

Kildean Suite, Stirling Campus 9.30am

AGENDA

		Type	Lead
1	Apologies and Declarations of interest	Discussion	Trudi Craggs
2	Minutes & Matters Arising of Meeting of 22 September 2022 (Elements of paper 2 are withheld from publication on the Forth Valley College website under Section 33 Commercial Interests and the Economy of the Freedom of Information (Scotland) Act 2002.)	Approval	Trudi Craggs
3	Minutes of Committee Meetings:		
	3.1 HR – 10 November 2022	Noting	Trudi Craggs
	3.2 Nomination – 11 November 2022	Noting	Trudi Craggs
	3.3 Draft Finance – 15 November 2022 (Elements of paper 3.3 are withheld from publication on the Forth Valley College website under Section 33 Commercial Interests and the Economy of the Freedom of Information (Scotland) Act 2002.)	Noting	Liam McCabe
	3.4 Audit – 15 November 2022	Noting	Lorna Dougall
	3.5 Learning & Student Experience– 17 November 2022	Noting	Lorna Dougall
4	Principal's Report (Elements of paper 4 are withheld from publication on the Forth Valley College website under Section 33 Commercial Interests and the Economy of the Freedom of Information (Scotland) Act 2002.)	Discussion	Ken Thomson
5	Chair's Report	Discussion	Trudi Craggs
6	Student Association Report - Advisory Group Member request	Discussion Discussion	Claire Green Claire Green

STRATEGIC PLAN IMPLEMENTATION

7	Skills Transition Centre (Paper 7 is withheld from publication on the Forth Valley College website under Section 33 Commercial Interests and the Economy of the Freedom of Information (Scotland) Act 2002.)	Discussion	Pauline Jackson
8	Principal Recruitment (Verbal)	Discussion	Trudi Craggs
9	Forth Valley University College NHS Partnership	Discussion	Sarah Higgins
10	University of Stirling - Collaboration (Paper 10 is withheld from publication on the Forth Valley College website under Section 33 Commercial Interests and the Economy of the Freedom of Information (Scotland) Act 2002.)	Discussion	Ken Thomson

GOVERNANCE

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| 11 | Annual Report and Financial Statements 2021/2022
(Paper 11 is withheld from publication on the Forth Valley College website under Section 27 Information Intended for Future Publication of the Freedom of Information (Scotland) Act 2002.) | Approval | Alison Stewart |
| 12 | External Auditor Annual Report and Letter of Representation
(Paper 11 is withheld from publication on the Forth Valley College website under Section 27 Information Intended for Future Publication of the Freedom of Information (Scotland) Act 2002.) | Approval | Alison Stewart |
| 13 | Audit Committee Chair's Report to the Board of Management | Approval | Lorna Dougall |
| 14 | Appointment of Vice Chair (Verbal) | Approval | Trudi Craggs |
| 15 | Board Evaluation 2021/22 | Discussion | Alison Stewart |
| 16 | Code of Good Governance – Update September 2022 | Approval | Alison Stewart |
| 17 | Review of Risk | | |
| 18 | Any other competent Business | | |

FOR INFORMATION

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| 19 | Letter from the Minister for Higher and Further Education, Youth Employment and Training on the consultation to add Trade Union nominees onto College Boards | | |
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Falkirk Campus, Steeple Suite, 4.30pm

- Present: Ross Martin (Chair)
Professor Ken Thomson
Hazel Burt
Trudi Craggs (Vice Chair)
Paul Devoy
Katherine Graham
Claire Green, Forth Valley Student Association Vice President (FVSAVP)
Amber Little, Forth Valley Student Association President (FVSAP)
Liam McCabe
Alistair McKean
Emma Meredith
Ken Richardson
- Apologies: Andrew Caldwell
Lorna Dougall
Lindsey Hastie
Jennifer Hogarth
- In Attendance: Alison Stewart, Vice Principal Finance & Corporate Affairs (VPFACA)
David Allison, Vice Principal, Infrastructure and Communications (VPIC)
Kenny MacInnes, Vice Principal Learning and Student Experience (VPLSE)
Stephen Jarvie, Corporate Governance and Planning Officer and Deputy Board Secretary (CGPO)
Colin McMurray, Director of Commercialisation and Skills (DCS)

The Chair welcomed members to the meeting and noted that the meeting was being held as a mixture of face to face and online. Given the feedback from his recent one to one meetings with members, the Chair recommended that future meetings of the full Board should be fully in person from this point forward.

B/22/001 Apologies and Declarations of interest

As noted above

B/22/002 Minutes and Matters Arising of Meeting of 23 June 2022

Members approved the minute of the meeting of 23 June 2022.

Matters Arising

Donation to the Arm's Length Foundation (ALF)

The Chair confirmed that recently electronic approval from members had been sought regarding approval for the donation of the College's surplus to the ALF if SFC approval to carry forward the surplus was not achieved.

The VPFA reported to members that SFC had confirmed the surplus could not be carried forward and, as such, this would be donated to the ALF.

Fellowships (Post meeting note)

This note has been added to the minute post meeting to record Board approval activity that happened at the end of August 2022.

The Principal had emailed members on 26 August 2022 seeking approval for the award of a number of fellowships. This had been conducted electronically owing to the timing of the upcoming graduations.

Members fully supported the awards and had confirmed this electronically to the CGPO

B/22/003

Minutes of Committee Meetings

Remuneration Committee – 11 August 2022

The Committee Chair outlined the content of the meeting and the increases in salaries which were in line with contractual and wider staff increases.

a) Members noted the content of the minute

Audit Committee – 8 September 2022

Committee members noted that there were no significant issues raised and that the Committee were content with management actions.

The VPFA noted, in relation to the Strategic Risk Register, the Committee had recommended reviewing the financial sustainability risk score following the Boards consideration of the Financial Forecast Return (FFR) to SFC

a) Members noted the content of the minute

Draft Finance Committee – 13 September 2022

The Committee Chair reported that there had been significant discussion on the FFR return and that these issues are raised in the paper on the agenda and associated Board narrative which has also been updated.

He noted the other items presented and stated that there had also been an interesting presentation on College fundraising activity.

a) Members noted the content of the minute

Members noted the importance of continuing to push the message to ministers that, in a period of economic uncertainty, Colleges have a significant contribution to make and that we are well positioned at the heart of both the Covid recovery and taking on the challenge of climate change.

Members requested an update on the University College Health partnership and the governance arrangements for this activity. The Principal provided an overview of progress to date and confirmed further information would be brought to the Board once it was developed.

a) Members noted the content of the update

B/22/006 Student Association Report

The FVSAP and FVSAPV presented their report on the activities of FVSA since the last meeting.

The FVSAP noted ongoing discussions between the FVSAPV and University of Stirling Union executives on a range of collaborative works.

They reported on engagement with the new intake of students both face to face and via teams.

They outlined the recent successful fresher's events which had been happening this week.

They reported on the activity with the student pantry and informed members that the College had taken the decision to make free breakfasts available to all students.

They also informed members that the FVSA e-shop was operational and selling FVSA branded merchandise.

The FVSAPV informed members that the launch of the student mental health partnership would be happening on 7 October 2022 in Falkirk.

a) Members noted the content of the update

STRATEGIC PLAN IMPLEMENTATION

B/22/007 Financial Forecast Return 2021/22 – 2026/27

The VPFAA presented the Financial Forecast Return (FFR) to members. She confirmed that the FFR had been through Finance Committee and that, as confirmed earlier, there had been a significant level of discussion.

She outlined to members the background to FFR submissions and discussed the concerns that the College has with the assumptions SFC have directed to be used for the FFR and the impact of these.

She informed members that the sector Finance Directors (FDs) have raised these concerns directly with SFC regarding the assumptions but that there had been no changes as a result of this, although SFC had welcomed the submission of an alternative scenario based on the FDs assumptions.

She discussed the changes to the budget since the last meeting and also outlined the range of assumptions that the sector Finance Directors had agreed were more realistic for the alternative scenario of the FFR.

The Chair of the Finance Committee noted that the Committee were content with figures in the report and recommended that members focus on the implications for the College and the response from the Board.

The VPFAA confirmed that the commentary had been amended to highlight the concerns of the Board and that the College did not accept the assumptions used by SFC however the return would be submitted as it is a requirement of the Financial Memorandum.

Members had an in depth discussion where concerns were raised on the validity of the FFR based on SFC assumptions and agreed the alternative scenario was more realistic in terms of the Board's financial planning. Members highlighted their responsibilities as charity trustees and noted that without sustainable funding for the sector there was a risk that College boards may see a number of resignations.

- a) Members considered and approved the changes to the 2022-23 budget as outlined in the paper
- b) Members approved the submission of the FFR based on SFC assumptions as required by SFC
- c) Members agreed that, in addition to the FFR submission attached commentary, the Chair should also write directly to the Chair and CEO of SFC.

B/22/008 Draft Commercial Strategy

The DCS presented the draft Commercial Strategy. He outlined the background to the strategy and discussed how it complements other College activity.

He noted the range of targets within the strategy and that, while ambitious, highlighted it covers a 5 year period.

The Chair welcomed the focus in the document on decarbonisation, digitisation and diversification.

The Principal noted that the strategy had been considered by the Leadership Management Team to ensure it aligns with the College strategic plan.

Members welcomed the development of the strategy and noted that the next steps should include the development of a range of KPI's to enable members to monitor the success of the strategy.

a) Members approved the Commercial Strategy

GOVERNANCE

B/22/009 Board Secretary Arrangements

The Chair noted that this was the annual paper for members to confirm they were content with the Board Secretary arrangements.

a) Members approved the paper

B/22/010 Board Self-Evaluation 2021/22

This item was deferred to the next meeting of the Board of Management

B/22/011 Applications to Forth Valley College Foundation

The VPFACA presented a paper noting that, now the surplus would be donated to the ALF instead of retained following the SFC decision, a range of grant applications had been developed and approved by the Leadership Management Team.

a) Members approved the submission of the grant applications

B/22/012 Corporate Social Responsibility Policy

The CGPO presented a draft Corporate Social Responsibility policy. He noted that this had been developed in response to a recommendation to the Board External Effectiveness review and codified the activity already occurring in the College.

a) Members approved the Corporate Social Responsibility Policy

OPERATIONAL OVERSIGHT

B/22/013 Review of Risk

Risks were identified in their covering papers.

Members highlighted the risk to Board member retention in response to the FFR issue, given their responsibilities as Charity Trustees.

B/22/014 AOCB

The CGPO requested that members who had not submitted their register of interest information please do so.

The Chair outlined discussions with Scottish Government on the transition arrangements which will be in place following his date of resignation. He confirmed that Trudi Craggs, current vice-chair, had been approved by Ministers to become the interim Chair for a 12 month period from 1 December 2022.

Members noted the updated and congratulated the Vice-Chair.

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Teams (commencing at 4.30pm)

Present: Trudi Craggs (Chair)
Paul Devoy
Katherine Graham
Jen Hogarth

Apologies: None

In Attendance: Alison Stewart
David Allison, Vice Principal Infrastructure and Communications (VPIC)
Ralph Burns, Head of Human Resources (HHR)
Karina Buchanan, HR Business Manager (HRBM)
James Aston, Head of Business Transformation (HBT)
Martin Loy, Head of Estates, Facilities Management (HEFM)
Stephen Jarvie, Corporate Governance and Planning Officer (CGPO)

The Chair welcomed the HEFM to his first meeting of the Committee

H/22/001 Declarations of Interest

None

H/22/002 Minutes of Meeting of 21 April 2022

The minutes of the meeting of 21 April 2022 were approved as an accurate record.

H/22/003 Matters arising

4.1 H/21/007 Health and Safety Report

The Chair noted this will be covered during the meeting.

The Chair also requested that the resilience survey and flexible working review outputs be kept on the tracker for reporting at the next Committee meeting.

H/22/004 Policy Review

Overseas Workers

The HHR presented the Overseas Workers policy which has been updated to reflect changes in some naming and recent government policy changes, including the points based immigration system.

a) Members reviewed the changes and approved the revised Policy document

Absence Management

The HHR informed members that there were only some minor changes as highlighted in the document as national bargaining governs most of this activity.

a) Members reviewed the changes and approved the revised Policy document

H/22/005 People Strategy 2022-25

The HHR presented members with the proposed new People Strategy for comment and approval.

He commented that the previous strategy had previously tried to cover all aspects of activity and that the new strategy was more focussed and linked to the strategic plan.

He outlined the four key areas covered in the strategy.

Members welcomed the refreshed strategy and the links to the strategic plan. They commented that the imagery in the plan document should be updated before launch to not include stock pictures and instead use members of the College population.

Members discussed how progress would be demonstrated. The HHR informed members that there would be an underlying operational plan which would then be reported on to the Committee via a dashboard.

The HHR informed members he would welcome any suggestions they might have on the onward monitoring and reporting on the people strategy. Paul Devoy offered to meet the HHR offline to discuss further.

a) Members approved the strategy, subject to the changes in images outlined above

H/22/006 Health and Wellbeing Report

The HRBM presented a report outlining progress on staff health and wellbeing.

She informed members that it had become apparent not all staff were aware of the range of support available so a marketing campaign had occurred with communications, banners in workrooms and a brand for health and wellbeing being developed and deployed.

She discussed the recent survey of staff resilience that had occurred. She informed members that the survey clearly identified concerns around high workloads for staff.

To enhance their support for staff, additional training to develop their knowledge and confidence in dealing with resilience issues has been approved for managers.

An external consultant will also be contracted to give an independent review of workload levels across the college. Following the outputs of this work, the survey will be rerun.

Members noted the low level of response to the survey and queried whether there was reluctance among staff to complete the survey.

The HRBM confirmed that HR staff had had informal conversations with staff and there seemed to be a perception of there not being any point in doing the survey.

She highlighted that the SMT is fully behind the work and have approved the publication of the full report to staff who will be able to see what was said and what the College proposes to do in response to this.

Members queried how the College will be able to determine if the activity and resources allocated were having a measurable positive effect.

The HRBM confirmed this will primarily be as a result of rerunning the survey and comparing the datasets to see if there has been improvements.

Members welcomed the proposed actions and requested that the outcome of the next survey and comparison of data sets be brought back for review.

a) Members noted the content of the report

H/22/007

HR System Report

The HBT gave a presentation to members on the new HR and Payroll system for the College. He outlined the current inefficiencies in the existing multiple systems and the intended benefit of the new integrated system.

He also provided an overview of the anticipated timescale and key milestones for the project.

Members thanked the HBT for the presentation and noted the importance of testing the new system thoroughly with end users to ensure the implementation phase goes well.

The VPFAA noted that the SMT were fully behind the project and had agreed the allocation of appropriate staffing resource as well as an implementation timescale with extensive testing built in.

Members queried whether the contract with the system provider included staff training and the HBT confirmed this was the case.

a) Members noted the content of the report

H/22/008 Health and Safety Dashboard

The HEFM presented members with the draft new Health and Safety dashboard which had been developed at the request of the Committee.

He highlighted the key metrics contained within the dashboard and asked for members comments on the content and layout.

Members welcomed the new dashboard and commented that there should still be a way where the HEFM can highlight significant issues from the dashboard and provide more detail as appropriate.

The HEFM discussed health and safety training and awareness for SMT and Board level members and queried if members thought additional training should be provided to cover items such as corporate manslaughter.

Following discussion members confirmed that additional training would be welcomed.

Members queried whether health and safety should be a standing item on the Board agenda. The VPFA noted that specific risks were normally raised via the College risk register for the Board but that there would be a review of committee business happening in the new year and this suggestion would be considered then.

a) Members noted the content of the dashboard.

H/22/009 Complaints Overview 2021/22

The CPGO presented the annual report on complaints received for 2021/22.

He noted that there were a number of trends in the data, particularly complaints received from College students which actually related to the activity of an external partner such as an awarding body delaying certification.

