

**Minute of the Board of Management Meeting  
Held in the Kilwinning Campus  
On Wednesday 30 September 2015 at 4.00 pm**



**Present:** Willie Mackie (Chair)  
Angela Alexander  
Holly Bates  
Nicki Beveridge  
Julie Bradley  
Heather Dunk  
Jim English  
Barbara Graham  
Waiyin Hatton  
Gordon James  
Alan McGregor  
Juliana Pyper-McFarland  
Alan Walker

**In attendance:** Brendan Ferguson (Board Secretary)  
Helen Canning  
Jackie Galbraith  
Eileen Mackin  
Donna Vallance

**1 Welcome and Introductions**

The Chair welcomed everyone to the meeting and in particular welcomed new members Juliana Pyper-McFarland (elected Support Staff member) and Holly Bates (elected Student member) to their first meeting of the Board.

**2 Apologies**

Apologies were received from Board members Bill Costley, Fiona Fawdry, Marie Macklin and Tom Wallace.

Apologies were also received from Executive Team members Michael Breen, Bernadette McGuire and Jane McKie

**3 Declarations of Interest**

The Chair declared that as a Board Member of Colleges Scotland he had an interest in the National Bargaining Update, which would be considered under Matters Arising.

**The Board noted the above declaration and agreed that the Chair should stay for this Item and contribute to the discussion as appropriate.**

#### **4 Chair's Report**

The Chair reported on matters pertinent to the Board since its previous meeting:

- The Chair set out the meetings and events he had attended on behalf of the Board. In particular the Chair singled out the visit of Dame Ruth Silver to Ayrshire College as a highlight and stated that Dame Ruth had subsequently set out in a blog how impressed she had been with the proactive work being undertaken by Ayrshire College.
- A further highlight had been a recent tour of the new Kilmarnock Campus, currently under construction. The Chair noted how impressive it already looked even at that stage of the construction process.
- The Chair noted the letter from the Cabinet Secretary to the Chair of the Scottish Funding Council. Included in the letter was the instruction to complete the process for establishing National Bargaining. The Cabinet Secretary's letter added that while the Management side of the national bargaining process would be expected to take into account the 1% uplift public sector pay guidance in seeking to reach agreement on a pay settlement, there would be no additional resources provided to fund such an increase. Instead it was expected that such a settlement would be funded through "efficiencies". As previously discussed by this Board and its committees, it was difficult to envisage how further efficiency gains could be made at Ayrshire College without a negative impact on the student experience. The Chair reminded members that the College budget agreed by the Board for 2015/16 made no provision for a pay award and projected a deficit at the end of the financial year. In addition, if the outcome of the Spending Review process, which was underway, resulted in a decrease in funding, as widely projected, then the ability of the College to deliver its targets would be significantly impacted.

The Chair added that the instruction from the SFC to use net depreciation to offset the deficit recorded in the trading accounts, as previously discussed at length by the Board and committees, was to be extended to 2015/16.

A discussion ensued at which the Board expressed its concern at the developing funding situation and its implications. Members were disappointed to note that the letter sent by the Chair of the Audit Committee to the college auditors, seeking clarification on the possible impact of the use of net depreciation on College accounts and whether a briefing had been provided to the audit firms by the Scottish Government or SFC, had not received a response.

**Action – If an appropriate response and clarification is not forthcoming, the Chair of the Audit Committee write again to the auditors seeking a response to the initial letter. This**

**correspondence would be copied to the Chair of the Scottish Funding Council.**

- The following documents were Received under Chairs Report

Strategic Plan for Colleges Scotland 2015 to 2018 (*Paper 1*)

Demonstrating the Economic Value of Scotland's Colleges (*Paper 2*)

## **5 Minutes of the Ayrshire College Board of Management Meeting held on 25 June 2015 (*Paper 3*)**

Subject to the removal of Gordon James from the list of those present, the minutes of the meeting held on 25 June 2015 were approved as a correct record.

Proposed: Alan McGregor

Seconded: Barbara Graham

## **6 Matters Arising**

Page 5, Item10; Colleges National Bargaining Update. The Chair reported that, following the submission of the signed National Recognition & Procedure Agreement (NRPA) by the College together with the Board agreed red lines on negotiation, Board members would have seen the email circulated to them by the Chair setting out the Colleges Scotland (on behalf of the employers) agreed offer. Because the agreed position was beyond the red lines agreed by this Board, as communicated to Colleges Scotland following its June 2015 meeting, the Chair reported that he did not have a mandate to support the Colleges Scotland negotiating position and that he had recorded his dissent from the decision.

