
Minutes of the Scotland's Colleges Board of Directors Monday 20 October 2009 at 1200, Argyll Court, Stirling

- Present:** Christina Potter (Chair)
John Burt
Suzanne Dawson
Tom Drake
Peter Finch
Graham Johnstone
Brian Keegan
Ian Macpherson
Linda McKay
Linda McTavish
John Russell
Ray Harris
- In Attendance:** Gayle Shotton (Company Secretary)
Amanda Lynskey (Minutes)
- Apologies:** Steve Brannagan
Mandy Exley
Ian Graham
Craig Thomson

1. Declaration of Interests

There were no updates to the Declaration of Interests Register.

2. Welcome and Apologies

The Chair welcomed the members to the 6th meeting of Scotland's Colleges Board of Directors.

Apologies were received from Steve Brannagan, Mandy Exley, Ian Graham and Craig Thomson.

3. Chairs' Introductory remarks

- **Appointment of Chair and Vice Chair**

The Company Secretary confirmed that the nominations process for the Chair and Vice Chair closed on Friday 16 October. As only one nomination had been received for the Vice-Chairs position, John Burt was duly elected to this post. However, two nominations were received for the Chair's position and a ballot would therefore be undertaken with a closing date of Friday 23 October.

It was confirmed that the new Chair would be announced at the AGM on 24 November 2009, with the appointment taking effect immediately following the meeting. A handover period will be required.

- Induction Pack

Hard-copy induction packs were distributed and will be available on-line the following week.

Action: Company Secretary to make induction pack available on-line ASAP.

4. Minutes for the last meeting and matters arising

- **Minutes of last meeting and matters arising**

The minutes of the meeting held on 21 September 2009 were noted as a true record and signed by the Chair of the Board following the correction to the date of the HR committee meeting.

- **Rolling Action Points**

The key points discussed were as follows:

Item 4. The Interim Chief Executive advised that there would be an SCI Development Committee meeting on the 9 December 2009 and agreement should be reached on the future International remit for Scotland's Colleges. All recommendations from the SCIDC will come back to the Board for approval.

Action: Ray Harris to provide an update to the Board on the 17 December 2009.

Item 9. The Interim Chief Executive advised that COLEG Board members had raised concerns relating to the continued delivery of 'COLEG activity' within the restructured organisation. He sought to reassure at the final COLEG Board meeting that the organisation would continue to support the delivery of this activity to the sector. It was noted that the COLEG asset should be maintained through continued voluntary buy-in from the sector.

Item 10. The Board were provided with an update on contractual obligations and agreed that harmonisation across Scotland's Colleges should be achieved as soon as practical.

Item 12. The Interim Chief Executive advised that he was attending the October finance meetings between the Finance Director and the current senior budget holders.

Item 13. It was advised that communication between the Interim Chief Executive and college members was progressing on an individual basis, as required, during the restructuring process.

5. Committee Update

- **Audit Committee – Meeting of 20 October 2009**

The Chair of the Audit Committee, John Russell, highlighted the key points of the meeting;

- *Co-opted Member*
The Committee intend to co-opt a member with financial expertise onto the Committee. It was agreed to approach the Scottish Universities and, with the assistance of the external auditors, ICAS.
- *External Audit Report*
The Committee were happy with the report following discussions with the auditor.
- *Draft SFEU Consolidated Financial Statements to 31 July 2009 / Draft ASC Financial Statements to 31 July 2009*
The Committee recommended both sets of accounts to the respective Board of Directors.

- *Risk Management*
The Committee discussed the importance of maintaining a current risk register and the responsibility of the Board of Directors to take ownership of, and have a broad understanding of, the risks and opportunities for the organisation going forward.

It was agreed to recommend that the Board attend an annual half-day Risk Management Workshop to take this forward.

The Board were in full agreement with this proposal and requested the workshop to be scheduled as soon as possible.

Action: Company Secretary to set-up a Risk Management Workshop.

- *External Auditors*
The external auditors, Wylie & Bisset, had been offered a further contract of one year to ensure continuity during the restructuring process.
 - *Internal Auditors*
The internal audit services are to be tendered.
- **Finance Committee – Draft Minutes of 12 October 2009**

It was advised that Peter Finch had been nominated as interim Chair of the Committee until a full complement of members attend the Committee and a permanent chair can be selected.

- *Interim Chief Executive – Finance Meetings*
The Committee acknowledged the involvement of the CEO in attending the monthly budget meetings with the Finance Director.
- *Investment of Free Funds*
It was noted that the market valuation of the HBOS bonds continued to improve. The Committee agreed to continue to monitor the position until the initial investment figure of £500k had been reached with interest, and then take to the Board for further discussion.
- *Draft SFEU Consolidated Financial Statements to 31 July 2009 / Draft ASC Financial Statements to 31 July 2009*
The Committee recommended both sets of accounts to the respective Board of Directors.

Copies of the financial statements were distributed to the Board members at the meeting who had not previously received a copy. The Board agreed the SFEU Consolidated Financial Statements to 31 July 2009 be signed by the Chair of the Board.

- **HR Committee - Draft Minutes of 14 October 2009**

The Chair of the Committee, Linda McKay provided members with the overview of the meeting of 14 October 2009 as follows.

- *Remit*
The Committee agreed that their remit should include the development of an “Organisational HR Strategy”.
- *Recruitment of Chief Executive*
The role profile was to be amended to reflect Committee discussions. It was agreed that strong positive communications were required to raise the profile of the post.

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- *Pay Awards*
Contractual obligations would be honoured.
 - *JNCC*
The Committee wished to minute their appreciation of the positive nature of discussions with the JNCC to date.

6. Chief Executive Report (* Non-disclosure)

7. ASC Subsidiary

- **Draft minutes of 16 September 2009**

The minutes of the meeting were noted.

- **ASC Board**

- **Remit and Responsibility**

The Interim Chief Executive advised that a paper would be brought to the next Board meeting regarding the role of the ASC within Scotland's Colleges

Action: Ray Harris to develop a paper on the remit and responsibility of ASC for the meeting on 17 December 2009.

- **Governing documents**

The Board noted the Memorandum and Articles of Association for information.

8. Scotland's Colleges Fellowship Award 2009

The Board reviewed the nominations based on the criteria provided and requested that the Interim Chief Executive advise the successful nominee.

Action: Ray Harris to take progress the 2009 Fellowship Award.

9. Risk and Regulatory Update

It was noted that the restructuring of Scotland's Colleges remains a significant risk.

The proposed risk management workshop for the Board will allow members to obtain a better understanding of the organisational opportunities as well as the risks faced.

10. Continuous Improvement and review of meeting and supporting papers

The papers were noted as good. In future the Financial Statements will be distributed to all Board members who were not members of the Finance and Audit Committees ahead of the Board meeting at which they are considered.

11. A.O.C.B

- **Updated Schedule of Meetings**

An updated schedule was distributed for information.

- The Company Secretary advised that a Striking Off application had been submitted for COLEG and that COLEG Board members would be asked to resign following notification from Companies House of impending strike-off.

There was no other competent business.

12. Date of next meeting

The date of the next meeting will be at 1300 on Thursday 17 December 2009 at Argyll Court.

Signed _____ Date _____