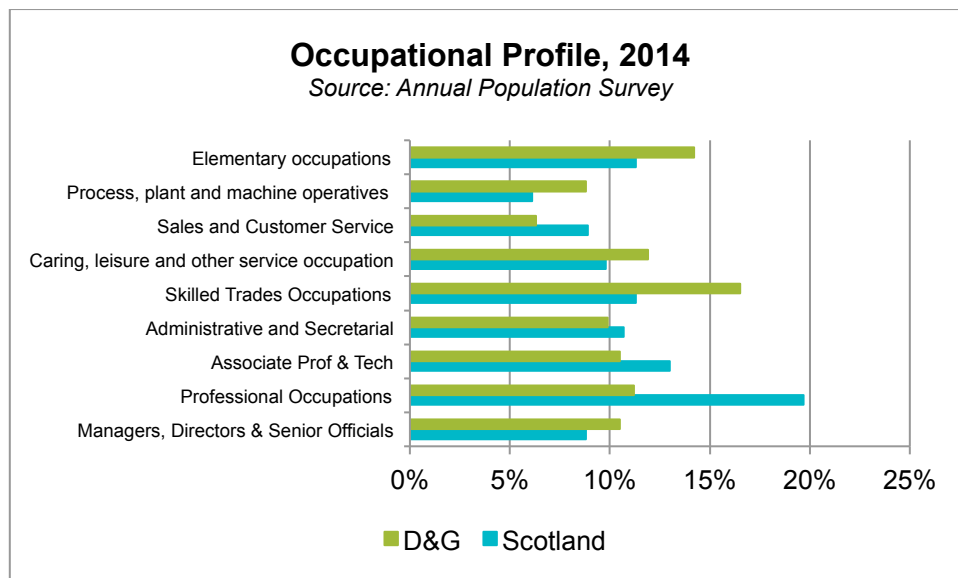
In 2013, there were 19,600 jobs in the Scottish Government's identified growth sectors in the region, the majority being in Food and drink (9,300). As noted in the 2014 RSA, Dumfries and Galloway has a concentration of employment in two of the Scottish Government's growth sectors – Food and drink and Sustainable tourism. This has continued with Food and drink employment standing at over three times the Scottish average (346%), and Sustainable tourism at 129%.

£300,000 of Regional Selective Assistance was awarded to businesses in the region between 2011 and 2014, 0.2% of the national total. This is much lower than the region's share of the national business base (4%). Approximately half of this grant funding went to the Food and drink sector, and these grants are estimated to have created/safeguarded some 33 jobs in the region.

Occupational profile

The occupational profile in Dumfries and Galloway is different to that of Scotland. The key occupation in Dumfries and Galloway is skilled trades, with 11,300 employed in these. This is just under one in five of all those in employment, and is around a third higher than the Scotland and UK averages.

Dumfries and Galloway has a significantly low proportion of professionals, 11% of the workforce compared to 20% nationally. The figure in the last RSA was 16%² but this is not directly comparable as it was for the South of Scotland which included the Scottish Borders. The region also has lower proportions of associate professional and technical and sales and customer service employees than the Scotland and UK averages. A higher proportion is employed in elementary occupations and caring, leisure and other service occupation.



The number of sales and customer service jobs in the region continues to fall. Almost one third of these jobs have been lost or relocated since 2004. Also, the number of process, plant and machine operatives, elementary occupations, administrative and technical and professional occupations fell. The number of associate professionals and technical employees in the region grew by one third (33%) over this period.

² Please note this figure includes Scottish Borders.

