

Minutes of the Scotland's Colleges Board of Directors Thursday 25 June 2009 at 1300, Argyll Court, Stirling

Present: Christina Potter (Chair)
Chris Travis (CEO – Scotland's Colleges)
John Burt
Tom Drake
Peter Finch
Ian Graham
Graham Johnstone
Brian Keegan
Linda McKay
John Russell
Craig Thomson

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

Apologies: Mandy Exley
Ian Macpherson
Linda McTavish

1. Declarations of Interest

There were no updates to the Declaration of Interests.

2. Welcome and Apologies

The Chair welcomed the members to the 2nd meeting of Scotland's Colleges Board of Directors.

Apologies were received from Mandy Exley, Ian Macpherson and Linda McTavish.

3. Chairs' Introductory remarks

The Chair welcomed Tom Drake to his first meeting.

Minutes of last meeting

With the exception that Craig Thompsons' name was missing from those listed as present, the minutes of the meeting held on 27 May 2009 were noted as a true record and signed by Christina Potter.

A discussion took place regarding some of the detail captured within the minute and it was agreed to ensure that level of detail minuted was appropriate for public circulation.

Matters Arising

The Company Secretary provided clarification on the wording in the Standing Orders regarding adjournment of board meetings. It was agreed to amend standing order 5.1 to say "*with the agreement of the meeting*"

The Board requested that full versions of the standing orders and scheme of delegation be brought back to the next meeting for review.

Following a discussion regarding the use of existing HR Policies and the need for COLEG staff to be inducted as soon as possible, it was agreed that the CEO should make all staff aware that existing HR policies are applicable to all staff.

Action: Company Secretary to bring the standing orders and scheme of delegation back to the board meeting on 22 July after the amendment to 5.1 above. CEO to inform all staff that existing HR policies remain in force at present.

4. Board

- **Chairs' Vacancies Update**

The Company Secretary provided details on the nominations received. It was agreed that the nominated Chairs provide a statement of relevant experience to accompany the ballot papers. It was agreed to delay the date of return for ballot papers to 1 August 2009 to accommodate this request and the college holidays..

The Board discussed Committee membership and agreed that this should be finalised as soon as possible with two vacancies being held open for the two new chairs posts.

Action: Company Secretary to finalise Committee membership.

- **Board Members Induction**

It was noted that Brian Keegan would review the draft induction pack and would provide feedback to the Company Secretary.

Action: B Keegan to provide feedback to Company Secretary

5. ASC

- **Membership and Board of Directors Update**

The Board reconsidered the legal advice provided with regard to having an independent member on the ASC Board of Directors and agreed that Stewart Brymer be invited to join the Board.

Action: It was agreed that the CEO would contact Stewart Brymer.

It was further agreed that all business would be dealt through the main ASC Board twice a year without the need for separate Committees.

It was agreed that the agreement and adoption of the ASC Constitution and written resolution be delegated to the CEO following review by the Board.

Action: Company Secretary to provide the revised Constitution and written resolution to the Board.

- **Post year-end Donation to Parent**

It was agreed in principle that the ASC Board be asked to consider a donation to the parent company up to twice a year. It was agreed that this should be a standing agenda item on the ASC Board agenda.

6. Financial

- **Group Financial Overview**

The Director of Finance provided a comprehensive overview of the current financial position.

It was confirmed that following discussions with the Auditors, Wylie & Bisset, the pension scheme liabilities would remain off the balance sheet within the SFEU annual accounts and reversed out of the ASC accounts. It was noted that OSCR are currently forming an opinion on whether FRS17 should be applied to charity accounts.

The Board were advised that the budget for 2009/10 is currently being drafted and will be brought to the next Board meeting for review. The Board highlighted that Colleges would be under increasing spending pressure in 2009-10.

- **Consolidated Forecast to year end**

The paper was noted.

- **Debtors' and Creditors' Performance**

It was noted that the Debtors' ageing historically sit above 90% current. However, out of the £17k sitting in 30-59 days causing the drop to 88.6% at 30 April 2009, £13k relates to college invoices.

- **Investment of Free Funds**

It was noted that the investment value had dropped to circa £364k as 25th June. The investment continues to be monitored weekly and sent to the Chair and CEO in the absence of a Finance Committee.

A discussion took place surrounding the use of the COLEG branding on materials and the current quality of service provided by Scotland's Colleges. The CEO advised that a brief on 'engagement strategy' was currently being compiled which would these matters into consideration.

- **Bank Indemnity**

The Board approved the bank indemnity requirements with the caveat that the indemnity should be for a fixed period of 6 months and the item be brought back to the December Board meeting for review.

Action: Finance Director to request the indemnity be for a fixed 6 month period by the bank and bring back to December Board meeting for further consideration.

8. Strategic Plan

The CEO presented the papers and provided members with an overview of the proposed structure, noting the importance of being fully engaged with the sector and taking direction from the members.

The Board agreed that a flexible resource base and the ability to draw talent from the sector was key to future success. Research and external funding opportunities are also key areas for consideration.

The Board unanimously approved the proposed structure and requested the CEO to bring key role profiles to the next Board meeting.

The Board discussed the capacity required to support the transitional process over the next 12 months and agreed that an external resource may be required.

Action: Key role profiles to be brought to next Board meeting for review.

Following the distribution of a confidential paper based on SFC discussions to date, It was noted that, in principle, the SFC are supportive of the change management process and understand that emergency transitional funding for the first 3-4 months of 2009-10 may be required.

The CEO noted that:

- SFC-funded activities which are not fully engaging the sector will be suspended in 2009-10,
- the restructuring plan continues to progress
- existing projects funded by SFC and rolling forward into 2009-10 will continue in the new organisation under the new funding model.

9. Risk and Regulatory Update

The CEO advised the Board of current issues involving the HR department and confirmed the full involvement of HR staff and that all necessary procedures were being followed. It was noted that the Chair would receive all relevant documentation as part of the procedure.

There were no other updates.

10. Schedule of Meetings

The schedule was noted. It was agreed that business normally dealt with through Committees would be dealt with by the main Board at the July meeting. Thereafter, Committees would be in place.

11. Continuous Improvement and review of meeting and supporting papers

It was requested that any action points would be **in bold** in the minutes going forward and a rolling action plan would be brought to each meeting.

12. A.O.C.B

There was no other competent business.

13. Date of next meeting

The date of the next meeting will be at 1000 on Wednesday 22 July 2009 at Argyll Court.

Signed _____

Date _____