Members queried the difference between complaints and grievances. The CGPO outlined the system in place as proscribed by the ombudsman.

Members welcomed the overview of the complaints received and the focus on lessons learned.

a) Members noted the content of the report

H/22/010 Cultural Index Survey

The HHR presented the draft outputs from the cultural index survey which was delivered by an external company and designed to gain an understanding of the

culture within the College, the results of which complement the wellbeing activity reported on earlier.

He noted that the leadership team in the college is undergoing a programme of development and that the survey would also be used to focus on where leaders could have the most impact.

Response levels were similar to the wellbeing survey and the main issues raised related to workload levels and management time.

He informed members that the outputs from the survey will now be analysed by the LMT and consideration given on how to get more staff involved.

He highlighted that the overall rating for the College was a positive one.

Members commented that future surveys may benefit from including context on the wider environmental situation such as the cost of living crisis as this can influence results.

Members queried how the College unions viewed the survey being undertaken.

The HHR noted that there was some scepticism and this was one of the reasons for using an outside provider to ensure an independent review.

Member noted an update on this topic should be provided to a future meeting.

a) Members noted the content of the report

H/22/011 Review of Risk

No new risks were identified

H/22/012 Any Other Competent Business

None

Teams (commencing at 9.30am)

Present: Trudi Craggs (Chair)
Lorna Dougall
Liam McCabe

Apologies: None

In Attendance: Alison Stewart, Vice Principal Finance and Corporate Affairs (VPFACA)
Stephen Jarvie, Corporate Governance and Planning Officer (CGPO)

N/22/001 Declarations of Interest

None

N/22/002 Apologies

As noted above

N/22/003 Review of Committee Remit

The VPFACA informed members that, when looking into the Principals' recruitment, the College recruitment policy, Nomination Committee Remit and Code of Good Governance were out of step with each other.

She discussed the changes to the attached remit which had been made to bring it back into alignment and the reasons for each change.

a) Members approved the Committee remit

N/22/004 Recruitment of Principal

The VPFACA presented a paper outlining the proposed process for recruiting the new Principal and requested approval from the Committee to proceed on this basis.

She noted that discussions had been held with the current and incoming Chair of the Board of Management and it had been agreed the incoming interim Chair would lead on this process for the Board.

Given the importance of the role, it was decided to seek external assistance. The relevant procurement framework identified Aspen People Ltd as the first rank choice for executive recruitment. She noted the College had also had recent experience with working with Aspen so the decision was made to recruit Aspen for the recruitment and both she and the incoming Chair have met with Aspen.

In terms of timescale, external factors such as another college's recruitment activity and the likely notice period for a successful external candidate has driven the timescale as outlined in the paper.

A welcome pack, video featuring the incoming chair and recruitment microsite have been prepared. The incoming Chair was also involved in developing the role profile.

Members discussed the materials and the timetable which was altered slightly to reflect members' availability.

Members recommended that the role profile should include language on fostering and maintaining a positive relationship with the Board. The VPFAA confirmed she would make this change.

Members suggested some edits to the advert and agreed the proposed publications and costs for the advert.

a) Members approved the materials subject to the changes discussed at the meeting

N/22/005

Review of Risk

None

N/22/006

Any Other Competent Business

None

Steeple Suite, Falkirk (commencing at 4.00pm)

Present: Liam McCabe
Trudi Craggs
Ken Richardson

Apologies: Andrew Caldwell
Lindsey Hastie
Amber Little

In Attendance: Professor Ken Thomson, Principal
Alison Stewart, Vice Principal Finance and Corporate Affairs (VPFACA)
Kenny MacInnes, Vice Principal Learning and Student Experience (VPLSE)
Senga McKerr, Director of Finance (DOF)
Moirra France, Finance Manager (FM)
Stephen Reid, Ernst & Young
David Archibald, Henderson Loggie
Stephen Jarvie, Corporate Governance and Planning Officer (CGPO)
Ester Vasallo, Supply Chain Manager (SCM)

F/22/012 Declarations of Interest

None

F/22/013 Minute of Meeting of 13 September 2022

Members approved the minute of the meeting of 13 September 2022.

F/22/014 Matters Arising

3.1 F/22/005 Financial Forecast Return 2021/22 - 2026/27

The VPFACA confirmed that the committee's concerns had been raised at the Board of Management and a decision had been taken that the Chair would write to SFC. She noted that this had happened and SFC replied.

**F/22/015 Annual Report and Financial Statements 2021/22
(Joint item with Audit Committee)**

The Chair of Audit Committee chaired for items F/22/015 and F/22/016

The DOF presented the accounts for member's consideration.

She noted that, in the papers as issued, there had been a section regarding the donation to the ALF which had been under discussion with Ernst & Young when the papers were issued. She confirmed to members that a way forward had been agreed and the VPFACA confirmed the donation would remain in the 2021/22 accounts.

Members welcomed this update and queried if this meant the accounts were now unqualified.

The VPFACA confirmed the accounts were now unqualified.

The DOF noted that an assessment of going concern had been conducted again and was included in the papers. She highlighted that, with no corrective actions, there was a shortfall in cash flow later in 2023/24. She informed members that corrective actions were currently being examined for implementation.

Members queried the reason behind increase in the number of temporary contracts for staffing as outlined in the accounts.

The VPFACA informed members that, as the management knew there would be a restructuring exercise in 2021/22, the decision had been taken to award temporary contracts until such time as the new structure was in place. This had the additional benefit of protecting existing permanent staff member roles.

Members queried in regard to going concern, whether there was a need to request a letter of assurance from SFC.

The VPFACA noted that this had been discussed with Ernst & Young and that, if there were no corrective actions being taken in relation to projected cash flow issues, then there may have been a need to do so. Corrective actions and other changes are anticipated which would address the cash flow and thereby the need for an assurance letter.

Stephen Reid confirmed that discussions had taken place and, as this matter relates to College's across the sector, SFC will have to take a position on this. He noted that they have no issues with the College as a going concern however auditing standards would consider running out of cash flow a material uncertainty and therefore more information is needed to address this.

a) Members endorsed the accounts to the Board of Management subject to the issue of cash flow being addressed

F/22/016

**Draft External Audit Annual Report to the Board of Management
(Joint item with Audit Committee)**

Stephen Reid presented the draft report to members. He noted that this was the sixth and final year Ernst & Young would be the College's external auditors.

He noted his thanks to the College finance team for their cooperation with the audit.

He informed members that the audit had not, to date, identified any adjustments that were required.

He noted that going concern had already been discussed at the meeting and that the text currently in the report would be updated once this was finalised.

He also informed members that the donation to the ALF, as reported earlier, had been discussed and he outlined the reasons why this could now be included in the 2021/22 accounts. He noted that the letter of representation would also be updated to reflect this.

He discussed the red rating in the report for financial sustainability and confirmed that while management had taken, and continue to take, corrective steps the external environment the College operates in called for this rating.

Members queried whether this rating applied to other Colleges and Stephen Reid confirmed that this was the case.

Members noted that, as a result of the discussions that had been taking place with management, the report as issued was not the final version. It was agreed that an updated version would be prepared and issued to members for consideration and comment ahead of the Board of Management meeting.

Members noted their thanks to the Finance team and Ernst & Young for their work on preparing the report.

a) Members endorsed the report in principal for submission to the Board of Management and agreed to review the updated report ahead of that meeting

F/22/017 Annual Procurement Report

The SCM presented the annual procurement report for members' consideration and approval to publish on the College website.

She outlined the content of the report and the attached appendices.

Members noted that there were two non-compliant procurements listed in the report and expressed concerns that one of these showed a material change and requested further information.

The SCM reported that a single provider had been awarded a network contract owing to delays in the handover of this contract from the campus constructors. The timeframe meant there was not sufficient time to conduct a full tender in time for the contract renewal so the College negotiated directly with the existing supplier to ensure continuity of service.

[REDACTED]

In relation to appendix D of the report, members queried whether the College had to publicise the values of future procurements as this could lead to less competitive bids for these contracts.

The SCM noted the point made by members but confirmed publishing these figures is a mandatory part of the procurement report.

Members also noted that the KPI and target information in appendix g seemed to suggest that the performance of the College had decreased and asked what the reason for this was and whether this would risk the College's procurement rating.

The SCM informed members that, at the time of setting the targets for the previous year, the combination of coming off of a significant procurement period relating to the Falkirk Campus and the impact of Covid meant setting targets were more challenging.

Members commented that, while they appreciate they have to consider and approve the full report prior to publication, it would be useful if there could be a report highlighting the 4 or 5 key messages and underpinning data from the report to bring to members attention.

The VPFACA confirmed that this would be provided to the March meeting of the Committee and that a review of current targets previously approved by the Committee would be undertaken.

a) Members approved the Annual Procurement report

F/22/018

Q1 High Level Forecast 2022-23

The FM provided members with the Q1 forecast for 2022-23. She noted, since the 22/23 budget was approved by the Board in September, a number of updates had been made to reflect external changes such as SFC not approving the surplus to be carried forward. [REDACTED] but taking into account income increases and costs savings, this resulted in a surplus.

She noted that there were still a number of risks and unresolved issues which were outlined in the paper.

Members acknowledge the risks and unresolved issues and queried whether the updated budget is a realistic scenario.

The HOF confirmed the biggest concern is in relation to pay negotiations and the VPFACA stated that the College had to proceed on the assumption that there would not be additional funding provided to support the pay offer.

The VPFACA also noted that there was a £56m funding allocation sitting with SFC at this time to fund the outcome of the sector wide support staff job evaluation activity which had been ongoing for some time.

She noted that there were concerns that this money may be reallocated and this would impact the staff covered by job evaluation.

a) Members noted the content of the report

F/22/019 Student Funding Outturn 2021/22 and Forecast 2022/23

The DOF presented a paper updating members on student funding for the previous academic year and the forecast spend for the current year.

She informed members that last year the College had not needed to request additional funding at the in year redistribution point. She highlighted that there was still an underspend at the end of that year and explained that a large part of this was the introduction of free bus travel to under 21's which reduced the requirement for travel cost support.

She noted that, for 2022/23, SAAS had reintroduced a £4k funding cap for HE students but SFC had not done a similar exercise for FE students so there was some disparity resulting from this depending on the students' course.

She highlighted that, based on current spend, there was an anticipated underspend of £700k for this year. Given the pressures of cost of living, fuel etc she informed members that the team were currently investigating ways this money could be allocated to a cost of living grant to help out students who are struggling.

Members noted that it seemed sensible to retain the projected underspend and allocate this to students who need it.

a) Members noted the content of the report

F/22/020 Review of Risk

The financial risks highlighted in the minute were noted.

F/22/021 Any Other Competent Business

None

Steeple Suite, Falkirk (commencing at 5.00pm)

Present: Lorna Dougall (Chair)
Hazel Burt

In Attendance: Professor Ken Thomson, Principal
Alison Stewart, Vice Principal Finance and Corporate Affairs (VPFACA)
Kenny MacInnes, Vice Principal Learning and Student Experience (VPLSE)
Stephen Reid, Ernst & Young – exited after A/22/022 owing to connection issues on the video call
David Archibald, Henderson Loggie

The Chair noted that the meeting was not quorate and that, while those present would discuss the papers, electronic approval from the other members would be sought after the meeting.

A/22/015 Annual Report and Financial Statements 2021/22
(Joint item with Finance Committee)

The Chair of Audit Committee chaired for items F/22/015 and F/22/016

The DOF presented the accounts for member's consideration.

She noted that, in the papers as issued, there had been a section regarding the donation to the ALF which had been under discussion with Ernst & Young when the papers were issued. She confirmed to members that a way forward had been agreed and the VPFACA confirmed the donation would remain in the 2021/22 accounts. Members welcomed this update and queried if this meant the accounts were now unqualified.

The VPFACA confirmed the accounts were now unqualified.

The DOF noted that an assessment of going concern had been conducted again and was included in the papers. She highlighted that, with no corrective actions, there was a shortfall in cash flow later in 2023/24. She informed members that corrective actions were currently being examined for implementation.

Members queried the reason behind increase in the number of temporary contracts for staffing as outlined in the accounts.

The VPFACA informed members that, as the management knew there would be a restructuring exercise in 2021/22, the decision had been taken to award temporary contracts until such time as the new structure was in place. This had the additional benefit of protecting existing permanent staff member roles.

Members queried in regard to going concern, whether there was a need to request a letter of assurance from SFC.

The VPFACA noted that this had been discussed with Ernst & Young and that, if there were no corrective actions being taken in relation to projected cash flow issues, then there may have been a need to do so. Corrective actions and other changes are anticipated which would address the cash flow and thereby the need for an assurance letter.

Stephen Reid confirmed that discussions had taken place and, as this matter relates to College's across the sector, SFC will have to take a position on this. He noted that they have no issues with the College as a going concern however auditing standards would consider running out of cash flow a material uncertainty and therefore more information is needed to address this.

a) Members endorsed the accounts to the Board of Management subject to the issue of cash flow being addressed

A/22/016

**Draft External Audit Annual Report to the Board of Management
(Joint item with Finance Committee)**

Stephen Reid presented the draft report to members. He noted that this was the sixth and final year Ernst & Young would be the College's external auditors.

He noted his thanks to the College finance team for their cooperation with the audit.

He informed members that the audit had not, to date, identified any adjustments that were required.

He noted that going concern had already been discussed at the meeting and that the text currently in the report would be updated once this was finalised.

He also informed members that the donation to the ALF, as reported earlier, had been discussed and he outlined the reasons why this could now be included in the 2021/22 accounts. He noted that the letter of representation would also be updated to reflect this.

He discussed the red rating in the report for financial sustainability and confirmed that while management had taken, and continue to take, corrective steps the external environment the College operates in called for this rating.

Members queried whether this rating applied to other Colleges and Stephen Reid confirmed that this was the case.

Members noted that, as a result of the discussions that had been taking place with management, the report as issued was not the final version. It was agreed that an updated version would be prepared and issued to members for consideration and comment ahead of the Board of Management meeting.

Members noted their thanks to the Finance team and Ernst & Young for their work on preparing the report.

a) Members endorsed the report in principal for submission to the Board of Management and agreed to review the updated report ahead of that meeting

A/22/017 Declarations of Interest

David Archibald declared an interest in relation to item A/22/028 as it relates to the internal audit tender.

A/22/018 Apologies

Paul Devoy
Alistair McKean
Emma Meredith

A/22/019 Minutes of meeting of 8 September 2022

The minutes of the meeting of 8 September 2022 were reviewed and a typo highlighted.

a) The minutes will be issued electronically for approval.

A/22/020 Matters Arising

The Chair noted that the business continuity flowcharts members had expressed an interest in seeing would be brought to the May 2023 meeting of the Committee.

A/22/021 Chairs Report to the Board

The Chair presented the annual report she makes to the Board on the activity of the Committee.

a) The report is to be issued electronically and members should submit any comments to the Chair ahead of the Board of Management meeting

A/22/022 Internal Audit Plan 2022/23

David Archibald presented the internal audit plan for 2022/23. He apologised for the late issue of the paper noting that there had been a number of issues to finalise.

He outlined to members the process for drafting the plan, noting that this builds upon the previous three years of activity.

He outlined the proposed audits that are planned for the year.

Members commented that the planned activity seemed fine but that they would like more time to consider the scopes associated with each audit.

a) It was agreed electronic approval for the audit plan would be sought

A/22/023 Presentation of Internal Audit Reports

2020/21 Student Activity Data

David Archibald presented the outcome of the audit. He highlighted section 2.2.3 which covered elements of the College's flexible learning activity. He noted that other colleges ran similar courses and the College had also done so previously. He highlighted that this did not fully match SFC guidance but, given previous attempts to obtain updated guidance from SFC and the fact they had not raised concerns about this activity previously, he remained comfortable with claiming the credits for this activity.

a) Members noted the content of the report

Student Support Funds

David Archibald presented the outcome of the review of student support funds, noting a range of sample testing had occurred. He highlighted some small, duplicate payments but noted these were not of a material nature and appeared to be the result of human error.

a) Members noted the content of the report

A/22/024 Data Protection Compliance

The CGPO presented the first annual report on data protection compliance. He outlined the approach and discussed the small number of breaches that had been identified, highlighting that these were not of a significant enough impact to warrant notification of the Information Commissioners Office.

