For the future you want

EDINBURGH COLLEGE BOARD OF MANAGEMENT

MINUTES OF MEETING OF 10 DECEMBER 2019

14:00 Boardroom, Milton Road Campus

Present: Bruce Cassidy; Audrey Cumberford; Lesley Drummond; Sam Hogrefe; Ross Laird; Ann Landels (Chair); Niki McKenzie; Nigel Paul; Gwen Raez; Azra Sharif-Qayyum; Fiona Riddoch; Judith Sischy; Jeanette Stevenson

In attendance: Jon Buglass; Nick Croft; Michael Jeffrey; Jonny Pearson; Gordon Smail (Audit Scotland); Marcus Walker (Clerk); Alan Williamson

Observers: Don Gluckstein

1.   **WELCOME AND APOLOGIES**

   1.1   Apologies were received from Mike Cowley, Carla Ford and Seoras Hearton.

   1.2   The Chair welcomed Audit Director (Audit Scotland), Gordon Smail, to the meeting to present the External Auditor's 2018/19 Annual Report under Item 9.1.3.

   1.3   The Board NOTED that, due to unforeseen circumstances, both Student Board Members were unable to attend the meeting. The Chair advised the Board that ECSA Director, Al Wilson, would present the ECSA Report under Item 8.

   1.4   The Board NOTED that Allan Colquhoun (Chair of the Development Trust), Fiona Gray (Chair of the Joint Working Group) and Julie Forster (Interim Development Trust Manager) would join the meeting for Item 14.

2.   **DECLARATIONS OF INTEREST**

   2.1   The Board NOTED declarations of interest from Ann Landels and Nigel Paul in relation to Item 14, in light of their positions as members of the Edinburgh College Development Trust (ECDT) and the ECDT Joint Working Group - respectively. The Chair advised members that Lesley Drummond, a Non-Executive Board Member, would act as Chair for this single item of business.

2.2 The Board NOTED a declaration of interest from Lesley Drummond, Judith Sischy and Jeanette Stevenson in relation to the consideration of their tenure as a Non-Executive Board Members under Item 9.5.1.

3. MINUTES OF PREVIOUS MEETINGS

3.1 The Board APPROVED the minutes from 24 September 2019 as an accurate record of the meeting.

4. MATTERS ARISING

4.1 Actions from the previous meeting were complete, overtaken or on the agenda.

4.2 The Board NOTED that, following a call for nominations from non-executive Board members to come forward to act as Interim Vice Chair and Senior Independent Member, Nigel Paul had been appointed to the role.

4.3 The Board NOTED that a staff survey would be conducted in early 2020, with the outcomes and analysis to be presented to the Board at its meeting on 16 June 2020.

5. BOARD DEVELOPMENT DAY 29.10.19

5.1 The Board NOTED an overview of matters considered at the Board Development Day on 29 October, and actions arising from the discussions held. The Chair highlighted that the twin purposes of the day were to review performance against the current Strategic Plan 2017/22 priorities and consider the College's wider external environment.

5.2 The Board NOTED that it had agreed at the Development Day that a high-level KPI dashboard would be developed to indicate year-end progress. Further to this, the Principal tabled a Draft Edinburgh College Performance 2018/19 Report which provided a summary of overall performance against high-level strategic priorities and the formal KPIs outlined in the 2019/20 Regional Outcome Agreement.

5.3 The Board DISCUSSED the following in relation to the Draft Performance 2018/19 Report:

i) The need for the covering page to highlight any significant changes;
ii) the prioritisation of KPIs within the report, to help ensure that members of the Board focus on specific performance indicators;
iii) the inclusion of annual progress updates against the Strategic Plan.

5.4 The Board NOTED that it was content with the development of the Draft Performance 2018/19 Report to date, and AGREED that an updated version of the Report should be presented to the next meeting of the Board on 24 March 2020.

5.5 The Board NOTED that at its Development Day the Board had considered further its ambition to become 'A Future Proof College' and AGREED that, given the level and

speed of change in the environment in which the College operates, a review and refresh of the Strategic Plan would commence in the current academic year.

6.   STRATEGIC DISCUSSION: THE COLLEGE OF THE FUTURE PROGRESS REPORT

6.1   The Board NOTED a Progress Report provided by the Independent Commission on the College of the Future, published in November 2019. The Principal informed the Board that the Commission brought together leading figures from business, trade unions and both national and international experts from across the four nations of the UK. Further to this, the Principal advised the Board that she was also a member of the Commission.

