

Board of Management

MINUTE OF 7TH MEETING HELD ON 22 JUNE 2011 AT 1700 HRS (CoGCB7)

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| Present | |
| Nigel Palmer, in the Chair (NP) | Paul Little (PL) |
| Tasmina Ahmed-Sheikh (TA) | Henry McLeish (HM) |
| Douglas Baillie (DB) | John MacLeod (JM) |
| Alisdair Barron (AB) | Robert Morrison (RM) |
| David Eaton (DE) | Janak Sharma (JS) |
| Peter Finch (PF) | David Stark (DS) |
| Jim Gallacher (JG) | Lesley Woolfries (LW) |
| Charlie Kaur (CK) | |
| In attendance | |
| David Caldwell, Interim Board Secretary (DC) | Iain Marley, Director (up to item 7-10) (IM) |
| Janis Carson, VP Planning & Innovation (JC) | Elaine Petrie, VP Staff & Students (EP) |
| Alex Craig, VP Learning & Teaching (AC) | Steven Watson, VP Finance & Resources (SW) |
| Laurence Howells (SFC) (LH) | |
| Apologies for absence | |
| Eric Tottman-Trayner (ETT) | Colin McMurray (CM) |
| Debbie McNamara (DM) | |

In the absence of the Board Chair, who was unable to attend the meeting, NP (as one of the Vice-Chairs) chaired the meeting.

Members were saddened to hear of the death a few days earlier of the husband of Julia Henderson, who had taken up her appointment as College Secretary at the beginning of the previous week. They asked that a letter be sent to her on their behalf expressing their sorrow and giving their condolences.

CoGCB7-01 Declarations of Interest

DECIDED: To record that no person present had declared an interest which might conflict with the business to be discussed at the meeting.

CoGCB7-02 Minute of 5th Meeting held on 30 March 2011

RECEIVED: Draft Minute of the 5th Meeting of the Board of Management held on 30 March 2011 (Paper BoM7-A).

DECIDED: That the Minute be approved and signed.

CoGCB7-03 Minute of 6th (Special) Meeting held on 21 April 2011

RECEIVED: Draft Minute of the 6th (Special) Meeting of the Board of Management held on 21 April 2011 (Paper BoM7-B).

DECIDED: That the Minute be approved and signed.

CoGCB7-04 Learning and Teaching Committee Report

RECEIVED: Report from the Meetings of the Learning and Teaching Committee held on 9 May (Paper BoM7-C) and 13 June 2011 (Paper BoM7-D).

DISCUSSION: JG drew the Board's attention to the Committee's attention to the Committee's discussion of the College's End of Year Show (see section LTC4-06 of Paper D). They had agreed that the general standard of the student work displayed was very high, and believed that more active use could be made of the Show in promoting the College.

JG also reported that, although the Committee had considered an external co-option to bring in additional expertise to complement that of its current members, it had decided that this was not necessary for the time being.

DECIDED: To note the report.

CoGCB7-05 Estates and Finance Committees: Report from Joint Meeting

RECEIVED: Report from the Joint Meeting of the Estates and Finance Committees held on 21 April 2011 (Paper BoM7-E).

DECIDED: To note that the recommendations from the joint meeting had been reported orally to the Special Meeting of the Board of Management on 21 April 2011, and had been approved at that meeting.

CoGCB7-06 Staffing and Equalities Committee Report

RECEIVED: Report from the Meeting of the Staffing and Equalities Committee held on 1 June 2011 (Paper BoM7-F).

DECIDED: To note the report.

CoGCB7-07 Audit Committee Report

RECEIVED: Report from the meeting of the Audit Committee held on 6 June 2011 (Paper BoM7-G).

DISCUSSION: JM reported on the discussion of the draft scheme of delegation for the new campus project, which had been remitted to the Audit Committee. The Committee had requested some minor adjustments, which had been incorporated in a revised draft, which was included as Annex A of Paper BoM7-G. The Committee had also asked for a summary of the respective roles of the various parties involved in managing the project. This was included as Annex B. He reported that the Committee was now satisfied with the documentation, except that it considered that there also needed to be explicit terms of

reference for the Project Board. The Committee's proposal was that in due course the College Secretary should prepare draft terms of reference to be considered by its Convener on its behalf. When approved the terms of reference, with Annexes A and B, would constitute the full scheme of delegation.