He also outlined the small number of subject access requests that had been received.

David Archibald commented that, as the report was the result of an internal audit recommendation, this was the type of report they had expected to be provided.

a) Members welcomed the new report and noted its contents

A/22/025 Progress Report on Audit Recommendations

The CGPO presented the regular report on the status of audit recommendations, noting that there were none currently at or beyond their agreed completion dates.

a) Members noted the content of the report

A/22/026 Risk Management

The VPFACA presented members with the updated strategic risk register. She noted that external challenges continued to drive a number of the risks.

She highlighted to members that, since the paper was prepared, there had been positive feedback received from Education Scotland following their recent visit and that the top risk relating to the quality of the student experience would likely have its score reduced to reflect this feedback.

Members agreed that this score should be reviewed

a) Members noted the content of the report

A/22/027 Review of Risk

No new risks identified

A/22/028 Any Other Competent Business

Internal Audit Tender

The VPFACA highlighted that the need to tender for Internal Audit services for 2023/24 onwards and this would be undertaken in the new year and asked members to consider being on the tender evaluation panel. Both members present indicated a willingness to be involved in the process.

A/22/029 Private Discussion between Members and Auditors (Verbal)

As the external auditor had exited owing to IT issues, the Chair decided to defer this item.

Steeple Suite, Falkirk Campus (commencing at 4.30pm)

Present: Lorna Dougall (Chair)
Kat Graham
Claire Green, Forth Valley Student Association Vice President (FVSAVP)
Emma Meredith

Apologies: Anna Fenge

In Attendance: Professor Ken Thomson, Principal
David Allison, Vice Principal Infrastructure and Communications (VPIC)
Kenny MacInnes, Vice Principal Learning and Student Experience (VPLSE)
Stephen Jarvie, Corporate Governance and Planning Officer (CGPO)
Lyndsay Condie, Director of Operations (DOO)
Rob McDermott, Head of Learning and Quality (HLQ)

L/21/038 Declarations of Interest

None.

L/21/039 Minute of Meeting of 9 June 2022

The minute was accepted as an accurate record of the meeting.

L/21/040 Matters Arising

4.1 L/21/028 Maladministration Report – Verbal

The Chair noted this item would be covered as part of the agenda

4.2 L/21/033 2020-21 Sector Performance Indicators

The VPIC reported that clarity was still being sought from the sector around potential clawback for Foundation Apprenticeships, with a cautious approach being taken by the College with regards budgeting.

4.3 L/21/035 Future Agenda Items

The Chair noted that the requested item on student journey is on the agenda for the meeting

L/21/041 Learning and Digital Skills Academy Ambition Dashboard

The HLQ presented the latest version of the Learning and Digital Skills Academy (LDSA) dashboard for member's consideration.

He highlighted that the LDSA team were progressing positively towards targets but noted that, since returning to campus, some staff were reverting to previous practices. He informed members that the team were looking to engage directly with these staff both to encourage the continued digitisation of resources but also to identify if there are areas of additional support needed from LDSA.

He also reported on engagement levels of staff with the LDSA self-assessment tool which could be higher and the plans to increase this. He did note for members that engagement levels with the student version of the tool were very positive and would allow for the development of a baseline for future comparison.

Members welcomed the focus on engagement with staff to enhance digital skills levels to match those of students.

Members queried whether other colleges were experiencing similar issues. The HLQ noted that, while anecdotal, his view from speaking to colleagues in other Colleges was that they were experiencing similar issues of staff reverting back to what they used to do.

The VPLSE informed members that the dashboard document is also presented to the Leadership Management Team (LMT) so Directors of Curriculum are aware of engagement levels and can raise these directly with their teams.

Members noted the importance of both setting, and meeting, expectations for students across the range of College provision methods.

a) Members noted the content of the report

L/21/042

Malpractice Report

The HLQ presented a report to update members on progress since the last report and to outline the range of mitigations that have been put in place such as the re-introduction of programme boards and a range of other checking steps.

He discussed a quality day for lecturing staff in August which covered malpractice and how training on malpractice is now a mandatory part of the new staff induction process for a range of roles.

He informed members that, to date this year, there has only been one instance of malpractice this year which was the late registration of a candidate and that the root cause for this had been Covid related.

a) Members noted the content of the report

L/21/043 Student Journey Dashboard

The DOO provided a presentation and dashboard on the progress with the Student Journey project.

She discussed the aims of the project, the team put in place and highlighted the range of communications that had been developed for students to keep them engaged and informed as they progress towards enrolment.

She outlined the mapping of the student journey which had occurred and discussed key milestones in each journey.

She highlighted the campus M app which has been a major development in increasing engagement and making relevant information available via a single source to students.

Members queried when the support commenced for students. The DOO informed members that, at the moment, it was from the point where they are offered a place on their course but in future the ambition was to expand this to engage from the first enquiry stage.

She informed members that the College had seen a 20% reduction in the number of withdrawals.

Members queried whether she thought this was as a result of the student journey project.

The DOO noted that this couldn't be fully quantified but that the hope was the student journey project was a contributing factor.

Members queried whether the app could be used to support activity such as residency checking for prospective students.

The DOO acknowledged that this activity took a lot of resource at the moment and that there would be discussion on how best the app could support this activity.

She outlined other upcoming developments with the app and noted that there was a guest account available if members wanted to try it out.

Members welcomed the development of the app and the potential for future development. They asked that the guest account information be circulated to them.

a) Members noted the content of the report

L/21/044 Outcome Agreement Self Evaluation

The VPIC presented members with the annual outcome agreement self-evaluation report for their consideration prior to it being submitted to SFC.

He outlined progress against targets for the year, noting that most credit targets would be met and that, for those that would not, this was the result of these credits having very specific qualification criteria.

He confirmed the anticipated credit performance had been fed into the budget setting process for the College so there was no direct impact from this.

Members noted that, while the shortened SFC format is welcomed compared to the older version, there was some data such as how the College compared against Forth Valley and Scotland in areas such as ethnicity that would be of interest to the Committee.

The VPIC noted the interest and confirmed that this would be included in future student activity reports to the Committee.

a) Members noted the content of the report

L/21/045 2022/23 Year end - PI Dashboard

The VPLSE presented members with an overview PI dashboard for the anticipated 2022/23 year end position.

He noted that it had been a challenging year and that the PIPT activity had assisted in driving in year activity to address these challenges.

He noted that the recent Education Scotland visit highlighted that the College was very good in this area.

He outlined some of the challenges faced, including Covid related restrictions, and the responses the College had put in place to maximise learning for the students.

Members noted that, given the challenges faced, the performance demonstrated was excellent from the College and students.

Members noted the creation of the Learner Improvement Facilitator role and asked for additional information. The VPLSE informed members that these were not additional members of staff but were lecturers who were subject specialists who provided an additional layer of targeted support. He also outlined the other support mechanisms in place or accessible for students.

Members noted the earlier discussions on mapping the student journey and commented that it would be beneficial to see if this activity could also be mapped out.

The VPLSE confirmed that mapping was being looked at.

Members noted it would be useful to see how all the various tools/systems in use tie in together and the VPIC confirmed that a demonstration of this can be arranged.

a) Members noted the content of the report

L/21/046 2022/23 Curriculum review report

The VPLSE presented a paper outlining the outputs from the August round of continuous curriculum improvement (CCI) meetings and the implementation of the previously reported changes to teaching department structures.

In regards to CCI, he outlined the areas reviewed with teams in these meetings, noting a particular focus on school/college activity to ensure greater alignment, with full alignment to be in place from 2024/25.

He noted, as previously reported in the meeting, the introduction of programme board activity in block 1 of the current academic year.

He reported that the move from four to three teaching departments had been achieved and that benefits from closer synergies between similar areas of the curriculum were being achieved.

Members queried if the three departments were similar in size. The VPLSE informed members that this was not the case but that additional curriculum manager resource had been allocated to these areas to ensure effective and fair workload management.

Members asked the FVSAVP if there had been any feedback into FVSA on the changes. She reported that there had been no negative issues raised and that the student who had moved from Raploch had been positive as they now feel more included in the College.

Members queried whether the College was facing any challenges in regard to staff retention given demand from industry. The VPLSE informed members that this had not been an issue for the College to date.

a) Members noted the content of the report

L/21/047 Student Activity Report

The VPIC presented the regular student activity report, commenting that overall it was a positive picture.

He did highlight continuing issues in relation to full time HE recruitment and noted that this was sector wide as universities had lowered entry requirements to target students who would normally have come to College first.

He highlighted the extremely popular Primary STEM engagement progress noting the positive feedback from primary schools and that this was already fully booked.

He outlined the current position on credits, noting that this was progressing well at this time with only a slight reduction in Foundation Apprenticeship levels.

Members noted that SFC were conducting a review of the tertiary education system and queried if the College was aware of any outcomes that may be beneficial to Colleges.

The VPIC noted that the review has not formalised any outputs so he was not able to provide any insight.

a) Members noted the content of the report

L/21/048 Future Agenda Items

The VPIC outlined the proposed future agenda items.

Members requested a report be brought on the wider College enrichment activity for students.

The HLQ noted that there existed a highlights report which contained a lot of this information and members were provided with a copy at the end of the meeting.

a) Members noted the content of the report

L/21/049 Review of Risk

No new risks were identified

L/21/050 Any Other Competent Business

The VPLSE provided a brief overview of the recent Education Scotland annual engagement visit and confirmed the full report would be brought once it had been received by the College.

He noted that the College had received a rating of 'satisfactory' as this was the highest rating possible but that there had been additional positive feedback from those conducting the review.

He highlighted that the visit had included two student members who had conducted random interviews with between 60 and 70 students and had reported back very positive feedback from our students which was welcomed.

a) Members welcomed the feedback on the visit

1. Purpose

To present to the Board of Management the thirty eighth Principal's report on key and strategic activity undertaken since the Board meeting in September 2022.

2. Recommendation

The Board should note and comment on the activity undertaken by the Principal since the September 2022 Board meeting.

3. Key Highlights

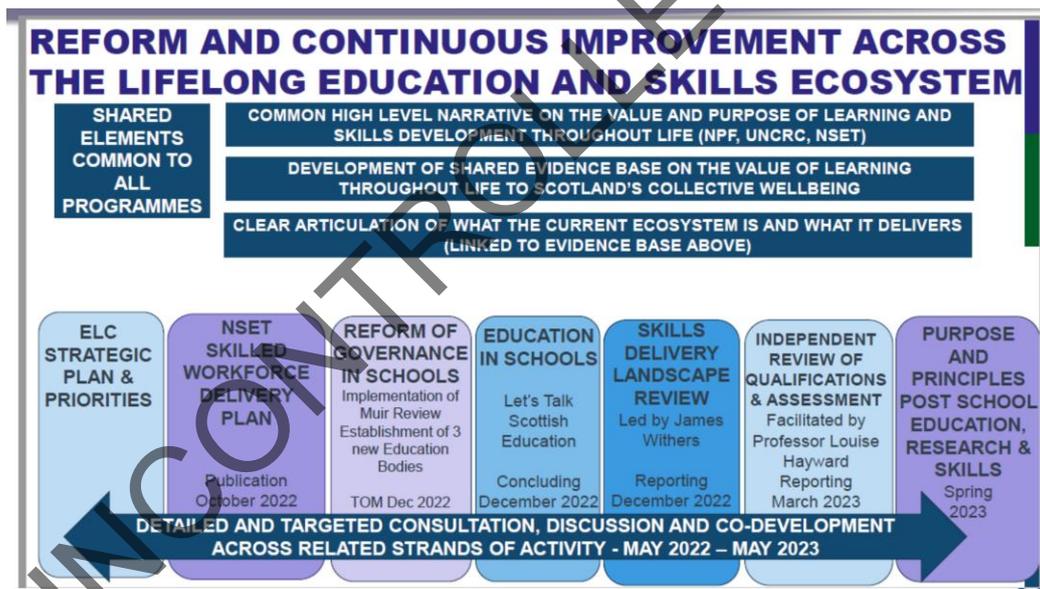
- 3.1 I formally announced my retirement as Principal of Forth Valley College at the start of November giving a lengthy notice period through to end of July 2023 to allow for my successor to be appointed and any notice period that may be necessary. I wanted to say thank you to all Board members who have spoken to me privately and to Ross and Trudi who caught me by surprise at one of my weekly Chair meetings with some kind words to say. My heartfelt thanks to you all. Working with Lyndsay Condie, I went public through social media and a press release which saw me on page three of the Falkirk Herald. I have since had really nice comments on all forms of social media and through email including a letter from Jamie Hepburn MSP, our sponsoring Minister. The process is now well underway and the Board will be updated later in the meeting. In the meantime, with a lengthy run up to retirement I'm anticipating the "You still here" comments from staff.
- 3.2 The Board will be well aware that the sector is expecting a "bleak" outcome from the Scottish Government budget and my SMT continue to scenario plan a wide range of potential outcomes when we finally understand the funding from SFC. It's important for the Board to recognise we are still awaiting news on Flexible Workforce Development Fund and Young Person Guarantee funding for 22/23, so in-year funding! This continues to place SMT under considerable pressure as we also work on the day job. Consequently, I have advised all SMT to devolve as much as possible to their LMT line reports. We have also looked to prioritise our external commitments to allow for appropriate planning and a communication strategy. We will look to update the Board at the next meeting, which may well be outwith the normal meeting schedule.
- 3.3 Following a discussion with the new Chair in relation to the recently announced "National Conversation – Let's talk Education, I wanted to update the Board on the wide range of educational reforms/reviews currently underway in Scotland. Figure 1 shows a slide which has been used by Scottish Government at a number of meetings I've attended including the College Principals Group (CPG) and SQA Board. Working left to right, we're not contributing to the Early Learning Strategic Plan and Priorities. The NSET delivery plan was published in October and we are using the outcomes as one of our design principles for change as a consequence of our funding outcome. LMT and the CPG contributed to the ongoing reform of governance in Schools and will make further contribution when the delivery model is published for consultation early next year. Colleges Scotland are currently leading on the Education in Schools National Conversation and Rob McDermott, Head of Quality, will be our College lead.
-

Through an invitation from SFC, we hosted an afternoon session with James Withers in November, offering a chance for James to meet students, staff and apprentices and take a tour of the building. We have also submitted a response to the consultation which will impact on the role of SDS. I have a direct role in the Hayward Review, as a member of the Independent Review Group (IRG), and have hosted a number of Consultative Community Groups with the sector. Feedback on Qualifications and Assessment for Scotland should be in draft form by the start of the year.

Finally the Post 16 Purpose and Principles is being led by the new Education Reform Directorate and a number of workshops are in the planning.

The education and skills ecosystem, with seven reviews currently underway, will require a Scottish Government systems approach to pull it all together. Our contributions have targeted on the interdependency of all seven.

Figure 1. Scottish Government current reform programmes for Education and Skills



3.4 I noted in my last Principal's Report (37th) that, following discussion with Board members and the CEO and Chair of Colleges Scotland, we would continue to pay membership for 22/23. However with the ongoing Think the Unthinkable activity being hosted by Colleges Scotland,

[REDACTED]

The position will be reviewed on an annual basis but membership must demonstrate best value for the College.