3 People and skills supply

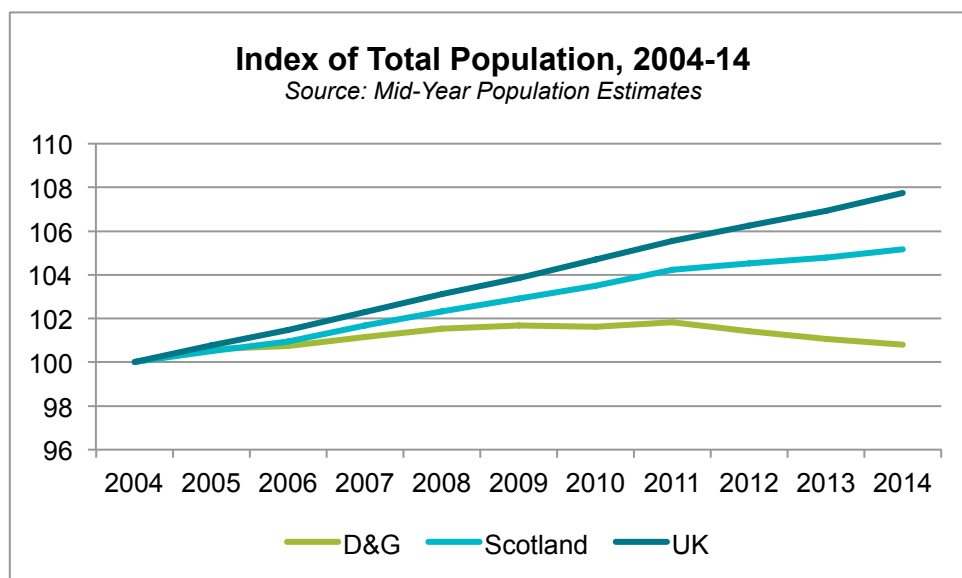
Headline summary

- The population has decreased slightly, with particular decline in younger age groups.
- The employment rate remains comparable with Scotland, although there is a bigger proportion of part-time jobs than nationally.
- Unemployment fell between 2012/13 and 2014/15. The number of young people out of work and not in education or training is well below 2013 levels.
- Around 15,000 in the region are work-limiting disabled, although the proportion of the workforce this represents is above the Scotland average.
- The proportion of school leavers in the region entering Higher Education stayed largely constant in the year to 2013/2014. Fewer have high level qualifications than in Scotland and the UK.

Population

Dumfries and Galloway had an estimated population of 149,900 in 2014, slightly below the 150,300 in 2013. Over the period 2004-2014, growth has been relatively stagnant, with a 1% population increase compared to 5% growth in Scotland and 8% growth in the UK over the same period.

Dumfries and Galloway has experienced a decline in the younger age groups and those most economically active, with -9% decrease of 0-15 year olds, -5% amongst 16-19 year olds and -28% amongst 35-44 year olds.



The largest increases have been in those aged 20-24 (21%) and 65+ (20%), both higher than the growth in these age groups in Scotland. There is little population churn, with only around 4,000 leaving the area over the 10 year period, although population has increased marginally overall.

Labour market participation

The employment rate for Dumfries and Galloway in 2014 was 73%, equal to the Scotland and UK averages.



67% of jobs in the region are full time, lower than 74% in Scotland. A third of all jobs in Dumfries and Galloway are part time, compared to 26% in Scotland.

In 2013/2014 there were 4,700 ILO unemployed (those out of work and actively seeking work), and this decreased to 3,900 in 2014/2015. The **ILO unemployment rate in 2013 was 6% in Dumfries and Galloway**, in line with the Scotland and UK rates.

In 2015 there were 306 unemployed young people aged 16-24 in the region, down by 47% from the previous year. There were 280 young people aged 18-24 out of work and claiming Jobseekers Allowance (as of August 2015). There were also 460 young people described as Not in Employment, Education or Training in 2014. This has fallen by around 20% since 2010, a slower pace than the corresponding fall at a Scottish level. The rate of young people who are NEET in Dumfries & Galloway is 7.0%, above the 6.4% average across Scotland.

17% of all those aged 16-64 in Dumfries and Galloway are work-limited through disability, just above the 15% in Scotland and the UK. **This applies to 15,400 in the region who are work-limited through disability.**

A higher proportion than nationally work mainly or from home (16% in Dumfries and Galloway, compared to 11%), and 21% work less 2km away (compared to 13% nationally). 17% travel more than 20km, compared to 13% nationally.

Qualifications and Attainment

The proportion of school leavers in Dumfries and Galloway entering Higher Education increased slightly from 2013/14 to 2014/15, at 36% and 37% of all school leavers respectively. 30% entered Further Education and 22% entered employment, which fell from 28% in 2013/14. The proportion unemployed (seeking or otherwise) decreased from 9% in 2013/14 to 6% in 2014/15, in line with the Scottish average. In 2007/2008, this was around 15%.



13% of those aged 16-64 years in Dumfries and Galloway have no qualifications, higher than the Scotland UK rate of 9%. Just over one in ten have lower level qualifications – broadly in line with the 10% in Scotland and 12% in the UK. In contrast, almost three in ten (30%) have **high level qualifications** (at SCQF 7-12), below the 41% in Scotland and 36% in the UK – reflecting the lower level of those in professional occupations.