DECIDED: To approve the scheme of delegation as described in Annex A of the Committee's report, and the roles within the scheme as described in Annex B, subject to the documentation being supplemented in due course with terms of reference for the Project Board, to be drafted by the College Secretary and submitted to the Convener of the Audit Committee for consideration and approval.

CoGCB7-08 Estates Committee Report

RECEIVED: Report from the Meeting of the Estates Committee held on 9 June 2011 (Paper BoM7-H).

DISCUSSION: Scheme of Delegation (see section EC4-04)
PF reported that the Estates Committee was content with the scheme of delegation for the new campus project as revised, It had debated the extent of involvement of non-executive Board members on the Project Board, and had concluded that participation should be limited to having an observer in attendance, on the understanding that meetings would not be delayed if the observer was unable to attend, The Committee had decided to nominate its Convener as the observer, with DS as alternate.

PQQ Process & Evaluation Criteria (see section EC4-05)

JC introduced Paper BoM7-H2, which set out the approach proposed to the pre-qualification questionnaire (PQQ) process for shortlisting applicants for the new campus project, and the criteria to be used to evaluate applications. It was noted that initial feedback from the Scottish Funding Council (SFC) and the Scottish Futures Trust (SFT) had been received, and that minor amendments might be made in the light of ongoing discussion with both parties, although no material changes were envisaged following the SFT's comments on the strategic approach. It was noted that the Project Team wished to retain the flexibility to progress with four applicants rather than three in the event that more than three exceptional applications were submitted. This decision would be balanced against resource implications. The Board noted LH's comment that this was a matter on which the SFC might wish to express an opinion.

Halls of Residence Options (see section EC4-07)

The Board noted that reaching a decision on the halls of residence was a key dependency for the new campus project, and that the options and their relative merits were described and analysed in Paper BoM7-H3. It noted also that the Committee had given its full support for the replacement of the halls, and had indicated that its preferred option was for the

acquisition of an existing property while retaining as a contingency the option of a new build on the current site.

- DECIDED:**
- (a) To endorse the Committee's view that the non-executive membership of the Board of Management should be represented on the Project Board by one observer, who should be the Convener of the Estates Committee with DS as alternate, it being understood that meetings of the Project Board would not be delayed if neither was able to attend.
 - (b) To approve the approach proposed to the PQQ and to the evaluation criteria to be used, and to delegate authority to the Convener of the Estates Committee and the Project Sponsor to adjust and refine the proposals in the light of feedback from other parties and any other changes of circumstance.
 - (c) To support the replacement of the halls of residence, to authorise negotiations being progressed for the acquisition of an existing property as the preferred option, and if a deal appears viable to commission condition surveys with a view to finalising costs and commercial terms satisfactory to the College; but to retain as a contingency the option of a new build on the current site.

CoGCB7-09 Finance Committee Report

RECEIVED: Oral report from NP from the meeting of the Finance Committee held earlier on 22 June 2011.

DISCUSSION: NP reported that the major item discussed, the College Budget for 2011-12 would be considered later in the meeting (see section CoGCB7-18 below). The Committee had also received a number of regular monitoring reports, which indicated that the College's financial position was generally strong, and that current year's income and expenditure to date were broadly in line with budget.

DECIDED: To note the report.

CoGCB7-10 New Campus Project: Professional Advisors' Scopes of Service

RECEIVED: Report summarising options for the appointment of technical advisors for the new campus project, and requesting direction from the Board of Management on the handling of potential conflicts of interest (Paper BoM7-I).

DISCUSSION: Process for Technical Design Advisor Procurement
Introducing the report, IM outlined three options for technical design advisor procurement. He confirmed that the option recommended by the project team was the Buying Solutions route via Turner Townsend (TTPM), as representing the best balance between influence over the supply chain, continuity of

management, economy of effort, value for money and maintenance of programme. The Board noted that legal advice had been obtained on the risk of challenge using this route, and the risk was considered low.

Potential Conflicts of Interest

IM also outlined issues concerning conflicts of interest which could arise in the appointment of specialist technical advisors who might also have an interest in participating in consortia bidding for work on the new campus project. One possible conflict had arisen in connection with the contractor currently best placed to provide advice in a highly specialist area which was not central to the project, and for which alternative sources of expert advice were limited.

In a full and thorough discussion the Board acknowledged that automatically disqualifying all specialist professional advisors unless they undertook not to participate in bidding consortia risked depriving the College of the optimum technical advice in certain circumstances. However, it was essential to ensure that any such cases were the exception, and to have robust procedures in place to prevent any actual conflict from arising, and to ensure that the propriety and integrity of the procurement process was in no way compromised. Therefore the Board indicated that it would be prepared to sanction the retention of a technical advisor who might participate in a bidding consortium only in exceptional circumstances and with the most stringent safeguards.