3.5 Can I thank Board members that were able to attend for supporting the two College graduations in October. A particular thank you to our two key note speakers, Tracy Black,

Director of CBI Scotland and Amy Irons, TV Presenter for two excellent presentations. 2022 will be the last time we use the Falkirk Town Hall as the Council are closing the building. It is likely the 2023 Falkirk graduation ceremony will be held on campus.

4 Networking and Presentations

4.1 I was a key note speaker on a Question Time panel at the School Leaders Scotland (SLS) annual conference where the Educational Reform programme was a central discussion point. I also hosted a number of meetings on Falkirk campus with a tour as the main agenda item. This included the Falkirk Bairns for Business group of 50 local business; the Linlithgow Rotary; SQA Management team with over 40 managers. I have also hosted one to one tours with past Board members, John Blackie and Patrick Callaghan. The tours are quite time consuming particularly where we have big numbers but the impact is well worth the visit. This was particularly the case when we showcased the campus with James Withers, who is leading on the Skills review. In addition to my involvement, LMT continue to host their own tours of key stakeholders and between us this ambassadorial role is proving particularly positive in awareness raising and future relationship building.

4.2 Ken Richardson, Gordon Berry and I were guests of Reich and Hall in London at the Stirling Prize Award night at the RIBA headquarters. There were six shortlisted projects for best building in the UK and although we did not win, being in the top six of 400 applicants was great for the College. More recently I attended the Scottish version of the Andrew Doolan Award for best building in Scotland where we were in the top five shortlist. Unfortunately we did not win this one either. Nevertheless, the shortlisting has given the College an excellent profile across the country.

5. Key Meetings

5.1 I continue to have positive and fruitful monthly meetings with the Student Association. Ross Martin and I continue to meet weekly with a broad agenda. I now have in the diary weekly meetings with Trudi Craggs, our new Chair.

5.2 Over the past two months since the last Board meeting I have met with SCDI Director for Scotland; have been involved with two Falkirk Growth Deal Strategic Board meetings and have met on a one to one with Nikki Bridle, CEO Clackmannanshire Council to discuss the Councils Plans for transformation. I have also met with the outgoing ECITB CEO Chris Claydon, who will be taking a lead role with CompEx.

5.3 In addition I have been meeting regularly as a Board member of SQA and now on the Delivery Group for the new SQA2. I have also had three meetings of the Hayward Review as noted before and, as a Board member of CDN, have been involved in my first Strategic Framework event.

6. Colleges Scotland (CS)

6.1 There has been one meeting of the CPG and two "Think the Unthinkable" workshops, as already reported in this paper.

7. Community Planning Partnership

7.1 There has been one meeting of the Falkirk Community Partnership and one of the Stirling CPP. Kenny MacInnes, VP for Learning and Student Experience continues to lead on the Stirling CPP in Stirling given his responsibility for the Stirling Campus. We play a lead role in community planning and continue to lead on key projects relating to the college's purpose. The Board should note there is currently a Scottish Government consultation out on the future of CPP across Scotland.

8. Financial Implications

None

9. Equalities

Assessment in Place? – Yes No

If No, please explain why – This paper is an overview report only, there are no changes to College policy or practice involved.

10. Risk

Please indicate on the matrix below the risk score. Risk is scored against Impact and Likelihood as Very Low through to Very High.

	Likelihood	Impact
Very High		
High		
Medium		
Low		
Very Low	X	X

Please describe any risks associated with this paper and associated mitigating actions –
None

Risk Owner – Ken Thomson

Action Owner – Ken Thomson

12. Other Implications –

Communications – Yes No

Health and Safety – Yes No

Paper Author – Ken Thomson

SMT Owner – Ken Thomson

1. Purpose

To provide members with an update on the recent activities of the Forth Valley Student Association (FVSA)

2. Recommendation

That members note the content of the report.

3. Background

To inform the board on FVSA activities

4. Key Considerations

Since the last Board of Management on 22 September 2022 FVSA have conducted several activities.

Class Rep Training

Class Rep training has been delivered to Class Reps over six training sessions:

- Three in campus training sessions
- Two online training sessions (delivered via MS Teams)
- One pre-recorded training session (available to Class Reps who were unable to attend a facilitated session)

There are currently 165 registered Class Reps; 63 of those Class Reps have fully completed their Class Rep training.

Executive Committee

Following a successful Executive Officer election. FVSA are pleased to announce four new members of the FVSA Executive Committee for 2022/23:

- Elizabeth Clark - Diversity and Inclusion Officer
- Jonah McCulloch - Diversity and Inclusion Officer
- Shannon Easton - Wellbeing Officer
- Steve Kemlo - Environmental Officer

There are two positions that were not filled (Education Officer and Welfare Officer) and these will be available for students to express an interest during a by-election in February 2023.

The Students' Pantry

Since it's re-launch in September, the Students' pantry in both Alloa and Stirling have been used regularly by students, many times they have even been found to be empty. FVSA kindly received donations (approx. £130 combined) from the 'lost and found' at the Alloa and Stirling receptions – this was allocated back to the students via the Students' Pantry and is allowing us to make a number of re-stocks. Falkirk food pantry is seeing steady use, we are attempting to make this more widely known to our student population

FVSA are working on new materials that will aim to encourage staff and students to donate food items to the pantry, which will support the sustainability of the pantry throughout the year. The introduction of the free breakfasts within the refectory complements the students' pantry as we are now able to offer less breakfast options and more lunch/snack options.

We are exploring avenues with college suppliers to negotiate items for the food pantry following our operational plan to explore opportunities with college links.

FVSA e-Shop

Following the launch of the e-shop in late September, the number of sales are gradually increasing. To date, we have processed 13 orders (14 product sold in total) with a total profit of £97.52.



FVSA have recently expanded marketing efforts in the Stirling and Alloa campuses, with the addition of new display mannequins so that the e-shop products are more visible in all campuses. To further promote the e-Shop and generate more sales, we will be launching a 10% discount on all products from Friday 25th – Monday 5th December.

Christmas Donation Station

A box will be placed on each campus for donations of sanitary product, toys and non-perishable food that will be given to local foodbanks. Donation stations will be in place from Tuesday 22 November to Monday 12 December.

Student Mental Health Agreement

The Student Association has worked with the Head of Inclusion and Student Services to review and update the Student Mental Health Agreement for 2022/23. The official launch was due to take place in October however this was postponed due to unforeseen circumstances and we hope to have another date set for this as soon as possible. The Student Mental Health Agreement for 2022/23 will be very similar to last year's.

Student partnership agreement

The Student Association are planning some minor changes to last years' Student Partnership Agreement document however the main themes will remain the same:

- Under-represented Groups
- Department Representation
- Mental Health
- Employability

Planning for the first meeting in January is currently underway. The previous action plan will be reviewed by key staff from across the college and this will set up the plan for 2022-23.

Refreshers' Fair

This year's' Re-Fresher's theme was chosen by our students via a Feedback Friday survey. Over 100 students voted on the theme, with 'Film & Comic' coming in first place. Planning for the film and comic themed event has already started and the team are excited to deliver this event in February 2023.



5. Resource Implications (Financial, People, Estates and Communications)

There are no implications

6. Equalities

Assessment in Place? – No not applicable

7. Communities and Partners – N/A

8. Risk and Impact

Please complete the risk table below. Risk is scored against Likelihood x Impact, with each category scored from Very Low through to Very High. Risks should be robustly scored and, if the combined score (Likelihood x Impact) is higher than the Board Risk appetite for the risk category identified, additional justification must be provided on why this risk is necessary.

If the paper is an approval, please reflect on whether the approval will have any direct or indirect impact for any other areas of operational activity internally or externally within the College – No

	Likelihood	Impact
Very High (5)		
High (4)		
Medium (3)		
Low (2)		
Very Low (1)	x	x

Total Risk Score – very low

The College has a Strategic Risk appetite for categories of risk as defined by the Board of Management. Decisions being taken at LMT/SMT/Board level must have cognisance of this. Please indicate the single most relevant risk category in the table below.

BoM Risk Categories & Risk Appetite (Select one area only)			
Cautious <15	Open 15 > <20	Eager >20	
Governance	X Strategy	People	
Legal	Financial	Project/Programme	
Property	Reputational		
	Technology		

Is the score above the Board Risk Appetite level? No

Risk Owner – Kenny MacInnes

Action Owner – Claire Green

Paper Author – Claire Green

SMT Owner – Kenny MacInnes

Item 6.1

Would you like to be part of our next Advisory Group?

Purpose

The role of Advisory Group is to provide strategic direction and support to FVSA and ensure that it is able to develop effectively in line with the Framework for the Development of Strong & Effective College Students' Associations in Scotland. The Advisory Group will frequently discuss matters that are decided by other bodies such as the College Board of Management, the Human Resources department, or the Student Association's democratic structures. In these instances the purpose of the Advisory Group is to advise the Students' Association on how to navigate these issues, and offer recommendations to those bodies.

Responsibilities

- Approving, monitoring and supporting the delivery of a strategic plan.
- Making recommendations to ensure that the Students' Association is adequately resourced and supported to deliver against the strategic plan, fulfil its legal responsibilities and meet the expectations of sector bodies (SFC, Education Scotland).
- Reviewing and advising on the Students' Association budget and financial accounts and approving for submission.
- Advising on HR related matters and removing barriers to officer participation and performance.
- Advising the Students' Association on matters concerned with its development as an organisation.
- Evaluating the development of the Students' Association against the Framework for Strong and Effective Students' Associations.
- Managing risk to mitigate internal and external factors that may impact upon the development of the Students' Association.
- Monitoring and advising on how the Student Association manages their partnership with the College.

Meetings

The Advisory Group will meet three times during the 2022/23 academic year:

1. Wednesday 14 December, 2.30pm - 4.30pm (Teams meeting)
2. Monday 20 March, 2.30pm - 4.30pm (Falkirk Campus)
3. Wednesday 31 May, 2.30pm - 4.30pm (Stirling Campus)

Recruitment

We are looking for 1 Board Member to come forward and be part of this wonderful group (max duration 2 years). All you have to do is email – student.association@forthvalley.ac.uk if you are interested and you will be put forward to our recruitment process

Or for any additional questions [REDACTED]

UNCONTROLLED COPY

1. Purpose

To update Board of Management on the Forth Valley University College NHS Partnership.

2. Recommendation

That members note the content of the report.

3. Background

The Forth Valley University College NHS Partnership launched on 3rd October 2022. The partnership is already resulting in operational impact across the 3 organisations and providing benefits to both staff and students. The previous BOM presentation presented questions relating to the governance of the partnership and this has since been reviewed.

4. Key Considerations

- Aims and Governance

In response to the previous BOM recommendation the governance arrangements were reviewed and it is proposed that the project operate within the existing governance structure of each individual organisation. The initial "Oversight Board" will now be the Oversight Committee (OC) and membership will consist of the three organisation leads, each mentored by an SMT member of their own organisation. OC's will be held quarterly and a dashboard produced for presentation at each organisations LMT.

Each organisation leads on an Operational Work Programme and hosts working groups with membership consisting of wider teams, key partners and stakeholders. Operational Working Groups are scheduled for every 8 weeks. The operational groups will consult and contribute to operational priorities and projects.

- Operational Work Programmes Update

1. Education and Skills – Led by Sarah Higgins-Rollo (FVC)

Progress has been made on all programme priorities to date and outputs are summarised below:

- Skills Boost Portfolio of online courses launch in January 2023
 - Learning Pathways for Senior Phase School pupils awaiting approval via Curriculum Review
 - Transitional support for FVC graduates to Nursing Degree in progress.
 - Proposal for a Health and Care Internship course in scoping phase
 - Simulation and Immersive Learning Sessions are being delivered to our Foundation Apprentices by NHS Forth Valley staff.
 - Partnership promotion activities – schools, open events, UKRI roundtable
 - Articulation for HNC Fitness, Health & Exercise completed and HNC Sports Coaching in progress.
-

- The partnership is represented on NHS Scotland Academy National Reference group and Forth Valley regional huddle.

2. Career Pathways and Workforce Development – Led by Jayne Donaldson (UofS)

Programme priorities in progress are:

- Clinical Academic Role – secondment opportunities for staff to move between partnership organisations, currently only NHS & UofS.
- 5 x PhD Studentships (Areas of Data and Orthopaedics)
- Scoping out proposal for People Academy – share expertise in CPD, Health & Wellbeing, Leadership training.
- Employability Manager Role (NHS FV) approved. Not directly appointed for the partnership but acknowledged that this role is critical to the success of the outputs.

3. Research and Innovation – Led by Susan Bishop (NHS FV)

4.

- Agreement to combine skills for funding research proposals
- Research and innovation will be considered for inclusion in university curriculum
- Clinical Academic role
- Scoping exercise for Simulation Skills centre and test bed spaces.

5. Resource Implications (Financial, People, Estates and Communications)

There are no current plans to allocate additional resource to the partnership. The financial benefit to FVC will be measured in improved recruitment, retention and attainment of related courses. The University of Stirling aims to increase numbers of Forth Valley learners applying for Nursing Degree from both schools and FVC. Enhancement of Learner Experience will be measured via Listening to Learners.

Funding opportunities to support operational projects are being scoped out and applications will be submitted where possible. This will be reported via the Oversight Committee's Quarterly Dashboard.

6. Equalities

In Progress – An Equalities Impact Assessment will be completed on a quarterly basis and included in the OC's Dashboard.

7. Communities and Partners

Local authorities, Health and Social Care Partnerships, Schools and NHS Academy colleagues are included in operational group membership. Feedback to date has been very positive with high levels of engagement. The OC are mindful that more engagement is required with third sector and private sector colleagues and a communication plan is being developed to address this.

8. Risk and Impact

Please complete the risk table below. Risk is scored against Likelihood x Impact, with each category scored from Very Low through to Very High. Risks should be robustly scored and, if the combined score (Likelihood x Impact) is higher than the Board Risk appetite for the risk category identified, additional justification must be provided on why this risk is necessary.

	Likelihood	Impact
Very High (5)		
High (4)		
Medium (3)		
Low (2)		
Very Low (1)	x	x

Total Risk Score – 2

The College has a Strategic Risk appetite for categories of risk as defined by the Board of Management. Decisions being taken at LMT/SMT/Board level must have cognisance of this. Please indicate the single most relevant risk category in the table below.

BoM Risk Categories & Risk Appetite (Select one area only)			
Cautious <15	Open 15> <20	Eager >20	
Governance	Strategy	People	
Legal	Financial	Project/Programme	x
Property	Reputational		
	Technology		

- i. Over the next 12 months there is a high likelihood of strike action across the 3 organisations that may attract media attention. The partnership is mindful that any industrial action can result in reputational impact however this is not anticipated to be worsened as a result of the partnership.
- ii. Success of the partnership is critical upon successful enrolment numbers on proposed courses and low levels of interest would risk this. Health and Social Care curriculum is robust, often having waiting lists. The new proposals complement the existing delivery and are being developed in consultation with schools and local authorities. Recruitment will be closely monitored in pilot phase.

Is the score above the Board Risk Appetite level? No

Risk Owner – Kenny MacInnes

Action Owner – Sarah Higgins-Rollo

Paper Author – Sarah Higgins-Rollo

SMT Owner – Kenny MacInnes

1. Purpose

To present to members the annual report from the Chair of the Audit Committee to the Board of Management.

2. Recommendation

That members approve the attached report

3. Background

The Chair of the Audit Committee presents a report of the Committee's activities on an annual basis.

As this report is linked directly to the associated financial year, the information within the attachment covers the 12 month period from 1 August 2021 to 31 July 2022 period

4. Resource Implications (Financial, People, Estates and Communications)

None – all audit activity is fully budgeted and progress against agreed activity is monitored and reported to the Audit Committee.