6.2   The Board NOTED that the Progress Report had been published to provide a sense of direction prior to a final report being published in June 2020. The Principal outlined the key themes that had been raised and explored by the Commission thus far, and presented three challenge questions to the Board.

6.3   The Board DISCUSSED the following in relation to Progress Report:

i)   The currency of the credits system in relation to the increasing numbers of students studying at the College and increasing move in provision from full-time to part-time;

ii)   the incentivisation of funding mechanisms going forward;

iii)   the importance of facilitating transitions to / from colleges, and the use of online learning to support such transitions;

iv)   the 'purpose' of colleges of the future

v)   the idea of the College as an essential service / public asset, and the relevance of the report to the context in Edinburgh and Lothians;

vi)   the current qualification and standards structure in place, and the scope for further modernisation;

vii)   the position of the college sector as an influencer on industry, and the role of Colleges Scotland.

6.4   The Committee AGREED that the Principal, as a Commissioner, should feedback to the Independent Commission on points raised under Paragraph 6.3. The Chair advised the Board that feedback could also be submitted directly to Commission via an online survey which would remain open until 17 January 2020.

7.   DRAFT REGIONAL OUTCOME AGREEMENT 2020/21

7.1   The Board NOTED a draft of the Edinburgh College Regional Outcome Agreement (ROA) for 2020/21. The Vice Principal Innovation, Planning and Performance, provided an overview of the document, highlighting key areas of consideration and governance.

7.2   The Board NOTED that the SFC had asked colleges, within their outcome agreements, to articulate their contribution to a reduction in youth unemployment and improving life chances. The Vice Principal Innovation, Planning and Performance also advised the Board that the outcome agreement should demonstrate that the College

ensures its provisions are efficiently delivered and meets national, regional and local employer needs, and support learners to complete their study and achieve successful outcomes.

7.3 The Board DISCUSSED the following in relation to the Draft ROA 2020/21:

i)   The expected total credits target for 2020/21, and the potential for it to remain static;
ii)   the format used by other colleges to present their ROA, and the potential to make the document more concise around its key messages;
iii) the current Climate Emergency and the need for the SFC to capture related targets in its required reportage.

7.4 The Board AGREED that a final draft of the ROA 2020/21 would be presented to the Board at its next meeting on 24 March 2019, for approval. The Chair advised the Board that any further comments on the draft outcome agreement should be made directly to the Vice Principal Innovation, Planning and Performance.

8.   EDINBURGH COLLEGE STUDENTS' ASSOCIATION (ECSA)

The ECSA Director joined the meeting

8.1   ECSA QUARTERLY REPORT

8.1.1 The Board NOTED a report from ECSA covering a range of activities at the College from October to December 2019.

8.1.2 The Board NOTED that first Class Rep Conferences had taken place on the week commencing 25 November, and focused on induction and retention. The ECSA Director informed the Board that feedback from the conferences would be presented to the Senior Management Team and then to the Academic Council on 28 February 2020.

8.1.3 The Board NOTED that the Interim Chair and Interim Vice Chair had met with ECSA representatives on 19 November to discuss their progress in the first quarter of the academic year. The Chair advised the Board that the meeting was very positive, and commended the work of the new sabbatical team.

The ECSA Director left the meeting

9.   COMMITTEE REPORTS

9.1   AUDIT & RISK ASSURANCE COMMITTEE

9.1.1   MINUTES 09.10.19

The Board NOTED the Audit & Risk Assurance Committee minutes from the meeting held on 09 October.

The Board NOTED that the Committee had considered the Scotland's Colleges 2019 Report published by Audit Scotland in June 2019. The Chair of the Audit & Risk Assurance Committee advised the Committee that the report provided an update on college finances and an analysis of learning activity. Further to this, the Board NOTED that colleges continued to operate within an increasingly tight financial environment, with 12 incorporated colleges forecasting recurring financial deficits by 2022/23.

9.1.2   MINUTES 20.11.19

The Board NOTED the Audit & Risk Assurance Committee minutes from the meeting held on 20 November. The Chair of the Audit & Risk Assurance Committee advised the Board that the Committee had received an up-to-date analysis of the College risks, impacts, and associated mitigated actions, resulting from EU Withdrawal.

9.1.3   ANNUAL REPORT & FINANCIAL STATEMENT FOR THE PERIOD TO JULY 2019

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 01 August 2018 to 31 July 2019. The Chair of the Audit & Risk Assurance Committee informed the Board that, in addition to financial challenges across the sector and the risks associated with EU withdrawal (paragraphs 9.1.1 and 9.1.2 refer), the College should progress workforce planning to ensure there was effective staffing to deliver its curriculum and support activities. Further to this, the Chair of the Audit & Risk Assurance Committee also highlighted that ongoing vigilance was required with regard to cyber security and data protection.

