

Present: Willie Mackie (Chair)
Nicki Beveridge
Julie Bradley
Margarette Bryan
Barbara Graham
Gordon James
Alan McGregor
Alan Walker
Marri Welsh

In attendance: Brendan Ferguson (Board Secretary)
Michael Breen
Jackie Galbraith
Alistair Gordon
Jane McKie
Alistair Gordon

1 Welcome

The Chair welcomed everyone to the meeting, and in particular Lesley Russell who was attending her first meeting.

2 Apologies

Apologies were received from board members: Holly Bates, Bill Costley, Heather Dunk, Fiona Fawdry, Lainey McKinlay, Douglas McIvor, Juliana Pyper-McFarlane and Tom Wallace.

3 Declarations of Interest

There were no declarations of interest.

4 Student Association Report (*Paper 1*)

The Board noted that L McKinlay had been unable to attend the meeting, but expressed their pleasure in the report received, commending it and its content. The Board noted the excellent work and progress of the Student Association throughout the year and thanked L McKinlay, in her absence, throughout the year for the outstanding contribution she had made during 2016-17 and in covering for absence in recent months.

The Board noted and welcomed the above Report and congratulated ACSA, the Student Officers, and L McKinlay in particular for their ongoing, excellent work and progress throughout 2016/17. The Board also congratulated L McKinlay on her election as Student President and Lora

Millar on her election as Student Vice President for the 2017/18 academic year.

5 Chairs Report

The Chair expressed his disappointment at the low numbers attending the meeting and hoped that this would be an isolated occurrence.

The Chair reported the following:

- In relation to National Bargaining he had been in communication with Scottish Ministers to outline the implications of proposed bargaining outcomes. In addition, he had attended a meeting between Board Chairs and the Deputy First Minister to discuss the progress being made in the national bargaining negotiations. Further discussion on the progress of National bargaining would take place under the agenda below.
- The Chair had also attended the meetings with staff held across the three main campuses of the College at which the Principal had discussed with all staff the proposed 2017/18 budget. As part of her presentation, the Principal had provided an open and transparent commentary on the impact of the proposed national bargaining settlement on the current and future budgets. A question and answer session had followed the Principal's presentation, and the Chair had been impressed by the positive involvement of staff in the discussions.
- During the week on which the Board meeting was held the College had again been running Mission Discovery, as a collaborative venture between Ayrshire College, the Ayrshire College Foundation, College Sponsors (including NATS, Glasgow Prestwick Spaceport and Ayr Rotary Club) and the International Space School Educational Trust (ISSET). The event had once again been an outstanding success, with approximately 400 school and college students taking part in activities designed to raise their awareness of and interest in STEM subjects. As previously, the various student groups attending designed an experiment, which will be conducted on the International Space Station (ISS). The ISSET staff had commented that the experiment chosen at the Ayrshire College event the previous year had been one of the most successful conducted on the ISS. The Chair concluded by thanking all involved in what had been a highly motivational, exciting and rewarding week.

6 Minutes of the Ayrshire College Board Meeting held on 30 March 2017 (Paper 2)

The minutes of the meeting held on 30 March 2017 were approved as a correct record.

Proposed: **A McGregor**, Seconded: **B Graham**

7 Matters Arising

There were no matters arising reported on at the meeting.

8 Strategic Plan 2017-20 (*Papers 3*)

J Galbraith introduced the current draft of the Strategic Plan, reminding members that it had been fully considered by the Board at its Development Day on 26 January 2017. The draft had then been circulated for consultation and feedback and the draft plan subsequently revised accordingly. It was the intention to launch the plan at the Staff Conference scheduled for 16 August 2017. J Galbraith added that there was still time for members to feedback on the Plan content and for that to be taken into account.

The Chair commented that the draft plan as presented was an excellent document, well presented, easy to read and ambitious for the future of the College. The Board agreed that J Galbraith could now cascade the document on behalf of the Board

The Board welcomed and approved the Strategic Plan 2017-20.

9 Outcome Agreement 2017-20 (*Paper 4*)

B Graham, as Chair of the Learning & Teaching Committee, reported that the draft Outcome Agreement had been prepared in full consultation with the EMT, the senior management teams, staff and students. It was subsequently considered by the Learning & Teaching Committee which had fed back its views, including its surprise that the national template prepared by SFC did not include the opportunity to provide data on student destinations. The Committee was now pleased to commend the Outcome Agreement 2017-20 to the Board for approval.