5. Equalities

Assessment in Place? –No

Not applicable to this report

6. Communities and Partners

Not applicable to this report

7. Risk and Impact

Please complete the risk table below. Risk is scored against Likelihood x Impact, with each category scored from Very Low through to Very High. Risks should be robustly scored and, if the combined score (Likelihood x Impact) is higher than the Board Risk appetite for the risk category identified, additional justification must be provided on why this risk is necessary.

If the paper is an approval, please reflect on whether the approval will have any direct or indirect impact for any other areas of operational activity internally or externally within the College – No

	Likelihood	Impact
Very High (5)		
High (4)		
Medium (3)		
Low (2)	X	X
Very Low (1)		

Total Risk Score – 4

The College has a Strategic Risk appetite for categories of risk as defined by the Board of Management. Decisions being taken at LMT/SMT/Board level must have cognisance of this. Please indicate the single most relevant risk category in the table below.

BoM Risk Categories & Risk Appetite (Select one area only)				
Cautious <15		Open 15> <20		Eager >20
Governance	X	Strategy		People
Legal		Financial		Project/Programme
Property		Reputational		
		Technology		

Failure to adequately check internal systems via the internal audit service could lead to systemic errors or inefficiencies. The Internal Audit function, overseen by the Audit Committee, ensures that adequate assurances are received.

Is the score above the Board Risk Appetite level? - No

Risk Owner – Ken Thomson

Action Owner – Alison Stewart

Paper Author – Stephen Jarvie

SMT Owner – Alison Stewart

ANNUAL REPORT OF THE AUDIT COMMITTEE TO THE BOARD OF MANAGEMENT

1. Introduction

This report covers the 12 month period from 1 August 2021 to 31 July 2022. Committee attendance was as follows:

Name	Attendance Record
Lorna Dougall (Chair)	3 of 3 meetings
Hazel Burt	2 of 3 meetings
Paul Devoy	1 of 3 meetings
Alistair McKean	2 of 3 meetings
Emma Meredith	2 of 3 meetings

The Committee met on the following dates:

9 September 2021
16 November 2021
19 May 2022

2. Internal Audit

Internal Audit is governed by the Code of Audit Practice, as published by the Scottish Funding Council (SFC). The Code requires the Internal Auditors to adopt a risk-based approach to the programme, and to undertake follow-up work to ensure that all recommendations accepted by College management have been implemented.

Audit Provider:

Henderson Loggie are the College Internal Auditors. Their charge for the period was £15,744. (Fees are based upon the degree of responsibility and skill of staff, and the time involved in the work. Fees for additional services or assignments are agreed separately in advance).

Annual Report on Audit Activities: The Internal Auditor's report on audit activities carried out during the year 2020–2021 was considered by the Audit Committee at its 8 September 2022 meetings. Internal Audit assignments for this period were carried out broadly in accordance with the Audit Plan agreed by the Audit Committee on 20 May 2021.

Achievements: The audit assignments were identified based upon a review of the College risk register, the identification of new systems being implemented within the College and those audits (i.e. credits) required on a rolling basis.

The specific audit reports produced for each assignment made recommendations for the improvement of internal procedures and controls, and each recommendation was given an agreed target date for implementation. The monitoring of internal audit recommendations is a standing agenda item on Audit Committee agendas.

Effectiveness: While identifying one area within the College which was classified as requires improvement, on the basis of the other work undertaken during the year the auditors have expressed an overall opinion that the College has –

“adequate and effective arrangements for risk management, control and governance. Proper arrangements are in place to promote and secure Value for Money.”

3. External Audit

Audit Provider: Ernst & Young LLP.

Auditors Report: The External Auditor's report on the Financial Statements for the year 2021-2022 is included in the papers. The audit was carried out during October/November 2022.

Management Letter: During the course of the audit the Auditors performed overviews of the key financial systems of the College to assess their adequacy for the purposes of ensuring that accurate, timely and complete accounting records were being maintained. The recommendations resulting from this exercise are set out in the report of the External Auditor.

4. Other Matters

During the past 12 month period, in addition to receiving reports from the Internal and External Auditors, the Committee also considered the Risk Register and treatment of significant risks.

The Audit Committee also met with the Internal and External Auditors without College staff in attendance at their meeting of 15 November 2022.

5. Adequacy and Effectiveness

The Committee accepts the views of the internal and external auditors that Forth Valley College's internal financial and management systems are adequate and that the Board of Management's responsibilities have been satisfactorily discharged.

Lorna Dougall
Chair
8 December 2022

1. Purpose

To update members on the outcome of the Board self-evaluation exercise completed over the summer of 2022.

2. Recommendation

That Members consider the outcome of the self-evaluation exercise and consider any development requirements.

3. Background

The Financial Memorandum with the SFC requires governing bodies to comply with the principles of good governance set out in the Code of Good Governance for Scotland's Colleges. Section D.23 states "... There should also be an externally facilitated evaluation of its effectiveness at least every three years. The board must send its self-evaluation (including an externally facilitated evaluation) and board development plan (including progress on previous year's plan) to its funding body and publish them online."

4. Self-Evaluation (Appendix 1)

All Board members are asked to complete a self-evaluation questionnaire at the end of each academic year in relation to the Board's performance which is based on the Code of good Governance. Following the return of the questionnaires individual meetings are held with members and the Chair of the Board and the Board Secretary.

The results of the evaluation are noted in Appendix 1. An average score has been calculated based on the number of returns received. Overall the results are very positive with only one area scoring below 4.5

- The Board and its Committees prioritises the opinions/views of students

There were a number of changes in scores and these are highlighted in appendix 1. Taken as a whole, there was a small increase overall in Board scoring.

Feedback from the discussions with members highlighted a number of themes

- preference for in person meetings rather than on line
 - more focus on strategy at Board meetings – each meeting focus on one strand of the strategy
 - more emphasis on community engagement / unitisation of estate
 - committee / board papers too long
 - Staff, Student & Stakeholder engagement - re-introduce Board engagement calendar
 - board development – consider rotating membership of committees
-

5. **Financial Implications**

There are no financial implications.

6. **Equalities – N/a**

7. **Risk**

Please indicate on the matrix below the risk score. Risk is scored against Impact and Likelihood as Very Low through to Very High.

	Likelihood	Impact
Very High		
High		
Medium		x
Low		
Very Low	x	

Risk Owner – Alison Stewart

Action Owner – Alison Stewart

8. **Other Implications –**

Paper Author - Alison Stewart

SMT Owner – Alison Stewart

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Appendix 1

	Ave	Ave	Change
	2022	2020	
Vision and Strategy			
1. The Board has set out clear strategic priorities and aims	4.9	4.7	0.2
2. The Board regularly reviews performance against strategic aims	4.5	4.4	0.1
3. The aims of the College are aligned with regional / national strategy	4.7	4.5	0.2
4. The Board undertakes regular strategic reviews / scenario planning	4.6	4.8	-0.2
Corporate Social Responsibility			
5. The Board understands and demonstrates the College's values	5.0	4.9	0.1
6. The board has a Code of Conduct to which it is committed in place	5.0	5.0	0.0
7. The Board operates according to the Nine Principles of Public Life	5.0	4.9	0.1
Student Engagement			
1. Student Members are active at Board Level	4.6	5.0	-0.4
2. The Board receives regular reports from the Student Association	4.8	5.0	-0.2
3. The Board and its Committees prioritises the opinions / views of students	4.4	4.5	-0.1
Learning and Teaching/Student Support			
4. Learning & Teaching Performance is overseen effectively	4.6	4.6	0.0
5. The Board sets challenging student success targets	4.6	4.4	0.2
6. The Student experience is central to Board decision making	4.5	4.8	-0.3
Accountability			
Student Accountability and Delegation; Risk and Audit			
1. The Board recognises the chain of accountability	5.0	5.0	0.0
2. The Board is open in its decision-making and facilitates disclosure	5.0	5.0	0.0
3. The Board delegates responsibilities to appropriate committees	4.8	4.9	-0.1
4. The Board has in place an effective risk management strategy	4.9	4.8	0.1
5. The College's audit processes are comprehensive and rigorous	4.9	4.9	0.0
6. The Board publishes high quality Annual Reports	4.9	4.9	0.0
Remuneration, Sustainability, Staff Governance			
7. There is a formal process for setting the Principal's remuneration	4.7	4.5	0.2
8. Funds are planned and used economically, efficiently, and effectively	4.9	4.6	0.3
9. Board members are aware of their responsibilities as charity trustees	4.8	4.8	0.0
10. The Board prioritises the fair and effective management of staff	4.8	4.6	0.2

Effectiveness			
Post Holder Effectiveness			
1. The Board Chair promotes open discussion on strategic matters	5.0	4.9	0.1
2. The Board has an appropriate mix of skills and works well as a team	4.9	4.8	0.1
3. The Principal and Senior Management Team are clearly accountable to the Board	4.9	4.8	0.1
4. The Board is well supported and guided in matters of governance	4.9	4.9	0.0
Board members development and Evaluation			
5. Board recruitment is open and in line with Ministerial guidance	4.8	4.9	-0.1
6. There are sufficient opportunities for Board induction and development	4.6	4.5	0.1
7. Board effectiveness is regularly reviewed	4.818182	4.5	0.3
Relationships and Collaboration			
Partnership Working			
1. The Board ensures effective communication with stakeholders	4.7	4.5	0.2
2. Learning provision is relevant to industry needs	4.9	4.6	0.3
3. The College engages well with stakeholders/industry players	4.9	4.7	0.2
4. The Board supports the delivery of the Outcome Agreement	4.6	4.9	-0.3

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Section	R/A/G	Comment/Evidence
Conduct in Public Life		
A.1 Every college and regional strategic body must be governed by an effective board that is collectively responsible for setting, demonstrating and upholding the values and ethos of the organisation.	G	External effectiveness review April 2021
A.2 Every board member must ensure that they are familiar with and their actions comply with the provisions of their board's Code of Conduct.	G	Board induction, Code of Good Governance available on web
A.3 The Nine Principles of Public Life in Scotland, which incorporate the seven Nolan principles, must be the basis for board decisions and behaviour. These key principles, which apply individually and collectively are: - Duty/Public Service - Selflessness - Integrity - Objectivity - Accountability and Stewardship - Openness - Honesty - Leadership - Respect	G	Yes
Vision and Strategy		
A.4 The board is responsible for determining their institution's vision, strategic direction, educational character, values and ethos. Regional strategic bodies must also determine the regional strategy for colleges assigned to them. The board of an assigned college must have regard to the strategy determined by the regional strategic body. Board members have a collective leadership role in fostering an environment that enables the body to fulfil its mission and meet Scottish Government priorities, for the benefit of students and the community it serves.	G	Board sessions for strategic plan development, Outcome Agreement reviewed at LSE and approved by Board
A.5 The board must develop and articulate a clear vision for the region or college. This should be a formally agreed statement of its aims and desired outcomes which should be used as the basis for its overall strategy and planning processes.	G	Strategic Plan
A.6 The board provides overall strategic leadership of the region or college. The board is responsible for formulating and agreeing strategy by identifying strategic priorities and providing direction within a structured planning framework.	G	Strategic Plan
A.7 The board must ensure that a comprehensive performance measurement system is in place which identifies key performance indicators. It must ensure that it scrutinises performance measures and reports these on their website in a manner that is both timely and accessible to stakeholders. This will allow the board to determine whether or not the vision and mission of the region or the college are being fulfilled and that the interests of stakeholders are being met.	G	PI's (eg Financial and Health and Safety) monitoring, Outcome Agreement Reporting, HR reports on staffing levels. A range of dashboards have been developed to monitor key College projects and are included in the papers published on the College website. PI Prediction tracker system developed and in place
A.8 The board (except in the case of assigned college boards) is responsible for overseeing the negotiation of its outcome agreement with SFC, to meet the needs of the college or region and make best use of available funding, consistent with national strategy. The board must ensure effective engagement with all relevant stakeholders in the development of its outcome agreement and monitor performance in achieving the agreed outcomes.	A	Outcome Agreement is presented to LSE in various drafts and final approval from Board. Amber as need to evidence stakeholder engagement more
A.9 The roles and responsibilities of the boards of assigned colleges should be undertaken in the context of the roles and responsibilities of their regional strategic body. Assigned college boards must contribute constructively to the development of the outcome agreement led in its region by the regional strategic body and support the regional strategic body to monitor performance in achieving the agreed outcomes.	G	Not Applicable to FVC
Corporate Social Responsibility		
A.10 The board must demonstrate high levels of corporate social responsibility by ensuring it behaves ethically and contributes to economic development while seeking to improve the quality of life of the local community, society at large and its workforce.	G	External effectiveness review identified Board appetite for the development of an ethics related document. A Corporate Social Responsibility Policy has been developed and will be considered for approval at the September 2022 meeting. Ethical considerations are also embedded into key College activities such as fundraising and procurement
A.11 The board must exercise its functions with a view to improving economic, cultural and social wellbeing in the locality of the college or region. It must have regard to social and economic needs and social inclusion.	G	Forms part of Strategic Plan and Outcome Agreement
A.12 The board must provide leadership in equality and diversity.	G	Equalities policy approved by Board
A.13 The board must seek to reflect in its membership, the make-up of the community through offering maximum opportunity of membership to a range of potential members and removing potential barriers to membership, in partnership with its regional strategic body, as appropriate.	G	All Board vacancies are advertised locally and nationally and actively seek applicants from diverse backgrounds
A.14 The board must appoint one of the non-executive members to be the senior independent member to provide a sounding board for the chair and to serve as an intermediary for the principal, other board members and the board secretary when necessary (see Annex 1 for the definition of 'non-executive'). The senior independent member should also be available where contact through the normal channels of chair, principal or secretary has failed to resolve an issue or for which such contact is inappropriate. Further information on the role of the senior independent member can be found in The Guide for Board Members in the College Sector.	G	Senior Independent Member in place
Section B: Quality of the Student Experience		
Student Engagement		
B.1 The board must have close regard to the voice of its students and the quality of the student experience should be central to all board decisions.	G	Student Association representation on Board. Board members also support SA outside Board meetings e.g. mentoring, sitting on SA advisory board
B.2 The board must lead by example in relation to openness, by ensuring that there is meaningful on-going engagement and dialogue with students, the students' association and as appropriate staff and trade unions in relation to the quality of the student experience. Consultation is essential where significant changes are being proposed.	G	Trade Unions consulted on relevant policy change. SA have standing agenda item at Board to raise issues important to students. Board Chair meets with Unions and SA without College staff present. Principal meets regularly with SA team
B.3 The board must consider the outcome of student surveys and other student engagements, and monitor action plans that could impact on the quality of the student experience.	G	The College is launching a dedicated student centred app "CampusM" for session 22/23. This will facilitate better response rates and more meaningful information return for student surveys. The survey results from early satisfaction survey, programme satisfaction survey, college destination survey, in conjunction with the outcomes from the bi-annual 'Listening to Learners' reports will be shared throughout the academic year with the Board. The curriculum review and quarterly PI prediction results and action outcomes, along with report updates from the Student Association and the Department of Inclusion and Student Services, are also shared with the Board. These reporting mechanisms allow the Board to monitor student experience across the College against the College's operational plan's actions and then feedback. This process allows the Board to gain an insight into the student experience at FVC.
B.4 The college board must have regard to the Framework for the Development of Strong and Effective College Students' Associations in Scotland. It must put in place robust partnership procedures (e.g. partnership agreement) to work together to achieve change and which are supported by regular and open communications.	G	Partnership agreement in place
B.5 The college board must encourage a strong and autonomous students' association and ensure that the students' association is adequately resourced.	G	Board are supportive of SA and their applications to ALF for sabbatical funding. Board approved annual contribution to the running costs of SA with budget monitored via Finance Committee
B.6 The college board must ensure that the students' association operates in a fair and democratic manner and fulfils its responsibilities.	G	Board approves SA constitution
B.7 The college board must review the written constitution of its students' association at least every five years.	G	Board papers can evidence the latest review
Relevant and High Quality Learning		

