

**Minute of the Board of Management Meeting
Held via Video Conference Using Zoom
on Wednesday 8 December 2021**

Present:

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| Willie Mackie | Chair |
| Fiona McQueen | Vice-Chair |
| Elaine Anderson | Non-Executive Board Member |
| Norman Bone | Non-Executive Board Member |
| Beth Clelland | Non-Executive Board Member |
| Steve Graham | Non-Executive Board Member |
| Matthew Wilson | Non-Executive Board Member |
| Sharon Morrow | Non-Executive Board Member |
| Mike Stewart | Non-Executive Board Member |
| Alison Sutherland | Non-Executive Board Member |
| Steven Wallace | Non-Executive Board Member |
| Ellie Jamieson | Elected Student President |
| Steven Oliver | Elected Student Vice-President |
| Janette Moore | Elected Member, Curriculum Staff |
| Carol Turnbull | Principal, Ex-Officio |

In attendance:

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| Pauline Donald | Board Governance Advisor (Minutes) |
| Yvonne Melvin | Board Administrative Officer |
| Michael Breen | Vice Principal – Finance |
| Anne Campbell | Vice Principal – Curriculum |
| David Davidson | Assistant Principal – HR&OD |
| James Thomson | Assistant Principal – Finance, Student Funding and Estates |
| Lucy Nutley | Mazars, External Auditors (until 4.20pm) |

1. Welcome and Declarations of Interest

The Chair welcomed all present to the meeting.

The Chair introduced David Davidson, Assistant Principal, HR&OD who will attend future Board Meetings as required to report and advise the Board on any related HR&OD issues.

The Chair also introduced Lucy Nutley from Mazars – the External Auditors for the College - who is in attendance to present under Agenda item 3 - Statutory Financial Statements 2020-21.

No declarations of interest were received.

2. Apologies

Apologies for absence were received from Mary McClung, Non-Executive Board Member and Steven Fegan, Elected Member, Support Staff.

The meeting was confirmed as quorate.

3. Statutory Financial Statements 2020-21

3.1 Board of Management Report and Financial Statements 2020-21

(Paper 1.1) (P)

The Chair of the Audit and Risk Committee (ARC), Steven Wallace introduced Paper 1.1 as presented.

The Chair of ARC advised that the Board of Management Report and Financial Statements 2020-21 had been considered in detail at the Business, Resources, and Infrastructure Committee (BRIC) and then subsequently at the Audit and Risk Committee (ARC) and are now being presented for approval by the Board.

The Board noted that the following amendment to the statements had been confirmed at the ARC and is reflected in the version as presented to the Board:

- The Scottish Funding Council (SFC) requested one minor change to Note 5 of the financial statements. (Other Operating Income (Page 48)):
 - that the College include a separate line in Note 5 showing the discretionary support from East Ayrshire Council - to show 56k from East Ayrshire Council discretionary fund.

On behalf of the management team, the Assistant VP, Finance, Student Funding and Estates joined the Chair of the ARC in commending the reports for approval.

The Chair acknowledged the significant work undertaken to compile and deliver a robust and exemplary set of reports. The Chair requested that the thanks of the Board is conveyed to the whole of the Financial Services Team.

Decision BoM36:D01 The Board approved the Board of Management Report and Financial Statements 2020-21 for signature by the Chair and Principal.

3.2 Annual Audit Report to the Board of Management and Auditor General

(Paper 1.2) (P)

L Nutley, Mazars introduced Paper 1.2 as presented and provided an overview of the corresponding Executive Summary.

The Board noted that the report:

- summarises the findings of the auditors' work and the auditors' conclusions.
- details the key areas covered by the auditors, including standard risk areas that are considered as part of all their audits in the college sector.
- sets out the auditors' opinions on the College's financial statements, regulatory matters required to be covered by the Auditor General and the auditors' opinion on wider scope work (such as financial management and governance arrangements).