The Board NOTED the Edinburgh College Annual Report and Financial Statements for the 12-month period ended 31 July 2019.

The Board NOTED 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 approval by the Board, following their third term as external auditors for Edinburgh College.

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

i)   the positive narrative within the annual accounts and the need to communicate the document to stakeholders;
ii)   the need to reflect on the financial challenges within the sector to ensure the College moves forward with its strategic ambitions;
iii)   the excellent stewardship provided by the Audit & Risk Assurance Committee, which was commended by Board members;
vi)   the challenge of achieving financial sustainability over the next few years given the gap between income and expenditure highlighted in the latest 5-year forecast;
v)   the cyber resilience position of the College and the planned external penetration testing in May 2020.

The Board NOTED that, for the purposes of preparing the Financial Statement, the College was defined by Audit Scotland as a Going Concern. The Audit Director advised the Board that, as a Going Concern, Audit Scotland were content that the College would remain financially sustainable for at least the next financial year. Further to this, the Audit Director informed members of the Board that they remained responsible for minimising any financial losses and dealing with challenges faced by both the College and the sector.

The Board APPROVED the Annual Report and Financial Statements to 31 July 2019 and the letter of representation, as endorsed by the Audit & Risk Assurance Committee, for sign-off by the Chair and the Principal.

The Audit Director (Audit Scotland) left the meeting

9.1.4 SUMMARY TOP RISK REGISTER

The Board NOTED the Summary Top Level Risk Register (TRR) to December 2019, and the changes in top level risks since the last meeting of the Board on 24 September. The Head of Communications, Policy and Research advised the Board that the risk score related to recruitment, retention and achievement had increased as a result of reduced levels of attainment, with regards to nationally recognised qualifications on both Further Education and Higher Education Courses.

The Board DISCUSSED the increased risk score relating to Workforce Planning and Development, and its close links with medium/long-term financial sustainability. The Principal reassured the Board that workforce planning and associated scenarios were regularly considered by the Executive Team.

9.2 POLICY & RESOURCES COMMITTEE

9.2.1 *MINUTES 12.11.19*

The Board NOTED the Policy & Resources Committee minutes from the meeting held on 12 November.

The Board NOTED that, in order to respond to the financial forecasts outlined in the 2018/19 Financial Forecast Return and ensure the College achieved a breakeven position, alternative strategies and scenario planning information would be presented to the next meeting of the Committee. The Board DISCUSSED the proposed action and AGREED that two non-executive Board members, Fiona Riddoch and Niki McKenzie, would be invited to support and advise the Chief Operating Officer in the scenario planning process.

9.2.2 DIGITAL STRATEGY 2020-2025

The Board NOTED Draft Edinburgh College Digital Strategy 2020-25 which had been under development since the Board Development Day in April. The Vice Principal Innovation, Planning and Performance advised the Board that the Digital Strategy 2020-2025 would position the College to be a pioneer in digital learning,

teaching and business operations across further and higher education, with data driven innovation at its core.

The Board NOTED that a process of consultation had taken place with managers and staff across the College, and had yielded 232 unique responses which were distilled into three strategic themes. The Vice Principal Innovation, Planning and Performance advised the Board that the three strategic themes were: (i) Digital and Data Skills for Staff and Student; (ii) Data Driven Innovation for Transformational Services; and, (iii) Developing a Resilient Digital Infrastructure.

The Board DISCUSSED the following in relation to the Draft Digital Strategy:

i)   The phasing of actions with the Strategy through an accompanying operational plan;
ii)   the incorporation of points from the Board Development Day in April, and the 'road-testing' of the Strategy with Data Lab;
iii)   the need to work with teaching and support staff to ensure any review of desktop computers was appropriate managed;
iv)   the prioritisation of funds to ensure that the Strategy is appropriately implemented.

The Board APPROVED the Digital Strategy 2020-2025, subject to the Executive seeking further feedback from Data Lab.

9.2.3   ENVIRONMENTAL SUSTAINABILITY STRATEGY 2019-2024

The Board NOTED Environmental Sustainability Strategy 2019-2024, as approved by the Policy & Resources Committee. The Head of Communications, Policy & Research advised the Board that Strategy outlined an ambition for the College to be at the cutting edge of environmental sustainability through its learning, teaching, partnerships and core operations.