B.8 The board must seek to secure coherent provision for students, having regard to other provision in the region or college's locality. The board must be aware of external local, national and international bodies and their impact on the quality of the student experience, including community planning partners, employers, skills development and enterprise agencies and employer bodies. The board must seek to foster good relationships and ensure that the body works in partnership with external bodies to enhance the student experience, including employability and the relevance of learning to industry needs.	G	Outcome Agreement process
Quality Monitoring and Oversight		
B.9 The board must ensure appropriate mechanisms are in place for the effective oversight of the quality and inclusivity of the learning experience in the college or region. The board must ensure that the college works in partnership with sector quality agencies and other appropriate bodies to support and promote quality enhancement and high quality services for students.	G	Education Scotland reviews, opportunities for Education Scotland lead for the College to present directly to the Board
Section C: Accountability		
Accountability and Delegation		
C.1 The board is primarily accountable to its main funder, either SFC or its regional strategic body. Through the chain of funding, the body is ultimately responsible to the Scottish Ministers who are accountable to the Scottish Parliament.	G	No action needed
C.2 The board must ensure delivery of its outcome agreement or in the case of an assigned college, its agreed contribution to the region's outcome agreement.	G	Reporting on progress against Outcome Agreement targets for FVC
C.3 The board must ensure it fulfils its statutory duties and other obligations on it, and that the terms and conditions of its grant are being met.	G	Role of Audit and Finance Committees
C.4 Scottish Ministers have powers to remove by order any or all board members of an incorporated college (except the principal) or a regional board for serious or repeated breaches of a term and condition of grant.	G	No action needed
C.5 The board also has a wider accountability to a range of stakeholders including students (both current and prospective), its staff, the wider public, employers and the community it serves, for the provision high quality education that improves people's life chances and social and economic well-being.	G	Education Scotland reviews
C.6 Incorporated colleges and regional boards must maintain and publicly disclose a current register of interests for all board members. Board members should declare any conflicts of interest in the business of the meeting prior to the commencement of each meeting of the board and its committees and withdraw from meetings as appropriate.	G	Available on College website
C.7 The board must ensure that its decision-making processes are transparent, properly informed, rigorous and timely, and that appropriate and effective systems of financial and operational control, quality, management of staff, risk assessment and management are established, monitored, continuously improved and appropriately impact assessed. This includes: a) the prompt production, dissemination and online publication of board/committee agendas, minutes and papers to the public b) every board meeting and every committee meeting having a well-structured agenda circulated timeously in advance c) the retention of all key documentation which help justify the decisions made by the board and its committees.	G	Board Agendas and Papers are on website
C.8 The board may delegate responsibilities to committees for the effective conduct of board business. As a minimum the committees required are Audit, Remuneration, Finance and Nominations/Appointments. Delegation of responsibilities from and matters reserved to the board and its committees must be set out in a scheme of delegation including the functions delegated by the board to the chair, committees, the principal and the board secretary (and any other members of staff). Incorporated college boards and regional boards have no powers to delegate functions to an individual board member (except the chair who has no authority to act outwith their delegated powers).	G	Scheme of Delegation and Committee Remits approved and in use and reviewed on a regular basis
C.9 The board must ensure every board committee has a specified member of the management team to provide objective, specialist advice to support it to discharge its remit, including by explaining in an accessible way the matters under discussion and the possible implications of different options.	G	SMT leads for each Committee can be evidenced via minutes
C.10 The board must consider and have in place procedures to ensure effective working relationships and constructive dialogue amongst the board as a whole and ensure there are effective reporting and two way communications between committees and the board. The board must ensure that discussions and decisions of every committee are accurately recorded and reported to the board, no later than the next meeting of the board.	G	Code of Conduct. Standing agenda item at all Board meetings for committee minutes to be presented and each Chair has time to raise any items of interest to the attention of the full Board
Risk Management		
C.11 The board of a college or a regional body is responsible for the overall management of risk and opportunity. It must set the risk appetite of the body and ensure there is an appropriate balance between risk and opportunity and that this is communicated via the principal to the body's management team.	G	There is a Risk Management Policy, Board had a Risk workshop session. Risk reports presented to the Audit Committee quarterly and also presented to some Board meetings. Board have established their risk appetite in line with HM Treasury guidance and this is reflected in the College risk register and will form part of the standard report template from October 2022 onwards
C.12 The board must ensure that sound risk management and internal control systems are in place and maintained. It must ensure there is a formal on-going process for identifying, reporting, evaluating and managing the body's significant risks and review the effectiveness of risk management, business continuity planning and internal control systems.	G	Risk Management Policy. Standing agenda item at all Committee and Board meetings. Internal Audit plan for the College is informed by Risk Register. Internal and external auditor reports to Board give assurance of internal controls
Audit Committee		
C.13 The Audit Committee must support the board and the principal by reviewing the comprehensiveness, reliability and integrity of assurances including the body's governance, risk management and internal control framework.	G	Audit Committee remit. Internal and External Auditor reports
C.14 The scope of the Audit Committee's work must be defined in its terms of reference and encompass all of the assurance needs of the board and the principal. The Audit Committee must have particular engagement with internal and external audit, and must work with management and auditors to resolve any issues in relation to financial reporting.	G	Internal and External Auditors invited to every Audit Committee meeting. Committee meets with Internal and External auditors annually without staff present
C.15 The Audit Committee must promptly pursue recommendations arising from audit reports and must monitor their implementation.	G	Audit Committee approves audit reports and actions for FVC. Progress report against recommendations is a standing agenda item. Annual follow up audit conducted by Internal Auditors to verify recommendations FVC consider complete have occurred. Report on follow up audit presented to Audit Committee
C.16 The membership of the Audit Committee cannot include the board chair or the principal. The role of the college executive is to attend meetings at the invitation of the committee chair and to provide information for particular agenda items.	G	Remit
C.17 The Audit Committee terms of reference must provide for the committee to sit privately without any non-members present for all or part of a meeting if they so decide. The Audit Committee members should meet with the internal and external auditors without the executive team present at least annually.	G	Audit Committee members meet annually with Internal and External auditors following presentation of accounts without staff present. Standing Orders allow for any committee to meet privately and also to request external advice
C.18 At least one member of the Audit Committee should have recent relevant financial or audit experience.	G	Yes - see membership
Remuneration Committee		
C.19 It essential that members of the Remuneration Committee understand their role and responsibilities. Members must undertake the online training module for Remuneration Committees provided by College Development Network within one month of appointment.	G	Members have undertaken CDN training
C.20 The board must have a formal procedure in place for setting the remuneration of the principal by a designated committee of non-executive members. The board may wish to supplement this by taking evidence from a range of sources. In particular, staff and students should have a role in gathering and submitting evidence in relation to the college principal to the relevant committee.	G	Remuneration policy in place
C.21 The board chair cannot be the chair of the Remuneration Committee (but they can be a member of it).	G	Covered in remit
Financial and Institutional Sustainability		
C.22 The board is responsible for ensuring the financial and institutional sustainability of the body. The board must ensure compliance with its Financial Memorandum (either with SFC or the regional strategic body, depending on which is funding it), including in relation to incorporated colleges and regional boards, relevant aspects of the Scottish Public Finance Manual.	G	Scheme of Delegation and standing orders and code of good governance
C.23 The board must ensure that: - funds are used as economically, efficiently and effectively as possible - effective monitoring arrangements are in place - college staff report relevant financial matters to it.	G	Regular reporting to Finance Committee. Board approve annual accounts
C.24 For colleges that are charitable organisations, board members are also charity trustees. The board of a college that is a charity must ensure its members are aware of their responsibilities under charity legislation and for complying with relevant provisions as set out by the Office of the Scottish Charity Regulator. See OSCR Guidance and Good Practice for Charity Trustees.	G	Part of Induction and relevant OSCR guidance is circulated to Board when it is available

Staff Governance		
C.25 The college board as the employer, is responsible for promoting positive employee relations and for ensuring effective partnership between recognised trade unions and management.	G	HR committee activity, Chair meets with Unions, Board approval of People Strategy, JNCC/LNC meetings attended by both SMT and Unions
C.26 The board must have a system of corporate accountability in place for the fair and effective management of all staff, to ensure all legal obligations are met and all policies and agreements are implemented and identify areas that require improvement and to develop action plans to address them.	G	HR committee reports. Key documents such as Disciplinary and Dismissal policy, People Strategy. Board and Committee consideration and approval of relevant College policies
C.27 The board must comply with the nationally agreed college sector Staff Governance Standard.	G	Comply with standard
C.28 The college board must comply with collective agreements placed on it through national collective bargaining for colleges.	G	HR reports, pay awards implemented in line with nationally negotiated position
Section D: Effectiveness		
The Board Chair		
D.1 The chair is responsible for leadership of the board and ensuring its effectiveness in all aspects of its role. The chair is responsible for setting the board's agenda and ensuring that adequate time is available for discussion of all agenda items, particularly strategic issues. The chair must promote a culture of openness and debate by: - encouraging the effective contribution of all board members - fostering constructive challenge and support to the principal, executive team and fellow board members - effective team-working - positive relations between board members. The chair must engage with the principal and the board secretary in a manner which is both constructive and effective.	G	Board agendas and minutes
D.2 The board and its committees must have the appropriate balance of skills, experience, independence and knowledge of the body to enable them to discharge their respective duties and responsibilities effectively.	G	Skills matrix
Board Members		
D.3 Each board member is collectively responsible and accountable for all board decisions. Board members must make decisions in the best interests of the college and/or region as a whole rather than selectively or in the interests of a particular group.	G	Board induction
D.4 Staff and student board members are full board members and bring essential and unique, skills, knowledge and experience to the board. Staff and student board members must not be excluded from board business unless there is a clear conflict of interest, in common with all board members.	G	Minutes
D.5 Where the college is a charity, all board members, as charity trustees, including staff and student board members, have legal duties and responsibilities under the Charities Act 2005. This includes registering any personal interests that could be seen as conflicting with the interests of the body. The 'objective test' for judging if there is a conflict of interest is: "... whether a member of the public, with knowledge of the relevant facts, would reasonably regard the interest as so significant that it is likely to prejudice your decision making in your role as a member of a public body".	G	Minutes showing declaration of interests are covered at every Committee and Board meeting
Principal and Chief Executive		
D.6 The college board must appoint the principal as chief executive of the college, securing approval for the appointment and terms and conditions of the appointment from the regional strategic body if necessary.	G	Board paper and associated minute from appointment
D.7 The college board must ensure there is an open and transparent recruitment process for the appointment. Students and staff must have an opportunity to contribute to the recruitment process.	G	Staff and Students involved in process
D.8 The college board must delegate to the principal, as chief executive, authority for the academic, corporate, financial, estate and human resource management of the college, and must ensure the establishment of such management functions are undertaken by and under the authority of the principal.	G	Scheme of Delegation
D.9 The college board must ensure a clear process is in place to set and agree personal performance measures for the principal. This process should seek the views of students and staff. The chair, on behalf of the board, should monitor, review and record the principal's performance, at least annually, against the agreed performance measures.	G	Chair currently meets with Principal and discusses Principals role and performance with staff and student Board members during one to one meetings annually
D.10 The principal, as a board member, shares responsibility for good governance with the chair and all other members of the board, supported by the board secretary. The principal also enables good governance through supporting effective communication and interaction between the body and the rest of the college including staff and students.	G	Principal communications with staff through efocus briefings, departmental meetings and student council meetings
D.11 The board provides strategic direction for the region and/or college, and the chair provides leadership to the board. The principal provides leadership to the staff of the body.	G	No action needed
D.12 The board must provide a constructive challenge to the principal and executive team and hold them to account.	G	Minutes of meetings
Board Secretary		
D.13 The board as a whole must appoint a board secretary who is responsible to it and reports directly to the chair in their board secretary capacity. The board secretary may be a member of the senior management team in their board secretary capacity, but they cannot hold any other senior management team position at the same time. The appointment and removal of the board secretary is a decision of the board as a whole.	R	Non-compliant on approval of Board with paper and minutes as evidence. Reviewed annually to ensure comfort with this.
D.14 All board members must have access to the board secretary who has an important governance role in advising the board, the committees and individual board members and supporting good governance. The distinctive board secretary role includes: - facilitating good governance and advising board members on: - the proper exercise of their powers, including in relation to relevant legislation - the board's compliance with its Financial Memorandum, the Good Governance Code, its Standing Orders and Scheme of Delegation - their behaviour and conduct in relation to the board's Code of Conduct. - providing clear advice to the chair and the board/committees on any concerns the board secretary may have that board members have not been given: - sufficient information - information in an appropriate form - sufficient time to monitor, scrutinise or make informed and rigorous - decisions in an open and transparent way. - attending and providing support to every board meeting and every meeting of every board committee. Where the board secretary is unable to attend, while the board secretary retains overall responsibility, proper arrangements must be made to cover the role with a person who is fully able to discharge the role effectively. - having an unambiguous right to speak at board and committee meetings to convey any concerns they may have about governance. This extends to someone substituting for the board secretary. - reporting any unresolved concerns about the governance of the body to the relevant funding body (i.e. SFC or the regional strategic body).	G	Board Secretary and Depute Board Secretary in place
D.15 The board must ensure the board secretary: - has suitable skills, knowledge and behaviours to carry out their role effectively - receives appropriate induction, and if new to the role, is mentored by a more experienced board secretary for at least their first year - has adequate time and resources available to undertake their role effectively.	G	Register of training CPD opportunities
D.16 The board must ensure arrangements are in place to deal with a board secretary's potential or real conflicts of interest.	G	Depute Secretary appointed to ensure no conflicts of interest are identified.
Board Member Appointment, Induction and Training		
D.17 For boards with responsibility for board appointments, the board must ensure a formal and open procedure is in place for recruiting and selecting new non-executive board members. Boards must have regard to all relevant Ministerial Guidance on board appointments.	G	Recruitment materials
D.18 The board is responsible for ensuring appropriate arrangements are in place for the conduct of student elections and nominations, and elections of staff members to the board.	G	SA constitution
D.19 The chair must ensure that new board members receive a formal induction on joining the board, tailored in accordance with their individual and collective needs. The board secretary should support the chair in the provision of relevant induction for new board members.	G	Induction materials
D.20 The board must ensure all board members undertake appropriate training and development in respect of their governance role. The board secretary should support the chair in the provision of relevant training and development opportunities for board members, which should be tailored to meet board members skills and needs. The board secretary must keep records of the development activity of board members, including the chair.	G	Board Development Plan includes training

D.21 The board must ensure that new committee members receive a committee induction and have their specific training needs assessed and met.	A	Not in place, speak to Committee Chairs re developing committee specific induction materials
Board Evaluation		
D.22 Extension of the term of office of board appointments requires evidence and the board must ensure appropriate mechanisms are in place to support this.	G	Attendance at meetings, self evaluation, Chair 1:1s with members
D.23 The board must keep its effectiveness under annual review and have in place a robust self-evaluation process. There should also be an externally facilitated evaluation of its effectiveness at least every three years. The board must send its self-evaluation (including an externally facilitated evaluation) and board development plan (including progress on previous year's plan) to its funding body and publish them online.	G	In place
D.24 The board must agree a process for evaluating the effectiveness of the board chair and the committee chairs. The evaluation of the board chair should normally be led by the vice-chair/senior independent member.	G	There is evaluation of Board Chair & Committee Chairs
D.25 The board must ensure all board members are subject to appraisal of their performance, conducted at least annually, normally by the chair of the board.	G	Self evaluation process and Chair review
D.26 The performance of regional college chairs will also be evaluated by the Scottish Government, as regional college chairs are appointed by the Scottish Ministers and are personally accountable to them.	G	Scottish Government conducts this work. FVC supports Chair if requested in evidence gathering
D.27 The performance of assigned, incorporated college chairs will also be evaluated by the regional strategic body, as they are appointed by the regional strategic body and are personally accountable to them.	G	Not Applicable to FVC
Section E: Relationships and Collaboration		
Partnership Working		
E.1 The board must work in partnership to secure the coherent provision of high quality fundable further and higher education in their localities.	G	OA targets and FVC work with CPP's
E.2 The board must ensure effective consultation, local and regional planning and must follow the principles of effective collaborative working: mutual respect, trust and working towards commonly agreed outcomes.	G	OA targets and FVC work with CPP's
E.3 The board must ensure effective partnership working with local and national bodies including businesses, public and third sector organisations to develop commonly agreed priorities following the principles of effective collaborative working.	G	SDS, SFC, Scottish Enterprise, University Articulation agreements, Sector Skills councils, ECITB etc
E.4 The board must encourage and support effective partnership working and collaboration within and across regions to address local needs and meet national priorities and specialisms.	G	College's Scotland Principals and Chairs groups

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1. Purpose

To seek approval from members to adopt the updated Code of Good Governance.

