



For the future you want

EDINBURGH COLLEGE BOARD OF MANAGEMENT

MINUTES OF MEETING OF 14 DECEMBER 2021

Meeting held remotely via Microsoft Teams

Start time: 14:00

Present: Bruce Cassidy; Audrey Cumberland; Rose Dodgson; Alex Killick; Ross Laird; Ann Landels (Chair); Nigel Paul; Gwen Raez; Fiona Riddoch; Azra Sharif-Qayyum; Jeanette Stevenson; Richard Swan; Jordan Wyllie

In attendance: Jon Buglass; Michael Jeffrey; Ursula Lodge (Audit Scotland) Jonny Pearson; Marcus Walker (Clerk); Alan Williamson

Observers: Stewart Darling; Kevin Dixon; Don Gluckstein; Kerry McCormack

1. WELCOME AND APOLOGIES

- 1.1 Apologies were received from Lesley Drummond and Nick Croft (Board Secretary).
- 1.2 The Chair welcomed Richard Swan, the newly elected Lecturing Staff Board Member, following the announcement of the Lecturing Staff Election results on 17 November 2021.
- 1.3 The Chair welcomed Stewart Darling and Kerry McCormack, incoming non-executive Board members, to the meeting as observers. The Committee NOTED that both new non-executive members would join the Board from 15 December 2021 for an initial term of 3-years.
- 1.4 The Chair welcomed Ursula Lodge (Senior Audit Manager) from Audit Scotland to the meeting to present the External Auditor's 2020/21 Annual Report under Item 8.1.2. The Board NOTED that *Item 8.1; Audit & Risk Assurance Committee* would be considered following *Item 4; Matter Arising Report*, to allow for the Annual Accounts and Financial Statements to be signed by the Chair and the Principal in a timely manner.
- 1.5 The Chair welcomed EIS-FELA and UNISON representatives, Donny Gluckstein and Kevin Dixon, to the meeting as observers. The Board NOTED that both trade union representatives would remain as observers until the Code of Good Governance for Scotland's Colleges had been updated to confirm legislative changes to Board membership arrangements.

1.6 The Chair, on behalf of the Board, acknowledged national awards won by the College, and its student successes, since the last meeting of the Board. The Board NOTED and commended the following award winners and nominees:

- i. The College and partners won *the Best Use of Technology in Education Award for Pathways*, a new web app that can help students find their route to university through an agreed college pathway, at the Herald Digital Transformation Awards.
- ii. Edinburgh College received two 'highly commended' accolades at the College Development Network (CDN) College Awards. The College was highly commended in both the Inclusive College and Digital Learning categories at the 2021 awards for its work in providing support to students and those from vulnerable backgrounds in 2020/21.

1.7 The Board AGREED that a message on its behalf should circulate to all staff and students, wishing them a happy festive period, and thanking them for their work during an exceptionally challenging year for the College.

2. DECLARATIONS OF INTEREST

2.1 The Board NOTED that the re-appointment of non-executive member, Ross Laird and Gwen Raez, would be considered under *Item 8.3, Nominations Committee*.

3. MINUTES OF PREVIOUS MEETINGS

3.1 The Board APPROVED the minutes from 29 September 2021 as an accurate record of the meeting.

4. MATTERS ARISING REPORT

4.1 MATTERS ARISING UPDATE

4.1.1 The Board NOTED that actions from its previous meeting(s) were complete, overtaken or on the agenda.

4.1.2 The Board NOTED an extension to the tenure of Non-Executive Board Member, Fiona Riddoch, had been approved by the Scottish Government on 8 December 2021. The Chair informed the Board that the tenure of Ms Riddoch as a member of the Board would end on 30 June 2022.

4.2 REGIONAL OUTCOME AGREEMENT 2021/22

4.2.1 The Board NOTED that a draft Regional Outcome Agreement (ROA) 2021/22 had been endorsed by the Learning, Teaching and Student Experience Committee on 19 November 2021, prior to its approval by the Board (via correspondence) on 26 November 2021. The Chair advised the Board that subsequently the ROA 2021/22 had been submitted to the SFC on 30 November 2021.