L Nutley advised on the following key points:

- Financial sustainability: a modified conclusion statement will be reported on financial sustainability over the medium to longer term but this is reflective of the College sector as a whole and not a specific concern for Ayrshire College.
- Valuation of lands and buildings as noted on Page 9 – will include an 'Emphasis of Matter' paragraph in respect of this disclosure within the draft auditor's report set out in Appendix B. L Nutley advised that this is not a modification of opinion, but that it is reflective of the wording used by Rydens in their valuation report which is in line with guidance issued by RICS in terms of valuation uncertainty as an impact of COVID. L Nutley commented that this situation was reflective across a number of Colleges and that Audit Scotland and the SFC were aware.

In conclusion, L Nutley advised that an unqualified opinion will be issued in relation to the 2020-21 Financial Statements.

The Chair of the ARC advised that the Committee had been assured in relation to the note on the valuation of lands and buildings and were content that the note had to be in place.

The Chair expressed the thanks of the Board to External Audit for their report commenting also that the outcome reflected the quality of financial stewardship as well as the effective working relationship the College has with both Internal and External Audit. The Chair again reiterated the thanks of the Board to the Financial Services Team for all their efforts and commitment.

Decision BoM36:D02 The Board approved the Annual Audit Report to the Board of Management and Auditor General.

3.3 Letter of Representation (*Paper 1.3*) (*P*)

J Thomson introduced Paper 1.3 as presented.

The Board noted that the Letter of Representation is from the College to Mazars. The letter confirms that the Auditors had received all information relevant to the audit. It also confirms that there is no additional information or circumstances, known to the Board but not the Auditors, that would have a material impact on the financial statements or the College's ability to function as a going concern.

The Chair of the ARC confirmed that the Letter of Representation had been considered by the Committee and is presented for approval by the Board.

Decision BoM36:D03 The Board approved the Letter of Representation for signature by the Chair and Principal.

3.4 BDO Internal Audit Annual Report 2020-21 (*Paper 1.4*) (*P*)

J Thomson introduced Paper 1.4 as presented.

The Board noted that the report:

- details the audit work undertaken as reflected in the 2020-21 internal audit plan.
- summarises the audits previously reported to the Committee, the number of audit recommendations made and the overall conclusions of each report.
- records that there were nine internal audits carried out during 2020-21 with no reported high-level findings and no high-level ratings for any of the nine reports, all nine audits provided substantial or moderate assurance.
- will be shared with SFC as part of conclusion of annual reporting requirements.

The Chair of the ARC advised that this report had been considered by the ARC and is presented for approval by the Board.

Decision BoM36:D04 The Board approved the Internal Audit Annual Report 2020-21.

3.5 Audit and Risk Committee Draft Annual Report 2020-21 (Paper 1.5) (P)

The Chair of the ARC introduced the ARC Draft Annual Report 2020-21 as presented.

The Board noted that the report summarises the activity of the Committee during 2020-21 and the work of the external and internal auditors, setting out their conclusions on the work carried out.

The Chair of the ARC advised that this report had been considered by the ARC. The Chair highlighted that he was not in the post of Chair of the ARC during the period reported and that the Vice-Chair and Members had confirmed approval of the report as an accurate record. The Chair of ARC commended the report for approval by the Board.

The Chair commented that the report presented an excellent summary of how the ARC had achieved its remit during 2020-21 specifically providing assurance across the risk and control environment.

The Board noted that the report will be signed electronically.

Decision BoM36:D05 The Board approved the Audit and Risk Committee Draft Annual Report 2020-21.

L Nutley left the meeting at 4.20pm.

4. Minutes of the Previous Meeting held on 23 September 2021 (Paper 2) (P)

The minutes were approved as a correct record.

Proposed: Steve Graham **Seconded:** Alison Sutherland
Action Tracker (Paper 1a) (P)

The Board agreed the closure of Action No 2 related to Kilwinning PFI based on the recommendation from the BRIC meeting held on 16 November 2021 and

reflecting Board Paper #6. Stakeholders will be briefed accordingly as per progress with the business case.

Both other actions as detailed were confirmed as closed.

5. Matters Arising

There were no outstanding matters arising from the minutes.

6. Student Association Report (Paper 2) (P)

E Jamieson introduced Paper 2 as presented and summarised key highlights from the report.