2. Recommendation

That members consider the changes outlined below and approve the adoption of the updated code as appended to this report.

3. Background

The Code of Good Governance (the Code) was initially developed in 2014 by the College sector's Good Governance Group in consultation with a range of stakeholders including Scottish Government.

The aim of the code is to ensure the highest standard of governance and a common approach across the sector.

The Code is kept under periodic review, with previous updates being implemented in 2016.

The Code as attached to this report was published for use in September 2002

4. Key Considerations

The attached Code document has changes highlighted within it. Below is a summary of these changes.

- The Contents page has been updated to reflect Performance and Senior Independent Member (SIM) having their own sections in the Code.
- The Good Governance Group decided to rename Board Secretaries to "Governance Professional" and this is reflected throughout the Code.

Code Section	Change
A.9	New Performance section (was A.7 in older version) Additional text added to refer to regional strategic frameworks
C.4	Refers to Scottish Ministers powers to suspend, as well as remove some or all Board members where warranted
C.6	Expansion of text referring to Board register of interests and members' responsibilities
C.7 d)	New guidance re meeting quorum levels
C.13	Added reference to the Scottish Government Audit and Assurance Committee Handbook (please note this is already in use by the College)
C.16	Additional guidance on Audit Committee membership

D.3	New separate section for SIM of the Board. Additional requirement added that the SIM must meet annually with Board members to appraise the Chairs' performance and then provide feedback to the Chair
D.24	The requirement for an External Effectiveness Review has been changed from every three years to every three to five years. The Board is also responsible to consider, as part of its' annual effectiveness review, when this should occur
D.25	The role of Vice Chair has been removed from this section to reflect the new duties of the SIM outlined in D.3 above
Annex 1	New section added to mirror the quorum changes in C.7 d)

5. Resource Implications (Financial, People, Estates and Communications)

The changes outlined above do place additional tasks on the Senior Independent Member as well as the Board in general who will now be required to have two one to one meetings per year instead of the current one meeting.

6. Equalities

Assessment in Place? –No. The revised Code of Governance does not make any changes that might impact on any particular group.

7. Communities and Partners

Continuing to comply with the most up to date version of the Code of Good Governance provides all College communities with assurance on the effective leadership of the College.

8. Risk and Impact

Please complete the risk table below. Risk is scored against Likelihood x Impact, with each category scored from Very Low through to Very High. Risks should be robustly scored and, if the combined score (Likelihood x Impact) is higher than the Board Risk appetite for the risk category identified, additional justification must be provided on why this risk is necessary.

If the paper is an approval, please reflect on whether the approval will have any direct or indirect impact for any other areas of operational activity internally or externally within the College – No

	Likelihood	Impact
Very High (5)	X	
High (4)		
Medium (3)		
Low (2)		
Very Low (1)		X

Total Risk Score – 5

The College has a Strategic Risk appetite for categories of risk as defined by the Board of Management. Decisions being taken at LMT/SMT/Board level must have cognisance of this. Please indicate the single most relevant risk category in the table below.

BoM Risk Categories & Risk Appetite (Select one area only)				
Cautious <15		Open 15> <20		Eager >20
Governance	X	Strategy		People
Legal		Financial		Project/Programme
Property		Reputational		
		Technology		

Failure to adopt and adhere to sector guidance and best practice in governance arrangements could lead to unsatisfactory performance at the Board/Committee level. Adoption of the updated Code gives clear guidance for all members on best practice and allows the Governance and Deputy Governance Professional to monitor the activity of the Board against these standards.

Is the score above the Board Risk Appetite level? No

Risk Owner – Chair of the Board of Management **Action Owner** – Governance Professional

Paper Author – Stephen Jarvie **SMT Owner** – Alison Stewart

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Code of Good Governance for Scotland's Colleges

1. **Background**
2. **Foreword**
3. **Code of Good Governance for Scotland's Colleges**
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 - Statement of Compliance with Good Governance
4. **Principles**

Section A: Leadership and Strategy

- Conduct in Public Life
- Vision and Strategy
- **Performance**
- Corporate Social Responsibility

Section B: Quality of the Student Experience

- Student Engagement
- Relevant and High-Quality Learning
- Quality Monitoring and Oversight

Section C: Accountability

- Accountability and Delegation
- Risk Management
- Audit Committee
- Remuneration Committee
- Financial and Institutional Sustainability
- Staff Governance

Section D: Effectiveness

- The Board Chair
- **Senior Independent Member**
- Board Members
- Principal and Chief Executive
- **Governance Professional**
- Board Member Appointment, Induction and Training
- Board Evaluation

Section E: Relationships and Collaboration

- Partnership Working

Annex 1: References and Definitions

1. Background

The original *Code of Good Governance for Scotland's Colleges* was published in December 2014. The Code has been periodically updated by the Good Governance Steering Group over the last few years to take into account the Cabinet Secretary's Good Governance Task Group recommendations which were published in 2016 and new governance practices and processes.

Colleges Scotland will act as custodian for any future reviews and in keeping with the way that the Code was created, the broad range of stakeholders who developed the Code will be engaged fully with any revisions.

This Code refers to regional colleges, assigned colleges and regional strategic bodies.

2. Foreword

Colleges in Scotland thrive in the heart of their communities, serving the interests of those communities, students, employers, governments and their agencies and other stakeholders. They have an essential and valuable role in Scottish society. Colleges deliver 70 million hours of learning each year, and 95% of these learning hours lead to a recognised qualification. Across Scotland colleges employ 11,000 staff and deliver education, skills and training to 240,000 students, 11,000 apprentices and 52,000 school pupils.

Colleges and regional strategic bodies receive substantial public funding and also operate in an increasingly commercial and enterprising way. We value the significant contribution college board members make to governing our colleges and regional strategic bodies, and to their stewardship of taxpayer's money, ensuring its efficient and effective use.

Boards are expected to innovate, pursue new opportunities and take measured risks in delivering what is best for their stakeholders.

Against this background, it is right and proper that the highest standards of governance and propriety are expected of our boards and those individuals who serve them. This Code of Good Governance codifies the principles of good governance for learners and learning that already exist in our colleges and promotes accountability and continuous improvement in how colleges and regional strategic bodies are governed.

The Code is based on key principles and has been written in a way that is mandatory and anticipates compliance. All colleges that receive funding from the Scottish Funding Council (SFC) or from a regional strategic body must comply with the Code as a term and condition of grant. Exceptions should be rare and must be explained publicly.

In addition to demonstrating good governance, colleges and regional strategic bodies must also ensure compliance with their statutory and other obligations. The governance professional role is vital in providing guidance to the board on its legal and other obligations.

Colleges have an important individual and collective role to play in promoting economic, social and cultural well-being. We expect this Code to provide the essential underpinning to help discharge that role to the highest standards possible.

**Waiyin Hatton, Chair of the Good Governance Steering Group
September 2022**

3. Code of Good Governance for Scotland's Colleges

Governance and the Code

Corporate governance:

- is the way in which organisations are directed and controlled within a legislative and regulatory framework
- defines the distribution of rights and responsibilities among the different stakeholders and participants in the organisation
- determines the rules and procedures for making decisions on corporate affairs including the process through which the organisation's objectives are set
- provides the means of achieving those objectives and monitoring performance.

Scotland's colleges refer to colleges either funded by SFC or by a regional strategic body for the provision of education. Such colleges can be incorporated or non-incorporated. The overarching purpose of good governance for Scotland's colleges is to:

- lead the college, region or regional strategic body and set its strategic direction and values
- ensure effective management and financial controls to support the student experience within a framework of public accountability and transparency
- deliver high quality learning and outcomes.

The *Code of Good Governance for Scotland's Colleges* has been developed and is owned by the college sector. Colleges are required to comply with it as a condition of grant from either SFC or their regional strategic body. It establishes standards of good governance practice for all boards and provides the essential foundations for compliance within the legislative framework.

Boards must not only follow the letter but also the spirit of the Code to ensure good governance. Boards must think deeply, thoroughly and on a continuing basis about their overall tasks and the implications of these for the roles of their individual members. Key to this is the leadership of the chair, the support given to and by the principal, and the frankness and openness of mind with which issues are discussed and tackled by all board members.

Statement of Compliance with Good Governance

Each board must state its adoption of the Code in the corporate governance statement contained in its annual financial statement. The chair, on behalf of the board, is expected to report as to how the principles have been applied by the board. Where, for whatever reason, a board's practice is not consistent with any principle of the Code, it should make this known to SFC or, if it is an assigned college, the regional strategic body. This should be done immediately they become aware of an inconsistency and, without exception, in advance of publishing the information. An explanation for that inconsistency must be clearly stated in its corporate governance statement. Boards will be expected to offer a clear rationale for exceptions in the context of their college's operational model and to identify mitigations.

Individual board members have a duty to act on serious concerns about the governance of their body. Information on who board members can approach is included in [The Guide for Board Members in the College Sector](#).

4. Principles

Section A: Leadership and Strategy

Conduct in Public Life

- A.1 Every college and regional strategic body must be governed by an effective board that is collectively responsible for setting, demonstrating and upholding the values and ethos of the organisation.
- A.2 Every board member must ensure that they are familiar with and their actions comply with the provisions of their board's Code of Conduct.
- A.3 The *Nine Principles of Public Life in Scotland*, which incorporate the seven Nolan principles, must be the basis for board decisions and behaviour. These key principles, which apply individually and collectively, are:
- Duty/Public Service
 - Selflessness
 - Integrity
 - Objectivity
 - Accountability and Stewardship
 - Openness
 - Honesty
 - Leadership
 - Respect

Vision and Strategy

- A.4 The board is responsible for determining their institution's vision, strategic direction, educational character, values and ethos. Regional strategic bodies must also determine the regional strategy for colleges assigned to them. The board of an assigned college must have regard to the strategy determined by the regional strategic body. Board members have a collective leadership role in fostering an environment that enables the body to fulfil its mission and meet Scottish Government priorities, for the benefit of students and the community it serves.
- A.5 The board must develop and articulate a clear vision for the region or college. This should be a formally agreed statement of its aims and desired outcomes which should be used as the basis for its overall strategy and planning processes.
- A.6 The board provides overall strategic leadership of the region or college. The board is responsible for formulating and agreeing strategy by identifying strategic priorities and providing direction within a structured planning framework.
- A.7 The board (except in the case of assigned college boards) is responsible for overseeing the negotiation of its outcome agreement with SFC, to meet the needs of the college or region and make best use of available funding, consistent with national strategy. The board must ensure effective engagement with all relevant stakeholders in the development of its outcome agreement and monitor performance in achieving the agreed outcomes.
- A.8 The roles and responsibilities of the boards of assigned colleges should be undertaken in the context of the roles and responsibilities of their regional strategic body. Assigned college boards must contribute constructively to the development of the outcome agreement led in its region by the regional strategic body and support the regional strategic body to monitor performance in achieving the agreed outcomes.

Performance

- A.9 The board must ensure that a comprehensive performance measurement system is in place which is clearly linked to the regional strategic framework and identifies key performance indicators. It must ensure that it scrutinises performance measures and reports these on their website in a manner that is both timely and accessible to stakeholders. This will allow the board to determine whether or not the vision and mission of the region or the college are being fulfilled and that the interests of stakeholders are being met.

Corporate Social Responsibility

- A.10 The board must demonstrate high levels of corporate social responsibility by ensuring it behaves ethically and contributes to economic development while seeking to improve the quality of life of the local community, society at large and its workforce.
- A.11 The board must exercise its functions with a view to improving economic, cultural and social wellbeing in the locality of the college or region. It must have regard to social and economic needs and social inclusion.
- A.12 The board must provide leadership in equality and diversity.
- A.13 The board must seek to reflect in its membership, the make-up of the community through offering maximum opportunity of membership to a range of potential members and removing potential barriers to membership, in partnership with its regional strategic body, as appropriate.

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Section B: Quality of the Student Experience

Student Engagement

- B.1 The board must have close regard to the voice of its students and the quality of the student experience should be central to all board decisions.
- B.2 The board must lead by example in relation to openness, by ensuring that there is meaningful on-going engagement and dialogue with students, the students' association and as appropriate staff and trade unions in relation to the quality of the student experience. Consultation is essential where significant changes are being proposed.
- B.3 The board must consider the outcome of student surveys and other student engagements and monitor action plans that could impact on the quality of the student experience.
- B.4 The college board must have regard to the [Framework for the Development of Strong and Effective College Students' Association in Scotland](#). It must put in place robust partnership procedures (e.g. partnership agreement) to work together to achieve change and which are supported by regular and open communications.
- B.5 The college board must encourage a strong and autonomous students' association and ensure that the students' association is adequately resourced.
- B.6 The college board must ensure that the students' association operates in a fair and democratic manner and fulfils its responsibilities.
- B.7 The college board should review the written constitution of its students' association at least every five years.

Relevant and High-Quality Learning

- B.8 The board must seek to secure coherent provision for students, having regard to other provision in the region or college's locality. The board must be aware of external local, national and international bodies and their impact on the quality of the student experience, including community planning partners, employers, skills development and enterprise agencies and employer bodies. The board must seek to foster good relationships and ensure that the body works in partnership with external bodies to enhance the student experience, including employability and the relevance of learning to industry needs.

Quality Monitoring and Oversight

- B.9 The board must ensure appropriate mechanisms are in place for the effective oversight of the quality and inclusivity of the learning experience in the college or region. The board must ensure that the college works in partnership with sector quality agencies and other appropriate bodies to support and promote quality enhancement and high-quality services for students.

Section C: Accountability

Accountability and Delegation

- C.1 The board is primarily accountable to its main funder, either SFC or its regional strategic body. Through the chain of funding, the body is ultimately responsible to the Scottish Ministers who are accountable to the Scottish Parliament.
- C.2 The board must ensure delivery of its outcome agreement or in the case of an assigned college, its agreed contribution to the region's outcome agreement.
- C.3 The board must ensure it fulfils its statutory duties and other obligations on it, and that the terms and conditions of its grant are being met.
- C.4 Scottish Ministers have powers to suspend or remove by order any or all board members of an incorporated college (except the principal) or a regional board for serious or repeated breaches of a term and condition of grant.
- C.5 The board also has a wider accountability to a range of stakeholders including students (both current and prospective), its staff, the wider public, employers and the community it serves, for the provision high quality education that improves people's life chances and social and economic well-being.
- C.6 Incorporated colleges and regional boards must maintain and publicly disclose a current register of interests for all board members. Board members have a personal responsibility to ensure any changes to their register of interests are notified timeously to the governance professional and to declare any specific conflicts of interest in the business of the meeting prior to the commencement of each meeting of the board and its committees and withdraw from meetings as appropriate. See section D.6 for the 'objective test' for judging if there is a conflict of interest.
- C.7 The board must ensure that its decision-making processes are transparent, properly informed, rigorous and timely, and that appropriate and effective systems of financial and operational control, quality, management of staff, risk assessment and management are established, monitored, continuously improved and appropriately impact assessed. This includes:
- a) the prompt production, dissemination and online publication of board/committee agendas, minutes and papers to the public
 - b) every board meeting and every committee meeting having a well-structured agenda circulated timeously in advance
 - c) the retention of all key documentation which help justify the decisions made by the board and its committees
 - d) setting quorum for board and committee meetings in line with good practice and preferably at 50% or higher are non-executive members. A board should satisfy itself that adequate arrangements are in place to ensure that decisions it has delegated to a committee are taken with a non-executive majority. When determining a quorum, the chair of the board may be considered to be a non-executive member. (see Annex 1 for the definition of non-executive).
- C.8 The board may delegate responsibilities to committees for the effective conduct of board business. As a minimum the committees required are Audit, Remuneration, Finance and Nominations/Appointments. Delegation of responsibilities from and matters reserved to the board and its committees must be set out in a scheme of delegation including the functions delegated by the board to the chair, committees, the principal and the governance professional (and any other members of staff). Incorporated college boards and regional boards have no powers to delegate functions

to an individual board member (except the chair who has no authority to act out with their delegated powers).