Colleges Scotland had offered a 1% non-consolidated pay increase, which Union negotiators had immediately rejected. The Chair stated that he now awaited further developments, which he would communicate to the Board, and that he would not support any proposals made by Colleges Scotland for which he did not have a mandate from this Board.

Page 6, Item 14; Paperless Meetings. The Chair reported that he was aware that there were a number of issues that members had experienced in relation to the use electronic documentation during meetings. Members were asked to provide the Board Secretary with a note of problems they were experiencing or had encountered in order for them to be brought to the attention of Admincontrol prior to a session to be held with the Board.

## Page 7, Item15, Chairs Reports

A Walker, as Chair of the Audit Committee, reported that following a competitive tendering and formal interview process, Scott-Moncrieff had been appointed as the College Internal Auditors for the period ending 31 July 2018.

**The Board noted the appointment of Scot-Moncrieff as College Internal Auditors for the period ending 31 July 2018.**

**Action: The Secretary to collate members' issues in relation to the use of electronic documentation via the Admincontrol app to inform a session with Admincontrol to be held in advance of the next scheduled Board meeting.**

### **7 Board & Committees: 2014/15 Attendance Analysis (Paper 4)**

B Ferguson introduced the above paper and took members through the analyses and comparison with the same exercise for 2013/14.

The Chair noted that there were a number of issues contained within the analyses which he would take up during his annual meetings with each Board member scheduled over the coming weeks.

**The Board noted the above paper as part of its overall assessment of Board performance in 2014/15.**

### **8 Draft Revised Corporate Risk Register at August 2015 (Paper 5)**

A Walker, as Chair of the Audit Committee, explained that the above draft had been prepared by the EMT with input from the Chair of Audit following the outcomes of the Scott-Moncrieff facilitated Risk Workshop undertaken by the Board in April 2015. The above draft had been considered at a re-scheduled Audit Committee meeting the previous evening. The Committee had welcomed the draft and had agreed that the methodology underpinning the revised approach was sound. A Walker continued that the Audit Committee now wished to hold a further workshop at an early opportunity in order to roll out the revised approach to Board members in advance of the next Committee cycle, using worked examples from the previous session to aid members understanding of how the revised approach would work in practice. The Committees would then consider their relevant extracts in advance of the next scheduled meeting of the Audit Committee on 10 December 2015, with the consolidated Corporate Risk Register being received by the Board for consideration on 17 December 2015. This would then resume the normal cycle of reporting and consideration.

The Board welcomed the above report and the additional information that the EMT would now consider how best to cascade risk management down through the directorates and teams. The Board approved the proposed workshop and roll out, with a view to resuming the cycle of committee followed by Board

consideration of the Corporate Risk Register with effect from the December 2015 Board meeting.

**Action: The Secretary seek to arrange a Scott-Moncrieff facilitated Risk Register workshop, as described above, with a view to the roll out of the revised approach being in place for the December 2015 Board meeting.**

**The College EMT be commended for all of their work following the April 2015 Risk Workshop in successfully preparing the revised approach to the Corporate Risk Register.**

## **9 New Campus Risk Register (*Paper 6*)**

W Hatton introduced the above paper and noted that it had been approved by the Estates and New Campus Development Committee. The Board considered the above paper and noted the construction remained on schedule. The Board further noted that while the bulk of the risk still lay with the contractor, this would change as migration planning progressed in advance of the scheduled handover of the new building in May 2016. As such, more risk would be identified as being college related, requiring close monitoring by the Project Team, the Estates and New Campus Development Committee and the Board of Management.

D Vallance added to the above that as there is likely to be some significant change to the nature and ownership of risks between now and May 2016, it would be useful if monthly updates of the New Campus Register were to be introduced to take account of the dynamic situation that will result.

**The Board approved the New Campus Risk Register (V7) at August 2015.**

**The Board approved the introduction of monthly updates to the New Campus Risk Register to take account of the dynamic nature of migration planning and the handover period.**

## **10 College Operating Plan 2014/15: Progress Report at September 2015 (*Paper 7*)**

J Galbraith took the Board through Paper 7 and its appendix. The Board noted the excellent progress that had been made.

The Board went on to consider the proposal that, as a result of the integration of the Quality Action Learning Pilot, the College not produce Operating Plans in the future, but rather use the Outcome Agreement reporting mechanism to measure College progress against targets. A discussion ensued as members sought clarification. A number of questions were asked and satisfactory responses were received.