The Board NOTED that a key aim within the Strategy was to reduce carbon baseline emissions by 75% by 2024, with an aspiration to be carbon neutral by 2030.

The Board DISCUSSED the Strategy and hoped that through its aim to become carbon neutral the College would engage further with the Scottish Government on sustainability matters. The Board welcomed the ambition of the College and AGREED to endorse the Environmental Sustainability Strategy 2019-2024.

9.2.4   RECRUITMENT & RETENTION DASHBOARD

The Board NOTED an overview, from the Vice Principal, Education & Skills, of the performance of the College against its 2019/20 recruitment and retention targets. The Vice Principal reminded the Committee that the SFC had set the College an activity target of 187,947 for the 2019/20 academic year.

The Board NOTED a year-to-date (YTD) increase in enrolments and the number of unique students from 2018/19 to 2019/20. The Vice Principal, Education & Skills advised the Board that, although these figures were positive, the total number of

credits was currently down on last year (YTD). The Board NOTED that the credit figures indicated were reflected across the college sector.

The Board DISCUSSED applications for Semester 2, and the potential for the College to influence student choices through its marketing campaigns. Vice Principal, Education & Skills advised the Board that it was expected that the College would meet its 2019/20 credit target.

9.2.5　MANAGEMENT ACCOUNTS TO OCTOBER 2019

The Board NOTED the financial performance of the College as outlined in the Management Accounts to October 2019.

The Board NOTED that the College in the first three months of the financial year was showing an adverse annual forecast movement against the full-year budget. The Chief Operating Officer advised the Board that a significant portion of the adverse income variation related to tuition fees (SAAS and HEFT fees), but remained in line with the profiled budget to date.

The Board DISCUSSED the variance in financial reportage received by the Corporate Development Committee against that provided in the Management Accounts in relation to scheduled courses. The Chief Operating Officer highlighted that, in this instance, it was important to focus on forecasting (rather than the actuals) when considering commercial activity.

9.3　ACADEMIC COUNCIL

9.3.1　*MINUTES 15.11.19*

The Board NOTED the Academic Council minutes from the meeting held on 15 November.

The Board NOTED that the Scottish Government had confirmed funding to support Scottish Colleges in providing student counselling services. The Chair of the Academic Council advised the Board that the College would receive £122,000, and that this would help support the work of the Wellbeing Team going forward.

The Board NOTED that, at the Academic Council's request, a presentation on counselling and safeguarding arrangements would be presented to its next meeting on 24 March 2020.

9.4　CORPORATE DEVELOPMENT COMMITTEE

9.4.1　*MINUTES 19.11.19*

The Board NOTED the Corporate Development Committee minutes from the meeting held on 19 November.

The Board NOTED that the Committee had received a presentation on developments related to the East Lothian Community Planning Partnership (CPP), and its performance against its current strategic plan. The Chair of the Corporate

Development Committee advised the Board that the East Lothian CPP was content with the level of engagement it received from the College.

The Board NOTED that the Committee had received presentations from both Commercial UK and International on current activity and proposed developments going forward. The Chair of the Corporate Development Committee advised the Board that it was hoped that both presentations would be included as part of an upcoming commercial and international workshop for members of the Board.

9.5   NOMINATIONS COMMITTEE

9.5.1   *VERBAL UPDATE*

The Board NOTED that the Nominations Committee, via correspondence, had endorsed an extension to Lesley Drummond, Judith Sischy and Jeanette Stevenson's tenures for an additional three-year term. The Board DISCUSSED and APPROVED the proposed extension to both Non-Executive Members tenures, subject to approval by Scottish Ministers.

The Board NOTED that, following the stepping down of Sir Ian Diamond as Chair of the Board on 31 October, it had been agreed by the then Chair and Vice Chair that non-executive recruitment would be postponed until the appointment of a new Regional Chair by the Scottish Government in April 2020.

10.   CLOSED ITEM(S) OF BUSINESS

Don Gluckstein left the meeting

10.1   Items of business were considered by the Board as part of a closed session. Closed items were recorded under a separate minute (Closed Minutes 10 /10.12.19 refers).

Don Gluckstein returned to the meeting

11.   PRINCIPAL & CHIEF EXECUTIVE REPORT

11.1 The Board NOTED a report from the Principal covering a range of activities at the College since the last Board meeting.