E Jamieson brought to the Board's attention the appointment of Class Ambassadors advising that 209 Ambassadors had volunteered and undertaken relevant training. All Ambassadors will continue to be offered both peer support as well as support from the Student Association.

The Board acknowledged the breadth and extent of the work being undertaken, particularly during the continued pandemic, and thanked the Student President for an informative report.

The Board concluded by reiterating their continued support to the Student President, Vice President and their team in the efforts and range of initiatives being undertaken that make a significant difference to the experience for all students at Ayrshire College.

7. Chairs Report (Verbal) (P)

The Chair reported on the following matters that had occurred since the previous meeting of the Board:

Colleges Scotland Strategy Group

The Chair advised that he is leading the development of a new operating model for Colleges Scotland. A recommendations' report, focussed on improving impact, better value for money and extending the engagement reach of Colleges Scotland, is planned to be submitted to the Colleges Scotland Board by the end of March. The report will present a new operating model with supporting migration and resource plan.

Economic Recovery Group

The Chair advised that this group is currently visiting all regions in Scotland and, as part of this tour, visited Ayrshire College on 7 December 2021, meeting with the Principal and the Senior Leadership Team. He advised that a very successful session took place with discussions focussed on where the College sits relative to its stakeholders. The Chair advised that the ERG will be following up with the College to identify any further support that can be provided.

Ayrshire Chamber of Commerce Annual Dinner

The Chair advised that representatives from Ayrshire College, including members of the Board, had attended the above dinner. The Chair commented that it was very encouraging to hear first-hand of the excellent work being undertaken by the

business development team and that it was also very positive for the College to have a profile at this prestigious event.

CDN awards

The Chair advised that the College Development Network Awards will take place on 9 December 2021. Ayrshire College has been nominated for several Awards and the Board will be advised of the outcome. On behalf of the Board, the Chair extend best wishes to the nominees and expressed his thanks for their hard work and commitment to the College.

8. Chair's recruitment process: update (Verbal) (P)

P Donald provided an update on the status of the Chair's recruitment process.

The Board noted that the appointment to the position of Chair of Ayrshire College is a Ministerial appointment to the Board of a Public Body and as such the Public Appointments Team (PAT) at the Scottish Government direct the recruitment process.

The Board was advised that the PAT had informed the College of a delay to the initial timelines with the likelihood that the post will not now be advertised until the New Year. The Board noted that the impact could therefore be that a new Chair will not be appointed prior to the current Chair remitting post.

The Chair commented that this was a disappointing position for the College as a whole.

The Board will be advised of progress.

9. Interim Board and Committee Structure (Paper 4) (P)

P Donald introduced Paper 4 as presented.

Further to the above, the Board was asked to note the current challenges associated with the delay to the appointment of a new Chair of Ayrshire College and the corresponding mitigation proposals presented.

In particular, the Board noted the Principal's offer to extend her retirement date to 31 August 2021 to accommodate the appointment of a new Chair. The Board noted the Chair's approval of this extension and extended its thanks to the Principal for her agreement.

The Board was asked to review and approve the interim Board and Committee structure for implementation effective 5 March 2022 (Appendix 1), should this be required. It was noted that the structure will be amended to reflect that Fiona McQueen will be a member of BRIC.

The Chair extended his thanks to all Board Members for their cooperation in supporting the interim structure.

Decision BoM36:D06 The Board approved the implementation of the interim Board and Committee structure effective 5 March 2022, reflecting the amendment to include Fiona McQueen as a member of the BRIC Committee.

10. National Outcome and Impact Framework 2021-22 and 2020-21 Self Evaluation Report (Paper 10) (P)

A Campbell introduced Paper 10 as presented.

The Board noted that:

- the reports had been discussed in detail by the Learning, Teaching and Quality Committee and were recommended to the Board for approval.
- Appendix 1 will be completed following receipt of the updated table from SFC, which should be available in January.

The Chair specifically commended the quality of the National Outcome and Impact Framework 2021-22 and identified this as one of the key strategic documents for the College.

The Chair extended the thanks of the Board to the VP, Curriculum and her team for the work involved in developing this report.

Decision: BoM36 D07: The Board approved the National Outcome and Impact Framework 2021-22 and 2020-21 Self Evaluation Report.