**The Board noted the content of the above paper and appendix and welcomed the progress made. It was agreed that based on the feedback received in the Report on the Quality Action Learning Pilot, the EMT would in the future use the Outcome Agreement to measure College progress against targets.**

**11 New Campus General Project Update (*Paper 8*) plus Additional Paper: Compliance Update**

E Mackin, New Campus Project Director, introduced the above paper and took members through it as written. The Board welcomed the update and the excellent progress being made. Members also congratulated the New Campus Project Team and all concerned in their recent achievement of the BREEAM Excellence Award.

H Dunk added that the Craig Centre in Kilmarnock was also a part of the disposal strategy. The EMT will work with East Ayrshire Council to consider a partnership approach with East Ayrshire Leisure Trust in the Dean Park.

**The Board noted and welcomed the above update paper. The Board also noted the compliance update received and welcomed the fact that the issue had been identified and remedial action agreed.**

**Actions:**

**In relation to the Craig Centre, as raised above, the EMT to work in partnership as suggested and bring a report to a future meeting of the Board before the end of the 2015/16 academic year.**

**A short report to be brought to a future meeting of the Board which sets out the accrued Community Benefits flowing from the New Campus Development Project. In addition, consideration be given to the feasibility of the production of a video which records the Community Benefits.**

**12 Student Association Report (*Paper 9*)**

A Alexander introduced the Student Association Report and updated members on ongoing actions in support of the student environment. A Alexander also described the ongoing work in making changes to the Student Association Constitution and, in particular, the structure of the Association.

**The Board noted and welcomed the above report from the Student President and also the progress being made in revising the Student Association Constitution.**

**The Board were supportive of the changes being proposed, which it noted must first receive the approval by the Student Representative Council (SRC), and agreed that if the SRC supported the proposals they should be circulated to Board members for formal ratification.**

### **13 Committee Chairs Reports**

The Committee Chairs provided verbal reports on the matters considered by the Committees since the last meeting of the Board and not already dealt with under the agenda for this meeting. The confirmed minutes of these meetings would be received by the Board at its next meeting.

**The Chairs reports were noted by the Board.**

### **14 Standing Committee Minutes**

The following confirmed Standing Committee Minutes were received by the Board:

- **Estates and New Campus Development Committee 21 May 2015** (*Paper 10*)
- **Finance Committee 16 June 2015** (*Paper 11*)
- **Learning and Teaching Committee 2 June** (*Paper 12*)

### **15 The Following Were Received For Information**

- Developing the Young Workforce – Briefing Paper
- Commission on Widening Access – Briefing Paper

### **16 Date of Next Meeting: Thursday 17 December 2015 at 4.00 pm, Ayr Campus**

## Reserved Items

### 17 **Ayrshire College in-House Childcare Provision – Ayr and Kilwinning Campuses** (*Paper15*)

B Graham, as Chair of the Learning and Teaching Committee, reported that the Committee had discussed the above paper at length and were acutely aware that, despite all of the efforts made, particularly over the last year as noted in previous minutes of the Learning & Teaching Committee, the Audit Committee and the Board of Management, the Nursery provision at both campuses remained loss-making. It had been recognised previously by committees and the Board that Childcare is not core provision of the College and that losses being made could not be sustained indefinitely. It was also noted that the position at the Kilmarnock Campus was entirely different, with no on-site provision and with the choices lying with the parents. The Kilmarnock model appeared to the Committee to offer greater freedom of choice, supported local small businesses and, importantly, was not a financial drain on the College.

Having considered the recommendations in detail, B Graham reported that the Learning & Teaching Committee fully supported the proposals contained in the above paper and were also supportive of the proposal that VS be reopened for the staff concerned, on the same basis as that previously offered to staff under Organisational Review.

H Dunk added that the College's own investigation had concurred with the findings of the report prepared by internal auditors Scott-Moncrieff insofar as the in-house childcare provision at the above two campuses were significantly loss making. H Dunk reported that discussions had been held with the local authorities concerned to ensure that staff and students could be supported in finding alternative and appropriate childcare provision and will assist staff and students in relocating. Consideration was also being given to a joint announcement being made by the College and the Student Association.

The Board noted the above reports and the detail contained in the paper. Discussion ensued and points of detail were clarified to the satisfaction of Board members. The Chair noted that the paper presented was well produced and well-reasoned and contained a compelling rationale.