5. PRINCIPAL & CHIEF EXECUTIVE REPORT

- 5.1 The Board NOTED an update on recent developments and items of note, including the ongoing impact of the Covid-19 Pandemic. The Principal updated the Board on activities undertaken by the College since its last meeting on 29 September 2021, and progress against its strategic key performance indicators.
- 5.2 The Board NOTED that the College continued to monitor the impacts of Covid-19 closely and remained cognisant of how developments could affect its planning for Semester 2. The Principal advised the Board that, in light of the anticipated impact of the Omicron variant, the first week of Semester 2 would be held online, prior to the planned re-implementation of a hybrid approach to learning and teaching.
- 5.3 The Board NOTED that Edinburgh College was the first college in Scotland to affiliate with the Black FE Leadership Group. The Principal informed the Board that through its affiliation the College would benefit from access to the Group's membership forums, Toolkit materials, training programme, and mentoring schemes. The Board welcomed the participation of the College and its ability to bring both its knowledge and lived experience of the Scottish college sector to the Group, and DISCUSSED the potential for funding to support the roll-out of such a scheme across the sector.
- 5.4 The Board NOTED that, on 29 October 2021, the College had officially launched its Digital Health Hub at Sighthill Campus. The Principal advised the Board that the Digital Care Hub aimed to equip students with the transferrable skills required to fulfil a successful career in areas including Health & Social Care and Pharmacy, with a particular emphasis on technology enabled care. The Board NOTED an invitation from the Principal to visit the Hub in the New Year, once Covid-19 restrictions had been lifted.

Donny Gluckstein (Observer) left the meeting

6. STRATEGIC DISCUSSION: SCOTTISH GOVERNMENT RESPONSE TO SFC REVIEW

- 6.1 The Board NOTED that, on 26 October 2021, the Minister for Higher Education, Further Education, Youth Employment and Training, Jamie Hepburn published his response to the SFC Review of Coherent Provision and Sustainability. The Principal highlighted to the Board that Colleges Scotland had produced an analysis of the Scottish Government which had been shared with members.
- 6.2 The Board NOTED that whilst the Scottish Government had supported all the recommendations arising from the Review, the Draft Scottish Budget announcement on 9 December 2021 had indicated that the Revenue and Capital available to the college sector would be a flat cash position. The Principal highlighted that this unfortunately represented a real term cut due to inflationary pressures, including pay and rising energy costs.
- 6.3 The Board NOTED that the ambition presented in the SFC Review recommendations was not matched by the Draft Scottish Budget announcement. The Principal advised the Board that given the reduction in funding it was likely that the College would be required to make difficult decisions to generate future financial savings.

6.4 The Board DISCUSSED the following in relation to the SFC Review and the Draft Scottish Budget:

- i. Proposed changes to Foundation Apprenticeship funding and potential impact on the viability of running such courses.
- ii. The direct impact of reduced funding on both students and staff.
- iii. The call by Scottish colleges for multi-year funding and greater financial flexibility to support strategic planning.
- iv. The masking of financial issues across the sector by the UK Government's furlough scheme.
- v. The need for further consideration by the College in relation to its future curriculum and estate.
- vi. The need for the College to retain its strategic ambitions despite the financial challenges the college sector faced.
- vii. The need to communicate to stakeholders the potential impacts of reduced funding on the sector and both the regional and national economy.

6.5 The Board NOTED that the Principal would be writing to local MSPs to convey her concerns regarding the impact of reduced funding on the College. The Board AGREED that the Principal's letter should be circulated to the Board - for information.

7. EDINBURGH COLLEGE STUDENTS' ASSOCIATION REPORT

7.1 The Board NOTED a report from ECSA covering a range of activities at the College since its last meeting on 29 September 2021.

7.2 The Board NOTED that ECSA had launched a new social media management system to help the Students' Association increase levels of engagement across different online platforms, to gain greater traction with students. The Student President informed the Board that ECSA had also introduced a professional 'customer service style' online chat function within its website, which included a ticketing system to help staff deal with enquiries and log their resolution.

7.3 The Board NOTED an update on Class Reps activities which were currently taking place online, including Class Rep registration, training, and conferences. The Student President advised the Board that Class Rep registration in 2021/22 had increased by 24% since last year due to the implementation of a data sharing agreement with the College, allowing ECSA to identify which classes had representation, and which did not.