11. 2020-21 Health, Safety and Wellbeing Annual Report (Paper 11) (P)

D Davidson introduced Paper 11 as presented advising that the report had been considered by BRIC on 16 November 2021 and recommended for approval by the Board.

The Board noted that the report provided a summary of the performance and activity across Health, Safety and Wellbeing throughout the academic year and supports the Board in fulfilling its oversight responsibilities for health and safety risk management.

Decision: BoM36 D08: The Board approved the Health, Safety and Wellbeing Annual Report August 2020 - July 2021

12. Ayrshire College Annual Procurement Report 2020-21 (Paper 12) (P)

M Breen introduced Paper 12 as presented advising that the report had been considered by BRIC on 16 November 2021 and recommended for approval by the Board.

Decision: BoM36 D09: The Board approved the Annual Procurement Report 2020-21.

13. Committee Chairs Reports on 2nd Quarter Committee Meetings

- Learning, Teaching & Quality Committee 11 November 2021 (Paper 14.1)
- BRIC Committee 16 November 2021 (Paper 14.2)
- Audit & Risk Committee 23 November 2021 (Paper 14.3)

The Board received a written report from each Committee Chair outlining a summary of key issues considered by the Standing Committees since the last meeting of the Board.

- The Chair of the LTQ Committee commended the presentation to the Committee from Cameron Bell Head of Learning and Skills, Construction and Trades, reflecting the approach that each Head considers when developing the CDP for their respective areas. The Chair commented that the presentation had provided significant assurance on the comprehensiveness of the approach taken to plan and develop curriculum programs which clearly align to both student and strategic partner requirements.
- The Chair of BRIC commended the management team for the quality of papers received which had supported the Committee to make informed decisions on several significant issues as well as provide assurance that the recommendations being submitted to the Board for approval had been robustly considered.
- The Chair of the ARC advised that the main business of the meeting had reflected the agenda items reported to the Board at the start of the meeting and commended the overall positive position as reported.

The confirmed minutes of these meetings will be received by the Board at its next meeting.

The Board noted the report from each Committee Chair.

14. Confirmed Minutes: Standing Committees (*Papers 15.1, 15.2 and 15.3*) (P)

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

- *Learning & Teaching Committee 2 September 2021 (Paper 15.1) (P)*
- *Business, Resources & Infrastructure Committee 7 September 2021 (Paper 15.2) (P)*
- *Audit & Risk Committee 14 September 2021 (Paper 12) (P)*

15. Items for information (*Papers 16 and 17*) (P)

The Board received for information the 2020-21 Annual Complaints Report and the 2020-21 Annual FOI Report noting that both the reports had been considered by the Learning, Teaching and Quality Committee meeting on 11 November 2021.

16. Any other business

16.1 Model Code of Conduct

P Donald advised that the Model Code of Conduct had been revised and published on 7 December 2021 with supporting guidance and advice notes.

The Board noted and agreed the following corresponding actions:

Action: BoM36 A01:

- all relevant information will be circulated to the Board by email.

- a summary presentation on the related changes to the Code will be provided at the Board Strategy Day in January 2022.
- the Ayrshire College Code of Conduct will be amended as required and will be presented to the Board in March for approval.

16.2 Ayrshire College Chair – remit of office

The Vice Chair acknowledged the last official Board meeting of the current Chair, Willie Mackie. The Vice Chair, Board Members and the Principal, on behalf of the management team, extended their appreciation and thanks to Chair for his significant and relentless leadership and contribution to the College which had created the environment for the Board, the College, staff and students to succeed.

The Chair extended his thanks and best wishes to the Board, management team, staff and students for their continued support throughout his tenure as Chair of Ayrshire College.

There was no other business raised and the meeting concluded at 6pm.

17. Date of Next Meeting: Thursday 24 March 2022, at 4pm.

(C/P) Confirmed minutes will be published on College Website; (P) – Paper will be published on the College Website; (R) – Paper is reserved, because it contains data or information of a personal nature, which is restricted by legislation, or because it contains commercially sensitive information, and will not be published on the College Website

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