

Minutes of the Scotland's Colleges Board of Directors Thursday 17 December 2009 at 1300, Argyll Court, Stirling

Present: Brian Keegan (Chair)
John Burt (Vice Chair)
Steve Brannagan
Suzanne Dawson
Peter Finch (not present for items 1 – 4 of the agenda)
Graham Johnstone
Linda McKay
Christina Potter
John Russell
Ray Harris

In Attendance: Gayle Shotton (Company Secretary)
Amanda Lynskey (Minutes)

Apologies: Tom Drake
Mandy Exley
Ian Graham
Craig Thomson
Linda McTavish

1. Declaration of Interests

There were no updates to the Declaration of Interests Register. The Chair provided a statement to the Board, advising that although he had been employed by SFEU between 1997-01 and had undertaken consultancy work between 2004-08, he had not undertaken any such work within the last year and would not seek further contracts whilst remaining a Director of the Board.

2. Welcome and Apologies

The Chair welcomed the members to the 7th meeting of Scotland's Colleges Board of Directors.

Apologies were received from Tom Drake, Mandy Exley, Ian Graham, Craig Thomson and Linda McTavish.

3. Chairs' Introductory remarks

- **Appointment of Chair**

The Chair thanked the Directors for the opportunity to serve as the Chair of the Board and looked forward to the work ahead.

- **Acknowledgement of outgoing Chair**

The Interim Chief Executive thanked Christina Potter, as the outgoing Chair, on behalf of the Board for her contribution to Scotland's Colleges to date and presented her with a gift.

4. Minutes for the last meeting and matters arising

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

The minutes of the meeting held on 20 October 2009 were noted as a true record and signed by the Chair of the Board.

- **Rolling Action Points**

The Chair noted the Rolling Action Points paper and advised that all items were either complete or to be covered under the agenda items of the meeting. Regarding item 7 it was advised that follow-up reports from the Risk Management Workshop were due from Baker Tilly this week.

Action: Baker Tilly report to be circulated to Board members.

- **Fellowship Award**

The Board members advised that there had been positive feedback and support from the sector in response to this years Fellowship Award.

5. Committee Update

- **Finance Committee – Draft Minutes of 8 December 2009**
- **Summary of Group Financial Information to 31 October 2009**

The Chair of the Finance Committee, Peter Finch, highlighted the key points of the meeting as follows;

- *Future Funding*
The Committee requested that the SFC be asked to announce the funding for Scotland's Colleges in April 2010.
- *Management Accounts*
The Committee had discussed the slippage in operational activity to date and acknowledged the fluctuations in project activity that generally occur within a financial year. The Committee were satisfied with the reassurances provided by the Interim Chief Executive and Finance Director that positive moves would be taken to aid recovery. It was also noted that currently, savings are offsetting losses.
- *ASC- Debtors' and Creditors' Performance to 31 October '09*
It was advised that the SFEU Finance Department have taken over the monitoring of debt and it is therefore anticipated that the debt profile would improve going forward.
- *Investment of Free Funds*
It was noted that market valuations continue to improve. The Committee maintained their view that they would continue to monitor the position until the initial investment figure had been reached with interest, after which it would be taken to the Board for discussion.
- **HR Committee – Draft Minutes of 9 December 2009**

The Chair of the HR Committee, Linda McKay, updated the Board of the key points of the meeting as being largely related to the restructure and associated on-going issues. It was agreed that discussions regarding the appointment of the permanent Chief Executive would be picked up at the end of the meeting and the officers asked to leave to allow the discussions to take place.
- *Permanent Chief Executive (taken at end of meeting)*
Ray Harris and Amanda Lynskey were asked to leave for this discussion however the Board requested Gayle Shotton to remain.

Following the progress made and the implication for Scotland's Colleges should a new CEO be brought on board in April 2010, the Board agreed to ask Ray Harris to stay on as Chief Executive for a further twelve months. A remuneration Committee will be set up ahead of the February Board meeting to establish a salary for this extended role.

6. Chief Executive Report

- **CEO report on progress – current position**

It was noted that this would be a standing agenda item going forward.

The key points of the report were highlighted as follows;

- Papers to codify the relationship between the Principal's Convention and Chairs Congress and Scotland's Colleges are being prepared.
- The location of the Marketing resource within communications is proving helpful and remains an important focus.
- Events staff have been relocated to the Next Practice Directorate.
- Meetings have been set up with individual principals in the New Year to consider members' expectations and to ensure that staff are engaging with the right people in the colleges.
- The SFC have agreed that a simpler funding and relationship model is required going forward but are continuing to look for reassurances regarding the stability of Scotland's Colleges before they would be willing to consider a move to a block grant. Meetings between the Interim CEO and Brian Baverstock have been set up in the new year to discuss SFC expectations in this regard. The Board requested that the SFC be encouraged to give a good indication of the amount of funding available for 2010-11 by the February Board meeting. It was agreed that any fears that the SFC may have should have been picked up in the risk management workshop.
- Modernisation/Harmonisation of terms and conditions, including job evaluation will commence early in 2010. Suitable legal advice will be taken to support the HR function.
- The Board recognised the need for improved 'contact clarity' with the sector regarding the role and remit of Scotland's Colleges, the Chairs Congress' and the Principal's Convention.
- **Re-structuring Update (non-disclosure)**
- **SCI – International Development Committee**

The Interim Chief Executive provided members with an overview of the last SCI meeting and the associated paper.

It was agreed that the governance arrangements of SCI should not isolate it from the rest of Scotland's Colleges to ensure future Scotland's Colleges subscriptions should relate to all of the organisation's work.

A discussion was held surrounding the use of the branding of SCI as a 'kitemark' against bogus colleges.

The Board agreed to take the proposals in the paper forward and that an International Development Team should be established within the structure.

- **Business Model**

The Interim Chief Executive provided an overview of the paper and the rationale behind a single subscription fee. It was agreed that a single subscription model would likely be supported by the sector and a 'pick and mix' approach would not be sustainable. It was suggested that a number of options be prepared for review. The Interim CEO advised that an indication of fees could be provided once the SFC had confirmed the level of funding available for 2010-11.

The Board agreed the proposals in principle. It was noted that the timescale was imperative and the proposed modelling should be made available for the Board meeting in February.

Action: CEO and Finance Director to model subscription proposals and present options at the February Board Meeting.

The board discussed the roles of the Chief Executive and the Chair of the Board with the SFC and its' Board. It was agreed to develop relations going forward.

7. ASC Subsidiary

- **Remit and Responsibility**

The paper was noted. It was agreed that the ASC Board should also note this paper.

8. Risk and Regulatory Update

Current risks were noted as:

- Future SFC Funding
- Relationships with member colleges

The Interim Chief Executive advised of the importance of communication with members and that he intended to concentrate on this in the early part of 2010.

Continuous Improvement and review of meeting and supporting papers

The papers were noted as good.

9. A.O.C.B

The Board noted that Amanda Lynskey had tendered her resignation and this would be her last Board meeting.

10. Date of next meeting

The date of the next meeting will be at 1030 on Wednesday 17 February 2009 at Argyll Court.

Signed _____ Date _____