7.4 The Board NOTED two initiatives led by the Go Green Team, one of which aimed to reduce food waste and the second providing a hub for students to swap clothing, books, and accessories. The Board welcomed both initiatives and DISCUSSED how students and the community had engaged with the College through such schemes.

Kevin Dixon (Observer) left the meeting

8. COMMITTEE REPORTS

8.1 AUDIT & RISK ASSURANCE COMMITTEE

8.1.2 ANNUAL REPORT & FINANCIAL STATEMENT FOR THE PERIOD TO JULY 2021

The Board NOTED an annual report from the Audit & Risk Assurance Committee, which highlighted areas of activity undertaken by the Committee for the period of 1 August 2020 to 31 July 2021. The Chair of the Audit & Risk Assurance Committee informed the Board that members wished to highlight the following:

- i. The College's Financial sustainability and its ability to manage its activities and deliver its outcomes within its funding limits would continue to be a challenge.
- ii. The significant progress made in improving cyber security at the College, whilst recognising that ongoing vigilance and investment in cyber security and data protection would be necessary.
- iii. Whilst the College continues to develop both its blended learning approaches and a new curriculum strategy, it is essential that the College's estate is both configured and sized appropriately.
- iv. The agile approach being adopted by the College in response to the Covid-19 pandemic, and the changes in the profile of the student population - and looking ahead, to the changes that will emerge through the SFC's Review of Coherent Provision and Sustainability.
- v. The positive way staff at all levels across the College have responded to the changes in working practices that were necessary over the past year.

The Board NOTED the Edinburgh College Annual Report and Financial Statements for the 12-month period ended 31 July 2021. The Chief Operating Officer advised the Board that because of continued robust financial management, additional government funding to address the effects of the pandemic, access to the Job Retention Scheme, and cost savings from campus closures, the Adjusted Operating Position in the Annual Account to 31 July 2021 showed a surplus of £0.9m.

The Board NOTED an External Audit Annual Report for the financial accounting period. The Auditor Director informed the Board that Audit Scotland were content to sign-off the financial accounts - subject to their approval by the Board.

The Board DISCUSSED the following matters in relation to the Annual Report and Financial Statements:

- v. The positive narrative within the annual accounts and the need to communicate the document to stakeholders.
- vi. The excellent stewardship provided by the Audit & Risk Assurance Committee, which was commended by Board members.

- viii. The challenging cash position of the College, and other colleges in the sector.
- ix. The plans implemented by the College to ensure its financial sustainability going forward.

The Board NOTED that Audit Scotland were content with the College preparing the financial statements on a going concern basis. The Audit Director advised the Board that financial sustainability remained a major challenge for the college sector, but Audit Scotland had received reassurances through its annual audit that the College had arrangements in place to meet these challenges over the next financial year.

The Board APPROVED the Annual Report and Financial Statements to 31 July 2021 and the letter of representation, as endorsed by the Audit & Risk Assurance Committee, for sign-off by the Chair and the Principal.

The Board NOTED the commendations of the Chair of the Audit & Risk Assurance Committee and the Audit Director for the work of both the Edinburgh College Finance Team, and the Audit Scotland Team, in presenting the Annual Accounts and Financial Statements for approval in a timely matter.

The Senior Audit Manager (Audit Scotland) left the meeting

The Board took a scheduled break for the Chair and the Principal to sign the Annual Accounts and Financial Statement to 31 July 2021

8.2 POLICY & RESOURCES COMMITTEE

8.2.1 RECRUITMENT, RETENTION & CREDITS DASHBOARD

The Board NOTED an overview of the performance of the College against its 2021/22 activity targets. The Vice Principal Education & Skills reminded the Committee that the SFC had set the College an activity target of 192,349 for the academic year.

The Board NOTED that, although overall enrolment figures were continued to improve year-on-year, there had been a decrease in the number of full-time enrolments when compared to the academic year 2020/21. The Vice Principal Education & Skills advised the Board that a decrease in full-time enrolments correlated with an 8% reduction in the number of credits compared to this time last year.

The Board NOTED that the issues relating enrolments and credits were sector-wide, and that colleges continued to work closely with the SFC to mitigate the drop in full-time enrolments and safeguard credit funding. The Vice Principal Education & Skills advised the Board that the SFC had agreed to change its in-year credits guidance, offering additional flexibility to support colleges and students affected by the Pandemic for a second year.