4 Deprivation

Headline summary

- Average household earnings throughout the region are lower than those nationally.
- There are over 10,000 workless households in the region.
- However the proportion of school pupils entitled to free school meals is lower than Scotland.

The 2015 data matrix includes data on deprivation for the first time. This affects both labour market supply and the skills support needs of individuals. On the whole, when considering these indicators, Dumfries and Galloway is less affluent than the national average.

Key messages

Around 17% of households in Dumfries and Galloway have average household earnings of less than £10,000 per year, higher than the 13% across Scotland.

By contrast, just over a quarter of households (26%) have incomes above £30,000, compared to 31% across Scotland.



22% of Dumfries and Galloway households are workless, just above the 20% in Scotland, and 17% in the UK. **This equates to some 10,400 workless households in the region** (2013). There has been a significant increase in the percentage of workless households since 2004, when the rate was 17%. This peaked at 24% in 2012.

The employment domain of the latest (2012) Scottish Index of Multiple Deprivation (SIMD) provides further information on employment deprivation. Dumfries and Galloway has 193 datazones, 7% (13) of which are in the most 15% deprived datazones in Scotland.



In all, 36% of those at school in Dumfries and Galloway are entitled to free school meals, just below the national average of 39%.

5 Education and training provision

Headline summary

- The number of MA starts in the region slightly increased in the last year, with business administration, hospitality and freight logistics being the most popular frameworks.
- There were over 6,377 FE students at Dumfries and Galloway College and the Barony campus of SRUC in 2013/14, with care and engineering the most common courses taken. 9% of these students were studying HE at college.
- 1,175 students were studying at Higher Education Institutions in the region in 2013/2014, with 70% of the students from within the region.
- There were 379 graduates from the region in 2013/14 which accounts for 5% of all Scotland graduates. Over half of these went into full-time work and 27% of which were employed in the human health and social care sector.

Modern Apprenticeships (MAs)

There were 755 SDS-funded MA starts in 2014/2015, a marginal increase on the 710 in 2013/2014. Almost six in ten of these starts were male (57%). There were 790 leavers in 2014/2015.

The most popular frameworks for starts were in business and administration (100), hospitality (90), freight logistics (85), food and drink operations (65) and social services: children and young people (60).

Some of these remain dominated by one gender or the other, including automotive and building construction (male) and social services: children and young people (female). Engineering too remains dominated by males, although in other sectors, such as hospitality, there is more of a gender balance.

In all, 53% of MA starts in Dumfries and Galloway in 2014/2015 were 16-19, which is in line with the average in Scotland.

Achievements at 76% in 2014/2015, as a percentage of all leavers, is slightly lower than the previous year at 80%. This is the lowest rate of achievements of leavers in the last four years.

Employability Fund (EF)

The EF supports a range of interventions to support employability. There were 455 EF starts in 2014/2015. 190 (42%) of the starts were female, higher than the Scottish average female starts at 37%. EF starts are typically older than the Scotland average.

Within this, there were 130 starts on the Certificate of Work Readiness (CWR), the new national work placement and class-based Award, involving up to 70 employers.

Further/ Higher Education provision

School provision

For the first time the data matrix provides information on school provision. **There were 8,148 pupils enrolled at secondary school across Dumfries and Galloway in 2014**, 28% of whom were S5 and S6, a little lower than the 29% across Scotland.

The school roll is projected to fall by around 2% by 2018. Across Scotland, the trend is for a 2% fall over the period to 2018.

College provision

College provision is via Dumfries and Galloway College and the Scottish Rural College (SRUC). 81% of Dumfries and Galloway residents who are at college study locally.



6,377 students (headcount) were studying at Dumfries and Galloway College and the Barony campus of SRUC in 2013/2014. It was previously reported that 8,760 students were at college in the South of Scotland³. 91% of this was at FE level, 9% at HE level. A higher proportion than the national average (46% compared to 39%) are aged over 25. A higher proportion of students aged 16-19 are enrolled on part time courses whereas in 2012/13, a larger proportion was enrolled on full time courses in the South of Scotland although this is not directly comparable.

56% of college students in the area are male, and 19% of all students were from outside the region.

Just 8% of the total student population are from the most deprived 10%, compared to 16% in Scotland.

Care (18% of FE students) and Engineering (14%) were those most taken up, both above the national average, with the engineering rates higher than in 2012/2013. Hairdressing, Beauty and Complementary Therapies is the third most popular with a 13% enrolment, 3% higher than the national 10% figure.