**The Board agreed on the *closure* of the Kilwinning Campus Nursery, with a view to the closure being effective from 18 January 2016.**

**The Board agreed on the *closure* of the Ayr Campus Nursery, with a view to the closure being effective from 30 June 2016.**



**The Board agreed that discussions should be continued with the local authorities with a view to their providing effective support in finding alternative childcare provision for students and staff.**

**The Board noted that the reopening of the VS scheme, for the Nursery Staff at both campuses who wished to make application, would be discussed under Item 19 below.**

## **18 Cumnock Campus (*Paper 14*)**

The above paper was again introduced by B Graham having been considered in detail by the Learning & Teaching Committee. The Committee had asked for the addition of some further information before consideration by the Board. B Graham noted that the additional information had been provided and was contained in the Paper presented for consideration.

B Graham continued that the Committee had considered the paper at some length and had sought a number of clarifications. It had noted the clear evidence that students from Cumnock and the surrounding area were not applying for the courses on offer at the Cumnock Campus, but were preferentially applying for the courses offered elsewhere in Ayrshire College, primarily the Ayr and Kilmarnock Campuses. In supporting the proposals presented, the Learning & Teaching Committee noted the issues that would impact on the exit strategy. Having stated that, the Committee had unanimously concluded that there was no academic or educational rationale for the College to remain in its current Cumnock location.

H Dunk stated that it was very evident from the analyses undertaken that the costs involved in maintaining and operating the current Cumnock Campus, particularly at a time of constantly increasing fiscal challenge, were not balanced by the benefits brought to the local community. H Dunk added that if a closure decision was taken, staff currently employed in the Cumnock Campus would be offered redeployment elsewhere within Ayrshire College. The College would also have to engage with the owners of the building in finding an exit strategy that all parties could accept.

In terms of the future of FE provision to meet the requirements of Cumnock and the surrounding area, fit for purpose and relevant College services could still be delivered locally where appropriate through local partnerships, e.g. delivery of community based employability courses. In addition, the College would work with East Ayrshire Council to find and provide an appropriate delivery model, which may involve a project similar to that achieved in partnership with North Ayrshire Council at Irvine Royal Academy.

The Board discussed Paper 14 and the above reports. As a part of the discussions a number of questions were asked and satisfactory responses received.

**The Board agreed that, on the basis of all of the evidence available, the Cumnock Campus, as currently constituted, does not have a sustainable**

future. **The Board agreed to the closure of Cumnock campus at the end of semester 1 (January 2016).**

**The Board agreed that the Staff currently employed at the Cumnock Campus be offered employment elsewhere within Ayrshire College. However, noting that for the cleaning staff, the limited hours and additional travel costs might be prohibitive.**

**The Board noted and welcomed the College's pro-active consideration of alternative ways of delivering College services in the Cumnock area. The Board encouraged ongoing communication and discussion with East Ayrshire Council, in this regard.**

## **19 Organisational Review (Paper 13)**

H Dunk introduced and took the Board through the above paper as written. The object of the paper was to conclude the business of 2014/15 and to look to the future. In relation to the legacy HR cases resultant on the Organisational Review, H Dunk reported that D Davidson and his HR Team have performed excellently in resolving these cases and, at the time of report, only one case remained to be resolved.

In relation to future activity involving the staffing structure of the College, the Board were asked to note that the VS scheme, as previously agreed, was now closed. In line with the previous discussions held at Board and Committee level, it was now proposed that the scheme be re-opened for the benefit of those Nursery based childcare staff impacted by the Nursery closures agreed above.

H Dunk noted that the cleaning staff on the Cumnock campus have limited hours and travel to other campuses would incur additional costs. In these circumstances, H Dunk proposed that the inclusion in a re-opened VS Scheme would be appropriate. Board members accepted this rationale and supported H Dunk's proposal. In terms of any future VS Scheme, the various options involved would require to be discussed and agreed by the Board at the relevant time.

The Board noted and welcomed the above paper and the evident and impressive progress made. A number of questions were asked and satisfactory answers provided as part of an overall discussion.

**The Board agreed that, as discussed under in-House Child Care Provision (Paper 15) above, and as previously discussed at this Board and its committees, the VS scheme be re-opened under the same terms and conditions as offered under Organisational Review 2014-15 for those staff affected by the closure of the Nurseries at the Ayr and Kilwinning Campuses, and the cleaning staff on the Cumnock campus.**

**The Board also agreed that, in moving forward, a discussion around the governance of staff severance was required and a future policy agreed.**

**20 AOB – The Chair commended the preparation and presentation of the above papers.**