8.2.2 MANAGEMENT ACCOUNTS TO OCTOBER 2021

The Board NOTED the financial performance of the College as outlined in the Management Accounts to October 2021.

The Board DISCUSSED the financial sustainability around high staffing costs at the College and the impacts of national pay bargaining. The Board AGREED that the Executive should consider the current risk rating related to '*National Bargaining Impact on College Operations*' on the Top-Level Risk Register.

Alex Killick and Jordan Wyllie left the meeting

8.2.3 FINANCIAL FORECAST RETURN 2020-24

The Board NOTED a presentation on the key information presented within the 2020-24 Financial Forecast Return (FFR) submitted to the SFC on 18 October 2021. The Chief Operating Officer informed the Board that the financial forecasts in the FFR were in line with the College's financial planning and consistent with the SFC guidance and assumptions provided in a 'call for information' request on 25 August 2021.

The Board NOTED that a balanced underlying position shown in the FFR for 2022/23 was predicted on the College making significant cost savings over the next financial year. The Chief Operating Officer advised the Board that savings of this magnitude could not be achieved solely through natural staff churn from within non-pay budgets, as substantial savings in this area had previously been made through the 3-year Business Transformation Plan in 2016.

The Board DISCUSSED the following in relation to the FFR 2020-24:

- i. The current scenario planning for future years.
- ii. The affordability of any potential severance scheme.
- iii. The potential impact on the support staff Job Evaluation Scheme given inflationary increases since the Scheme began.

The Board NOTED that it would continue to receive updates on financial forecasting through the Policy & Resources Committee.

8.3 NOMINATIONS COMMITTEE

8.3.1 COMMITTEE MEMBERSHIP PROPOSAL

The Board NOTED the first terms of non-executive members, Ross Laird, and Gwen Raez, were due to end on 8 March 2022. The Committee DISCUSSED the valuable contribution of both members and AGREED to endorse their reappointment for a second 3-year term of office to the Scottish Government.

The Board NOTED that, on 15 November 2021, members of the Board were invited to nominate themselves for the role of Interim Vice Chair, covering the period from 1 March 2022 until a new Regional Chair was appointed. The Chair advised the Board that one Non-Executive Board Member had nominated themselves for the role. The Board AGREED to endorse the nomination of Fiona Riddoch, as Interim Vice Chair, to the Board

The Board NOTED a Committee Membership Proposal as endorsed by the Nominations Committee. The Board DISCUSSED committee membership and APPROVED the proposed amendments. The Chair advised the Board

that discussions with new non-executive members (Minute 1.3 refers) regarding committee membership would take place as part of their induction.

The Board NOTED that, in addition to the changes to committee membership, the Nominations Committee proposed that Gwen Raez joined the Edinburgh College Development Trust. The Board DISCUSSED the proposal and AGREED that Ms Raez would join Ross Laird as a Board representative on the Trust.

The Board NOTED that the Nominations Committee had agreed that a round of non-executive recruitment should commencing in January 2022, to seek two new Board members with knowledge and experience of the following:

- i. Community engagement.
- ii. Working with young people.
- iii. The voluntary and/or third sector.
- iv. Local business / enterprise.

The Board NOTED a recommendation from the Nominations Committee to undertake an open recruitment process to co-opt a new independent member to the Audit & Risk Assurance Committee would take place in March 2022, with a view to an appointment being made before the end of the academic year. The Board DISCUSSED the proposal and AGREED to the appointment of a new co-opted member.