The Board discussed the draft and agreed that it was an excellent and well prepared document.

The Board approved the Outcome Agreement 2017-20, subject to a final check on the accuracy of the funding figures presented.

10 National Bargaining Update

J McKie provided an update on the progress of the national bargaining negotiations since the recent Board discussion on the matter, adding that the most recent Employers' Association meetings had been held earlier that week. The Board were reminded that when they signed the National RPA, they attached some fundamental red line conditions which then allowed Ayrshire College to be a signatory to the National RPA and ultimately a member of the Employers Association.

J McKie updated the Board on the present position and in particular the draft set of Terms and Conditions (T&Cs) which management side and Union negotiators were currently progressing. From a College Management perspective these national conditions were considered to be less favourable to existing Ayrshire T&Cs.

M Breen provided an update on the financial costs which were recently presented by the Employers' Association. The current modelling indicated that over the implementation period the sector wide cost would be circa £112 million. SFC indicated that approximately £2 million of additional money could be available to support the current year and would be calculated on a college by college basis. SFC had further advised that they would require to seek new funding from the Scottish Government through the spending review processes.

The Board considered the update provided by both J McKie and M Breen. A number of questions were asked and answered. The key issue identified was the significant financial challenges that National Bargaining agreements as currently being negotiated would present to the College without new funding being made available by SFC.

The above verbal update was noted by the Board.

The Board agreed to update the risk register to reflect this updated position.

11 Organisational Review 2016-17

J McKie made a presentation on the progress of the Organisational Review 2016-17. J McKie advised that a consultation process was currently underway with staff and both EIS-FELA and Unison. In terms of timelines any changes to current portfolios and responsibilities would be effective from 1 August 2017. .

Following the presentation, a series of questions and points of clarification were raised by Board members, all of which were satisfactorily answered.

The Board noted and welcomed the above presentation and the progress that had been made to date.

12 Proposed Budget for Academic Year 2017-18 (*Paper 6 - Reserved*)

G James, as Vice Chair of the Finance Committee, introduced the proposed budget and stated that it had been recommended for approval by the Finance Committee (FC). G James outlined the detail of the discussion which took place at FC. A number of issues which would impact on the budget had been discussed by the Committee, including:

- National Bargaining outcomes, the full cost of which remained unknown, but which would undoubtedly have a significant impact on the budget.
- The College cash flow position. As a result of the budget presented, the FC noted the significant reduction in trading cash held at the end of the 2017-18 budget period. In addition, forward projections to 2018-19 showed the College would no longer hold any trading cash and indeed would enter an overall negative cash position. It was also discussed at the FC that should National Bargaining costs impact the College in 2017-18 without new funding the cash management timeline noted above would shorten.

The Board noted that national bargaining outcomes on pay and conditions, as discussed under item 10 above, would have a significant, but as yet unquantifiable, impact on the budget. G James stated that the FC had agreed that an updated budget would be presented to them early in 2017-18, which would include the costs in the relevant financial year associated with any National Bargaining agreements made and implemented.

The Board once again noted the continued position taken by SFC that the Kilwinning Campus PFI payments must be met from annual grant in aid funding. This had placed a unique and material financial burden on the College's cash flow position over the years since merger. .

Despite the production of all of the documentation sought by SFC in relation to the Kilwinning PFI, Ayrshire College remained the only college in the sector, which was funding a PFI contract. Although discussions were continuing, there was currently no prospect of SFC providing new funding in 2017-18 and the Chair and the Principal would continue to lobby as appropriate.

As a result of the ongoing uncertainty associated with the overall costs of National Bargaining outcomes, the Board recognised this as a budget, which would require revision in early 2017-18, as the national bargaining costs became clear. It was agreed that a revised budget would be brought forward at this time.

The proposed budget for academic year 2017-18 was approved by the Board, on the understanding that a revised version would be prepared when the overall costs of national bargaining outcomes become known.

13 Capital Expenditure for FY 2017-18 (Paper 7)

G James, as Chair of the Estates & New Campus Development Committee and Vice Chair of the Finance Committee, reported that Paper 7 had been considered by both Committees which were pleased to recommend its approval.