University provision

In all, **1,175 students (headcount) were studying at the three Higher Education Institutes (HEIs)** in the region (The University of Glasgow, The University of West of Scotland (both with a campus in Dumfries) and the Barony campus of SRUC). Of these, 70% were from within the region, higher than the figure for students from within the region attending HEIs in the South of Scotland (54%) in 2012/13. A lower proportion than the national average are aged between 20 and 24 (33% compared to 41%).

Overall, 76% of HEI students in the area are male, a higher proportion than nationally (58%) and 24% of HEI students in the area are female compared to 42% in Scotland. Combined studies (25%), Subjects allied to medicine (21%), Education (12%) and Vet sciences, Agriculture and related (12%) were the most popular courses in 2013/14.

Graduates

There were 379 graduates from Dumfries and Galloway in 2013/14, compared to 430 from the South of Scotland in 2012/2013, which is around 5% of all graduates from Scotland's HEIs. This included 338 graduates (89%) with a first degree, and a further 41 postgraduates (11%).

³ The South of Scotland which was previously reported included colleges in the Scottish Borders.

Six months after graduating, over half of graduates were in full time work (57%), less than the 61% nationally and the figure from the South of Scotland in the previous year (73%). A further 11% were in part time work, 19% were in further study and 8% working and studying. In line with the national figure, 5% were unemployed.

Dumfries and Galloway graduates were most commonly employed in the public sector - human health and social work (27%) and education (16%) – as was the case nationally. A higher proportion than nationally (13% compared to 9%) were employed in professional, scientific and technical activities.

6 Skills mismatches

Headline summary

- The majority of employers in the South of Scotland have recruited in the past 2-3 years, with many employing leavers from Scottish education institutions.
- FE/HE and school leavers in the region are deemed more work-ready by employers than the national average.
- Employers were less likely to report vacancies than the Scottish average, including those hard to fill or skills shortages.
- Skills gaps are most likely in sales, customer service roles and elementary occupations.

There is no new data on skills mismatches from last year's RSA, given that the survey is undertaken every two years. The previous survey was conducted for the South of Scotland.⁴ The key messages to re-emphasise are:

61% of employers in South of Scotland had recruited in the 2-3 years prior to the survey, and around a fifth (21%) had taken on leavers from Scottish education institutions (both below the Scotland averages).

Of employers recruiting leavers, 86% of those recruited from universities were regarded as well or very well prepared for work, and the corresponding figure for colleges is 91%, 13% above the national average. The percentage of school leavers regarded as well or very well prepared for work was also above the national average (68% compared to 65%).

Of those reported to be poorly prepared, the main reasons cited are a lack of world/life experience, poor attitude/personality, a lack of motivation or lack of required skills or competencies.

Employers in the region were **less likely to report: current vacancies** than the Scotland average (10%, compared to 15%); **less hard to fill vacancies** (3% compared to 6% nationally) and **skills shortage vacancies** (2% compared to 4%).

Around a fifth of employers in the South of Scotland (17%) reported that not all of their staff are fully proficient, above the average for Scotland of 19% - with **skills gaps most likely in sales, customer service roles and elementary occupations**.

The South of Scotland has **high concentrations of employment in tourism**. A Skills Investment Plan has been produced for tourism in Scotland, highlighting a series of priority actions to address current and future skills gaps and shortages.

⁴ The South of Scotland region includes data for Dumfries and Galloway and the Scottish Borders.

The Skills Investment Plans can be found here:

sds.co.uk/what-we-do/partnerships/skills-investment-plans/

7 Looking forward

Headline summary

- The population of the region is forecast to continue to fall, by over 2,000 (2%) to 2024, while there is growth across Scotland and the UK.
- The greatest increases are forecast for those of retirement age, and school roll numbers are set to fall in the next five years, in line with the Scotland level.
- Employment growth is also forecast, of more than 5% to 2022, with the proportion growing fastest in information technology and health and social work.

Population projections



2012 based projections indicate that the population of Dumfries and Galloway is **forecast to fall by a further 2,358 over the 2014-2024 period**, a decrease of 2%. This compares to 5% growth at the UK level, and a 4% rise at the Scotland level.

Despite a projected decline in the total population, there is a large increase expected in those of retirement age, an increase of almost one third (31%) in those aged over 75 (slightly above the national average) and an 8% increase in those aged 65-74 (below the national average). There is a projected decline in those aged 0-15, 16-29, and, particularly, those aged 30-49 (a 17% fall).