- C.9 The board must ensure every board committee has a specified member of the management team to provide objective, specialist advice to support it to discharge its remit, including by explaining in an accessible way the matters under discussion and the possible implications of different options.
- C.10 The board must consider and have in place procedures to ensure effective working relationships and constructive dialogue amongst the board as a whole and ensure there are effective reporting and two-way communications between committees and the board. The board must ensure that discussions and decisions of every committee are accurately recorded and reported to the board, no later than the next meeting of the board.

Risk Management

- C.11 The board of a college or a regional body is responsible for the overall management of risk and opportunity. It must set the risk appetite of the body and ensure there is an appropriate balance between risk and opportunity and that this is communicated via the principal to the body's management team.
- C.12 The board must ensure that sound risk management and internal control systems are in place and maintained. It must ensure there is a formal on-going process for identifying, reporting, evaluating and managing the body's significant risks and review the effectiveness of risk management, business continuity planning and internal control systems.

Audit Committee

- C.13 The Audit Committee must support the board and the principal by reviewing the comprehensiveness, reliability and integrity of assurances including the body's governance, risk management and internal control framework. The Scottish Government Audit and Assurance Committee Handbook promotes the development of an assurance framework to aid the Committee in fulfilling this role. See [Audit and Assurance Committee Handbook](#)
- C.14 The scope of the Audit Committee's work must be defined in its terms of reference and encompass all the assurance needs of the board and the principal. The Audit Committee must have particular engagement with internal and external audit, and must work with management and auditors to resolve any issues in relation to financial reporting.
- C.15 The Audit Committee must promptly pursue recommendations arising from audit reports and must monitor their implementation.
- C.16 The membership of the Audit Committee cannot include the board chair or the principal and, in line with the Audit and Assurance Committee Handbook, 'executive members of the organisation should not be appointed to the Audit and Assurance Committee', and the majority of members must be non-executive. The role of the college executive is to attend meetings at the invitation of the committee chair and to provide information for particular agenda items.
- C.17 The Audit Committee terms of reference must provide for the committee to sit privately without any non-members present for all or part of a meeting if they so decide. The Audit Committee members should meet with the internal and external auditors without the executive team present at least annually.

C.18 At least one member of the Audit Committee should have recent relevant financial or audit experience.

Remuneration Committee

C.19 It is essential that members of the Remuneration Committee understand their role and responsibilities. Members must undertake the online training module for Remuneration Committees provided by College Development Network within one month of appointment.

C.20 The board must have a formal procedure in place for setting the remuneration of the principal by a designated committee of non-executive members. The board may wish to supplement this by taking evidence from a range of sources. In particular, staff and students should have a role in gathering and submitting evidence in relation to the college principal to the relevant committee.

C.21 The board chair cannot be the chair of the Remuneration Committee (but they can be a member of it).

Financial and Institutional Sustainability

C.22 The board is responsible for ensuring the financial and institutional sustainability of the body. The board must ensure compliance with its Financial Memorandum (either with SFC or the regional strategic body, depending on which is funding it), including in relation to incorporated colleges and regional boards, relevant aspects of the Scottish Public Finance Manual.

C.23 The board must ensure that:

- funds are used as economically, efficiently and effectively as possible
- effective monitoring arrangements are in place
- college staff report relevant financial matters to it.

C.24 For colleges that are charitable organisations, board members are also charity trustees. The board of a college that is a charity must ensure its members are aware of their responsibilities under charity legislation and for complying with relevant provisions as set out by the Office of the Scottish Charity Regulator. See [OSCR Guidance and Good Practice for Charity Trustees](#).

Staff Governance

C.25 The college board as the employer, is responsible for promoting positive employee relations and for ensuring effective partnership between recognised trade unions and management.

C.26 The board must have a system of corporate accountability in place for the fair and effective management of all staff, to ensure all legal obligations are met and all policies and agreements are implemented and identify areas that require improvement and to develop action plans to address them.

C.27 The board must comply with the nationally agreed college sector [Staff Governance Standard](#).

C.28 The college board must comply with collective agreements placed on it through national collective bargaining for colleges.

Section D: Effectiveness

The Board Chair

D.1 The chair is responsible for leadership of the board and ensuring its effectiveness in all aspects of its role. The chair is responsible for setting the board's agenda and ensuring that adequate time is available for discussion of all agenda items, particularly strategic issues. The chair must promote a culture of openness and debate by:

- encouraging the effective contribution of all board members
- fostering constructive challenge and support to the principal, executive team and fellow board members
- effective team-working
- positive relations between board members.

The chair must engage with the principal and the governance professional in a manner which is both constructive and effective.

D.2 The board and its committees must have the appropriate balance of skills, experience, independence and knowledge of the body to enable them to discharge their respective duties and responsibilities effectively.

Senior Independent Member

D.3 The board must appoint one of the non-executive members to be the senior independent member to provide a sounding board for the chair and to serve as an intermediary for the principal, other board members and the governance professional when necessary (see Annex 1 for the definition of 'non-executive'). The senior independent member should also be available where contact through the normal channels of chair, principal or governance professional has failed to resolve an issue or for which such contact is inappropriate. The senior independent member is also responsible for holding annual meetings with Board members, without the Chair, to appraise the Chair's performance and provide the Chair with relevant feedback. Further information on the role of the senior independent member can be found in [The Guide for Board Members in the College Sector](#).

Board Members

D.4 Each board member is collectively responsible and accountable for all board decisions. Board members must make decisions in the best interests of the college and/or region as a whole rather than selectively or in the interests of a particular group.

D.5 Staff and student board members are full board members and bring essential and unique skills, knowledge and experience to the board. Staff and student board members must not be excluded from board business unless there is a clear conflict of interest, in common with all board members.

D.6 Where the college is a charity, all board members, as charity trustees, including staff and student board members, have legal duties and responsibilities under the Charities Act 2005. This includes registering any personal interests that could be seen as conflicting with the interests of the body. The 'objective test' for judging if there is a conflict of interest is:

"... whether a member of the public, with knowledge of the relevant facts, would reasonably regard the interest as so significant that it is likely to prejudice your decision making in your role as a member of a public body".

Principal and Chief Executive

- D.7 The college board must appoint the principal as chief executive of the college, securing approval for the appointment and terms and conditions of the appointment from the regional strategic body if necessary.
- D.8 The college board must ensure there is an open and transparent recruitment process for the appointment. Students and staff must have an opportunity to contribute to the recruitment process.
- D.9 The college board must delegate to the principal, as chief executive, authority for the academic, corporate, financial, estate and human resource management of the college, and must ensure the establishment of such management functions are undertaken by and under the authority of the principal.
- D.10 The college board must ensure a clear process is in place to set and agree personal performance measures for the principal. This process should seek the views of students and staff. The chair, on behalf of the board, should monitor, review and record the principal's performance, at least annually, against the agreed performance measures.
- D.11 The principal, as a board member, shares responsibility for good governance with the chair and all other members of the board, supported by the governance professional. The principal also enables good governance through supporting effective communication and interaction between the body and the rest of the college including staff and students.
- D.12 The board provides strategic direction for the region and/or college, and the chair provides leadership to the board. The principal provides leadership to the staff of the body.
- D.13 The board must provide a constructive challenge to the principal and executive team and hold them to account.

Governance Professional

- D.14 The board must appoint a governance professional who is responsible to it and reports directly to the chair in their governance professional capacity. The governance professional may be a member of the senior management team in their governance professional capacity, but they cannot hold any other senior management team position at the same time. The appointment and removal of the governance professional is a decision of the board.
- D.15 All board members must have access to the governance professional who has an important governance role in advising the board, the committees and individual board members and supporting good governance. The distinctive governance professional role includes:
- facilitating good governance and advising board members on:
 - the proper exercise of their powers, including in relation to relevant legislation
 - the board's compliance with its Financial Memorandum, the Code for Good Governance, its Standing Orders and Scheme of Delegation
 - their behaviour and conduct in relation to the board's Code of Conduct.
 - providing clear advice to the chair and the board/committees on any concerns the governance professional may have that board members have not been given:

- sufficient information
 - information in an appropriate form
 - sufficient time to monitor, scrutinise or make informed and rigorous decisions in an open and transparent way.
- attending and providing support to every board meeting and every meeting of every board committee. Where the governance professional is unable to attend, while the governance professional retains overall responsibility, proper arrangements must be made to cover the role with a person who is fully able to discharge the role effectively.
 - having an unambiguous right to speak at board and committee meetings to convey any concerns they may have about governance. This extends to someone substituting for the governance professional.
 - reporting any unresolved concerns about the governance of the body to the relevant funding body (i.e., SFC or the regional strategic body).

D.16 The board must ensure the governance professional:

- has suitable skills, knowledge and behaviours to carry out their role effectively
- receives appropriate induction, and if new to the role, is mentored by a more experienced governance professional for at least their first year
- has adequate time and resources available to undertake their role effectively.

D.17 The board must ensure arrangements are in place to deal with a governance professional's potential or real conflicts of interest.

Board Member Appointment, Induction and Training

D.18 For boards with responsibility for board appointments, the board must ensure a formal and open procedure is in place for recruiting and selecting new non-executive board members. Boards must have regard to current Ministerial Guidance on board appointments.

D.19 The board is responsible for ensuring appropriate arrangements are in place for the conduct of student elections and nominations, and elections and nominations of staff members to the board.

D.20 The chair must ensure that new board members receive a formal induction on joining the board, tailored in accordance with their individual and collective needs. The governance professional should support the chair in the provision of relevant induction for new board members.

D.21 The board must ensure all board members undertake appropriate training and development in respect of their governance role. The governance professional should support the chair in the provision of relevant training and development opportunities for board members, which should be tailored to meet board members skills and needs. The governance professional must keep records of the development activity of board members, including the chair.

D.22 The board must ensure that new committee members receive a committee induction and have their specific training needs assessed and met.

Board Evaluation

- D.23 Extension of the term of office of board appointments requires evidence and the board must ensure appropriate mechanisms are in place to support this.
- D.24 The board must keep its effectiveness under annual review and have in place a robust self-evaluation process. There should also be an externally facilitated evaluation of its effectiveness every three to five years. The board should determine the timing for this externally facilitated review as part of the annual effectiveness review. The board must send its self-evaluation (including an externally facilitated evaluation) and board development plan (including progress on previous year's plan) to its funding body and publish them online.
- D.25 The board must agree a process for evaluating the effectiveness of the board chair and the committee chairs. The evaluation of the board chair should normally be led by the senior independent member.
- D.26 The board must ensure all board members are subject to appraisal of their performance, conducted at least annually, normally by the chair of the board.
- D.27 The performance of regional college chairs will also be evaluated by the Scottish Government, as regional college chairs are appointed by the Scottish Ministers and are personally accountable to them.
- D.28 The performance of assigned, incorporated college chairs will also be evaluated by the regional strategic body, as they are appointed by the regional strategic body and are personally accountable to them.

Section E: Relationships and Collaboration

Partnership Working

- E.1 The board must work in partnership to secure the coherent provision of high quality fundable further and higher education in their localities.
- E.2 The board must ensure effective consultation, local and regional planning and must follow the principles of effective collaborative working: mutual respect, trust and working towards commonly agreed outcomes.
- E.3 The board must ensure effective partnership working with local and national bodies including businesses, public and third sector organisations to develop commonly agreed priorities following the principles of effective collaborative working.
- E.4 The board must encourage and support effective partnership working and collaboration within and across regions to address local needs and meet national priorities and specialisms.

Annex 1

References and Definitions

- “**college**” means a college funded by either SFC or a regional strategic body.
- “**incorporated college**” means a college with a board of management under part 1 of the Further and Higher Education (Scotland) Act 1992.
- “**assigned college**” means a college assigned to a regional strategic body.
- “**regional board**” means a regional strategic body that has no other functions. There is one regional board – Glasgow Colleges’ Regional Board.
- “**board**” means the governing body of the college or to the regional strategic body.
- “**body**” means the organisation in question, i.e., a college or regional strategic body.
- “**principal**” includes where appropriate in the context, the chief officer or equivalent person of a regional strategic body.
- ‘**non-executive**’ means a member who is not the chair of the board and who does not otherwise hold a specific position on the board i.e., is not a student member or a staff member; and in the case of a college board, is not the principal; and in the case of a regional board is not the chair of an assigned college.
- The reference to a non-executive majority under C.7(d) reflects the underlying governance principle of ensuring an appropriate degree of independence and objectivity in all board decision-making. A board quorum should always require a non-executive majority. When determining a quorum, the chair of the board may be considered to be a non-executive member.
- In the context of the regional strategic body in the Highlands and Islands, the board means the Court of the University of the Highlands and Islands (UHI).
- New College Lanarkshire is the designated regional college and regional strategic body with South Lanarkshire College as an assigned college.
- Glasgow Colleges’ Regional Board: this is the only part of Scotland with a regional strategic body which has been established as an organisation with only this role.

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College Principals
Colleges Scotland
Trade Unions

1 December 2022

Dear All

PUBLICATION OF THE CONSULTATION ON POLICY PROPOSALS TO ADD TRADE UNION NOMINEES ONTO THE BOARDS OF MANAGEMENT OF COLLEGE INSTITUTIONS

I write to provide you with an update on the work to introduce trade union nominees onto the boards of management of college institutions.

In 2019, the Scottish Government committed to introducing two trade union nominees to the boards of management of college institutions. This work is part of a wider set of governance reforms that were put forward by the Good College Governance Task Group, which undertook a review of college governance in 2016.

As a result of the Covid-19 pandemic, work to amend subordinate legislation to introduce trade union nominees onto college boards was put on hold. However, we have now restarted this work.

In order to introduce trade union representatives onto the boards of management of college institutions, subordinate legislation will be required to amend the Further and Higher Education (Scotland) Act 1992, the Further and Higher Education (Scotland) Act 2005, and the Lanarkshire Colleges Order 2014.

We are now seeking to consult on a set of policy proposals that will inform the development of the subordinate legislation. The consultation will be published today, 1 December 2022, and run through to 27 January 2023. This consultation will allow that Scottish Government to gain valuable feedback on the policy proposals and enable the finalising of the SSI.

Scottish Ministers, special advisers and the Permanent Secretary are covered by the terms of the Lobbying (Scotland) Act 2016. See www.lobbying.scot

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My officials will continue their engagement with the sector as we progress this piece of work, keeping the sector updated on developments.



JAMIE HEPBURN

UNCONTROLLED COPY

Scottish Ministers, special advisers and the Permanent Secretary are covered by the terms of the Lobbying (Scotland) Act 2016. See www.lobbying.scot

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