The Board approved the Capital Expenditure Proposals for FY 2017-18 as set out in the above document.

14 Board Committee Structure (Paper 8a)

W Mackie, as Board Chair, introduced Paper 8a explaining that thinking on this had been considered over a period of time in order that the plans put forward were credible and based on best practice observation and research. The proposals contained in the above paper were well set out, as was the rationale for the changes. The Chair emphasised that it was an important aspect of the proposals that there be no loss of rigour in governance and challenge. The revised committee structure would enable the Board and its members to continue to do what had been doing so well in the past, but in a more streamlined, efficient and effective manner.

Discussion ensued with broad support shown for the proposals contained in Paper 8a.

The Board approved the proposals contained within Paper 8a to begin with effect from the 2017-18 academic year.

The Board agreed that the effectiveness of the operation of the new structure would be reviewed by the Board Chair and the Chairs and Vice Chairs of the Committees in October 2017, following the first cycle of meetings, and again in January 2018, following the second cycle. A report and recommendations would subsequently be brought to the March 2018 meeting of the Board of Management.

15 Extension of Members Period of Appointment (*Paper 8b*)

The Chair reported that four members would reach the end of their period of appointment on 31 July 2017. The four:

Mr Bill Costley
Prof Alan McGregor
Mr Douglas McIvor
Mr Alan Walker

had been considered by the Search and Nomination Committee for re-appointment for a further four-year term under the terms of the of the Scottish Government's 2014 Ministerial Guidelines and Paragraph 5 (2B) of Schedule 2 of the Further and Higher Education (Scotland) Act 1992, as set out in Paper 8b. As a result, the Committee and the Chair of the Board of Management was recommending to the Board that it approve the reappointment of the above four members, as set out in Paper 8b, for recommendation to Scottish Ministers.

The Board was pleased to approve the reappointment of the above four Board members, as set out in Paper 8b, for recommendation to Scottish Ministers.

16 Extract from the draft minute of the Estates & New Campus Development Committee (Estates Risks) held on 18 May 2017 (*Paper 8*) & Corporate Risk Register 2016-17 (V4) as at May 2017 (*Paper 9*)

A Walker, as Chair of the Audit Committee, Introduced the V4 of the of the 2016-17 Corporate Risk Register and took the Board through it.

The Board agreed the following:

- **The equalities risk be located as a Board risk within the Register.**
- **BOM4 be closed with immediate effect.**
- **Consideration be given to the appropriate location of all of the committee owned risks in light of the decision on the new Committee Structure (Item 12 above) and their allocation be concluded in time for their presentation in V1 of the 2017-18 Corporate Risk Register.**
- **ENC1 become a Board risk. In so doing the PFI, risk associated with the Kilwinning Campus payments be brought into the main body of the risk.**

17 Health Safety and Wellbeing Policy (*Paper 10*)

Nicki Beveridge introduced the above Policy Paper, being an update of Issue 1, approved by the Board in December 2015.

The Board approved issue 2 of the Ayrshire College Health, Safety and Wellbeing Policy.

18 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 Chair of the Learning and Teaching Committee provided a written report as noted below. The confirmed minutes of these meetings would be received by the Board at its next meeting.

All of the Chairs reports were noted by the Board.

19 Standing Committee Minutes

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

- **Audit Committee:**
 - **20 March 2017 – these minutes could not be approved at the meeting of 15 June 2017 as there were insufficient members in attendance who had attended the previous meeting. The minutes will be approved by circulation for receipt at the September meeting of the Board.**
- **Estates and New Campus Development Committee:**
 - **2 November 2016 (*Paper 11*)**

- 16 February 2017 (*Paper 12*)
- **Finance Committee:**
 - 8 March 2017 (*Paper 13*)
- **Human Resources and Organisational Wellbeing Committee**
 - 2 March 2017 (*Paper 14*)
- **Learning and Teaching Committee**
 - 23 February 2017 (*Paper 15*)

20 Date of Next meeting: Thursday 28 September 2017, Kilwinning Campus.

Received for Information:

Response to consultation on Good College Governance

Notes from Learning and Teaching Committee meeting on 1 June 2017

Connect Magazine –

<https://www.joomag.com/magazine/connect-winter-2017/0691480001484297437?short>

Student Voice -

<https://view.joomag.com/student-voice-student-voice-spring-summer-2017/0917828001495027907?short>