Education provision projections

As the summary indicates, the school roll is projected to fall slightly to 2018, by around 2%. This is in line with the projections for Scotland, where the trend is for a 2% fall over the period to 2018.

Employment projections

Based on 2012 figures, national employment figures are projected to rise by 5.3% between 2012 and 2022, with the fastest increases occurring between 2017 and 2020.

The sectors with the largest projected employment growth over the period are Information technology (32%), health and social work (17%), real estate (14%) and electricity and gas, finance and insurance and construction (all 13%). As the top employer in Dumfries and Galloway, an anticipated 17% rise in health sector employment could see new jobs created in the region.

There is, however, projected to be considerable fall in agriculture employment (-15%), other manufacturing (-12%), public administration (-11%) and mining and quarrying (-10%). The expected decline in agriculture is likely to have implications for employment and the business base in Dumfries and Galloway.

8 Conclusions and considerations

The 2015 RSA update indicates a **growth in the GVA in Dumfries and Galloway but at a lower rate than the Scottish average** of 2.9%. Overall, the business base grew between 2013 and 2014 and there was an uplift of almost 40% in new business births between 2012 and 2013 although it remains below the Scottish rate. **Low productivity levels remain an issue** – they are significantly below the Scottish and UK averages and have been declining since 2011.

Employment is characterised by **low paid, part time and less secure jobs** with a **low proportion of jobs being professional and managerial** and a high proportion in elementary jobs and skilled trades. There has been an expansion in health and social care employment and given the aging population, this is likely to remain a key and expanding employment sector. There is also a concentration of employment in Food and drink and Sustainable tourism, both of which are identified as growth sectors by the Scottish Government.

Dumfries and Galloway is one of Scotland's **less affluent regions with concentrations of deprivation** and people who are work limited due to a disability. Reflecting the employment profile, average household earnings are low and there is a significant number of workless households although the number declined between 2012 and 2013. The number of people of working age without any qualifications is also a cause for concern along with a corresponding smaller proportion of people with high level qualifications.

Having said that, **young people are faring better in the region than they were previously in terms of employment**. They are more likely to be working and much less likely to be Not in Employment Education or Training although the proportion is slightly above the Scottish average.

Employers in the South of Scotland are more likely than their Scottish counterparts overall to report that young people leaving HE, FE and school are well prepared for work. Despite this, there is a continuing need to help school leavers meet the expectations of employers, in particular to develop soft skills such as attitude and motivation with Awards such as the Certificate of Work Readiness which is in place to help prepare young people for work.

MA starts have grown although achievements in 2014/15 were at the lowest rate for four years. The most popular frameworks are Business and Administration and Hospitality whilst Care, Engineering and Hairdressing, Beauty and Complementary Therapies are the most popular College courses and there is a very clear split by gender. The labour market tends to favour employers more than in other parts of Scotland and they are less likely to find vacancies hard to fill or to report skills shortages. **Any skill gaps tend to be in sales, customer services and elementary occupations** (which accounts for a high proportion of the occupation base).

The **population decline experienced in recent years is predicted to continue** and, reflecting the national picture, the **population in Dumfries and Galloway is ageing**. This poses questions about the pressure on the health and social care sectors, how to ensure there is an adequate workforce to provide the services required and the balance between economically active and inactive populations.

What remains clear is that, as an economic region, **Dumfries and Galloway is facing a number of challenges with projected falls in employment** in some important sectors. This could be countered by the anticipated rises in jobs in sectors such as health, information technology, real estate, electricity and gas, finance and insurance and construction. The challenge will be to make sure that the available workforce has the skills and attributes demanded by employers in these sectors to help fuel their growth.

Some **key considerations** arising are therefore:

- How to increase productivity levels and reverse the recent decline.
- How to boost and diversify the business base for example by encouraging and supporting new start-ups and encouraging businesses to locate into Dumfries and Galloway?
- How can the region best maximise the benefits of the current and planned developments in the construction phase and beyond?
- How to retain skilled, qualified young people in the region?
- How to give young people the soft and technical skills they need to benefit from opportunities in the sectors that are predicted to expand and ensure there is sufficient throughput of young people in to these sectors?
- How to tackle the issue of worklessness and the lack of skills and qualifications amongst the working age population.
- How to ensure that the reduction in jobs in sectors that are projected to decline is more than offset by new employment creation.
- How to increase average household earnings by increasing opportunities for higher paid, reliable employment for people of all ages.
- How can the gender domination in certain college/MA subjects be overcome when this has persisted over time?