11.2 The Board NOTED that a Civic Reception would take place on 20 January 2020 to mark the 50th anniversary of the opening of Sighthill Campus. The Principal advised the Board that to mark the occasion Frank Ross, the Rt. Hon. Lord Provost of the City of Edinburgh would host the reception. Further to this, it was NOTED that guest speakers for the reception would include John Swinney MSP, Deputy First Minister and Cabinet Secretary for Education and Skills.

12. GOVERNANCE REPORT

12.1 GOVERNANCE UPDATE

12.1.1   The Board NOTED an update on the appointment of a new Regional Chair for Edinburgh College. The Head of Communications, Policy & Research advised the Board that it was hoped that a formal early engagement meeting between the Scottish Government's Public Appointment Team and the Principal and Board Secretary would take place prior to an information pack and advertisement being published.

12.2 BOARD EFFECTIVENESS REVIEW 2019

12.2.1   The Board NOTED that the findings and recommendations of the Board Effectiveness Review, undertaken by Advance HE, had been presented to members on 10 December - prior to the Board meeting.

12.2.2   The Board NOTED that a draft report, produced by Advance HE, would be circulated to members in due course for further comment. The Chair advised the Board that feedback should be provided directly to her (via email) by 10 January 2020, prior to a final draft of the Board Effectiveness Review Report being presented to the Board for approval on 24 March 2020.

12.2.3   The Board NOTED that an accompanying development plan, outlining the response of the College to recommendations outlined in the report, would also be presented to the Board at its next meeting. The Board AGREED that the Governance Review Working Group, previously set-up by the Board on 18 September 2018, should review the draft development plan prior to its presentation to the Board.

13. NATIONAL REPORT

13.1 The Board NOTED that the Interim Chair had attended the Colleges Scotland Board on 31 October as an observer. The Chair advised the Board that she had also attended the College Development Network's Annual General Meeting and Chair's Dinner on 13 November.

14. DEVELOPMENT TRUST: JOINT WORKING GROUP REPORT

The Chair of the Development Trust, the Chair of the Joint Working Group and the Interim Development Trust Manager joined the meeting

Lesley Drummond assumed the role of Chair

14.1 The Board NOTED the findings and recommendation of the joint Edinburgh College Development Trust (ECDT) and College working group on the future operating structure of the ECDT and the functions associated with its work. The Chair of the Working Group informed the Board that it was recommended that the College

developed fundraising and alumni outreach functions within the Corporate Development directorate, to enable efficient and effective marking and communications to support fundraising appeals.

14.2 The Board NOTED that the model reflected the operations of most other educational institutions with a successful development trust. The Interim Development Trust Manager advised the Board that the ECDT would remain the legal entity providing governance on the acceptance and distribution of philanthropic funds, ensuring transparency, whilst protecting the College from any real or perceived undue influence as a result of donations

14.3 The Board NOTED that no new funding would be required to support the ECDT in the 2019/20 budget, and DISCUSSED the following in relation to the recommendation of the Working Group:

i)   The 'soft' benefits of the proposed operating model, in addition to the financial benefits outlined in the report;
ii)   the resourcing of alumni and fundraising activity within the Corporate Development Directorate;
iii)   the need to review of internal priorities within the Directorate to ensure alignment with Development Trust activity;
iv)   the potential for better use of College data to support fundraising activities.

14.4 The Board welcomed the recommendation put forward by the Joint Working Group and APPROVED the proposed implementation plan. The Chair of the ECDT advised the Board that the development of a new business plan would be finalised in January 2020, with the continued support of the Interim Development Trust Manager.

The Interim Chair of the Board assumed the Chair

14.5 The Board NOTED that the tenure of the Chair of the ECDT, Allan Colquhoun, as a member of the Development Trust would end in March 2020. The Chair, on behalf of the Board, thanked the Chair of the ECDT for his valued contribution to the Development Trust since its initial meeting in May 2013.

The Chair of the Development Trust, the Chair of the Joint Working Group and the Interim Development Trust Manager left the meeting

15.   NATIONAL REPORT

15.1 The Board NOTED RIDDOR reportable incidents in Quarter 1 of the 2019/20 academic year.

16.   ANY OTHER COMPETENT BUSINESS

16.1   AGENDA PLANNER 2019/20

16.1.1   The Board NOTED an agenda planner for the academic year, which aimed to provide members with an opportunity to review upcoming items of

business. The Chair advised the Board that it was important to follow an appropriate plan of work in order to ensure that future agendas cover all areas within its remit.

17.   DATE OF NEXT MEETING

17.1   The next meeting of the Board of Management shall take place on 24 March 2020, in the Boardroom, Milton Road Campus.

Meeting closed at 17:10