9. GOVERNANCE REPORT

- 9.1 The Board NOTED a Governance Report highlighting development related to internal and external governance matters, and progress against the 2021/22 Board Improvement Plan.
- 9.2 The Board NOTED the result of the 2021 Lecturing Staff Board Elections, which had seen Richard Swan elected to the role by his peers. The Clerk to the Board advised members that there were five candidates for the role, and that 16% of eligible staff had voted in the elections.
- 9.3 The Board NOTED that the Principal, Board Secretary, and the Clerk to the Board had all met with the Scottish Government and the Public Appointments Team, as part of an early engagement event, to discuss the recruitment of a new Regional Chair. The Clerk to the Board informed the Board that, whilst no timetable for recruitment had been confirmed, it was expected that the recruitment process would commence before March 2022.
- 9.4 The Board NOTED that the Audit & Risk Assurance Committee, at its meetings in October and November, had considered its terms of reference and proposed a minor change to align itself with the Scottish Government's Audit Committee Handbook. The Board DISCUSSED the proposed amendment and AGREED that the terms of reference should be updated to state that '*at least one-member of the committee should have recent and relevant financial experience*'.
- 9.5 The Board NOTED a Top-Level Risk Register (TLRR) Summary graphic included within the Governance Report, which included a link to the main TLRR. The Chief Operating Officer presented the graphic and the Board were advised that a

development session focussing on the TLRR and Cyber-Security would be held on 9 February 2022.

Ross Laird left the meeting

10. NATIONAL REPORT

10.1 The Board NOTED a verbal update from the Chair on national developments in the college sector and the work of the Colleges Scotland Board, of which the Chair is a member.

10.2 The Board NOTED that a review of Colleges Scotland had commenced in November 2020, which led to the development of three working groups focusing on its statement of ambition, strategies, and governance. The Chair provided an overview of the purpose and remit of the review and recent outputs, including the refreshed Statement of Ambition for the college sector. Further to this, the Board noted that the review process would conclude in early 2022.

11. ANY OTHER COMPETENT BUSINESS

11.1 BOARD BRIEFING SESSION

11.1.1 The Board NOTED that prior to the Board and its committees meeting in February and March 2022, an optional Board Briefing Session (led by the Principal) would be held in early February 2022. The Chair advised the Board that proposed dates for the session would be circulated in due course.

11.2 DEPARTURE OF NON-EXECUTIVE BOARD MEMBER

11.2.1 The Board NOTED that the tenures of non-executive Board members, Azra Sharif-Qayyum and Nigel Paul, would end on 9 February 2022 and 1 March 2022 - respectively. The Chair, on behalf of the Board, thanked both members for their significant contribution to the Board and its committees.

11.2.2 The Board NOTED its special thanks to Mr. Paul for his contribution to the Board of Management as the Interim Vice Chair and the Chair of its Audit & Risk Assurance Committee, which he had convened since March 2015.

Janyce Holmes left the meeting

12. FOR INFORMATION

12.1 AUDIT & RISK ASSURANCE COMMITTEE MINUTES 13.10.21

12.1.1 The Board NOTED the Audit & Risk Assurance Committee minutes from the meeting held on 13 October 2021.

12.2 AUDIT & RISK ASSURANCE COMMITTEE MINUTES 24.11.21

12.2.1 The Board NOTED the Audit & Risk Assurance Committee minutes from the meeting held on 27 November 2021.

12.3 POLICY & RESOURCES COMMITTEE MINUTES 16.11.21

12.3.1 The Board NOTED the Policy & Resources Committee minutes from the meeting held on 16 November 2021.

12.4 LEARNING, TEACHING & STUDENT EXPERIENCE MINUTES 19.11.21

12.4.1 The Board NOTED the Learning, Teaching & Student Experience minutes from the meeting held on 19 November 2021.

12.5 CORPORATE DEVELOPMENT COMMITTEE MINUTES 23.11.21

12.5.1 The Board NOTED the Corporate Development Committee minutes from the meeting held on 23 November 2021.

12.6 NOMINATIONS COMMITTEE 08.12.21

12.6.1 The Board NOTED the Nominations Committee minutes from the meeting held on 8 December 2021.

12.7 RIDDOR REPORT

12.7.1 The Board NOTED a RIDDOR Report for the first Quarter of 2021/22.

12.8 BOARD OF MANAGEMENT AGENDA PLANNER 2021/22

12.8.1 The Board NOTED an agenda planner for the 2021/22 academic year, which aimed to provide members with an opportunity to review upcoming items of business.

13. CLOSED ITEMS OF BUSINESS

13.1 Items of business were considered by the Board as part of a closed session. Closed items were recorded under a separate minute (Closed Minutes 13/14.12.21 refers).

14. DATE OF NEXT MEETING

14.1 The next meeting of the Board of Management shall take place on 22 March 2022.

Meeting closed at 17:10