DECIDED:

- (a) To approve the recommendation from the new campus team that the technical design advisor procurement be progressed by the Buying Solutions route via TTPM, and that TTPM be instructed to run a mini-competition based on price and quality between a shortlist of bidders, as described in section 2.4.2 of Paper BoM7-I.
- (b) To permit the continuing appointment of the contractor providing expertise in a highly specialist area, to assist with the production of the Invitation to Participate in Dialogue (IPD), on the strict understanding that the contractor would have no involvement of any kind in the preparation of the PQQ or in the evaluation process, and that the appointment be terminated before the IPD is issued if the contractor confirmed its preference to participate in a bidding consortium.
- (c) That, in the event of other cases arising similar to that in (b) above, authority be delegated to the Project Sponsor, on condition that rigorous checks be made and the same principles applied, and that a report of any actions be made to the Estates Committee as soon as reasonably practicable.

CoGCB7-11 Chair's Business

RECEIVED: Oral report from NP.

DISCUSSION: NP suggested that it would be beneficial to hold a Board residential event in September to discuss the College's strategic direction and the impact on the College of changes in the operating environment. PL suggested that for the greatest benefit it would be worth allocating the better part of two days, including one evening, for this event.

DECIDED: That arrangements be made for a Board residential meeting in September 2011, with a duration of up to two days.

CoGCB7-12 Appointment of Board Officers: Process and Timetable

RECEIVED: Report describing the process and timetable proposed for the appointment of a Chair of the Board of Management to succeed Eric Tottman-Trayner, and including an outline process for the appointment of Vice-Chair, and a draft role description for the position of Chair (Paper BoM7-J).

DISCUSSION: PL observed that the optimum outcome would be if the Board reached a consensus on the choice of its next Chair.

LH suggested that the draft role description for the Chair would be strengthened by referring more prominently the Board and Chair's function of challenging the executive team.

DECIDED:

- (a) To approve the proposed process for the appointment of Chair, and the arrangements proposed for the timetable and conduct of the election.
- (b) To approve the proposed process for the appointment of Vice-Chair.
- (c) To approve the draft role description for the position of Chair as set out in Annex A of Paper BoM7-J, subject to amending it to take account of LH's suggestion.

CoGCB7-13 Principal's Report

RECEIVED: Report from the Principal (Paper BoM7-K).

DISCUSSION: Introducing his report, PL drew the Board's attention to an innovation, which was the introduction of a section focused on the College's declared values and how they were being put into effect.

PL gave a detailed account of progress with the harmonisation of staff terms and conditions. The Board noted that this was a prime objective and that, although progress had been made, the process was not yet complete.

DECIDED: To note the report.

CoGCB7-14 Level 2 Balanced Scorecards

RECEIVED: Report comprising draft level 2 balanced scorecards (Paper BoM7-L).

DISCUSSION: The Board noted that it was a central purpose of the balanced scorecards that they provided a measure against which to judge performance. It was important therefore that the Board should receive periodic reports of performance against the balanced scorecard targets.

DECIDED: To approve the draft level 2 balanced scorecards.

CoGCB7-15 Report on Curriculum Progress and Development

RECEIVED: Report outlining progress with the review and development of the curriculum (Paper BoM7-M).

DISCUSSION: AC described the work in progress to review and develop the curriculum, and outlined the proposed structure of Curriculum Monitoring Panels and Course Action and Development Meetings. In response to suggestions from Board members that there might be an excess of meetings, AC assured them that there was no increase compared with existing practice, and that the meetings would be well focused.

It was noted that possible changes in the SFC's funding methodology could have a significant impact, and members welcomed a suggestion from LH that it would be useful for SFC officers to discuss funding methodology issues with PL and AC.

DECIDED: To note the report.

CoGCB7-16 Student Applications 2011-12

RECEIVED: Progress report of student applications for 2011-12 (Paper BoM7-N).

DISCUSSION: The Board noted that overall the application position appeared very healthy.

DECIDED: To note the report.

CoGCB7-17 Student Elections

RECEIVED: Report of the outcome of the recent student elections (Paper BoM7-O).

DISCUSSION: The Board noted that Emma Iwanow had been elected President for 2011-12, and would become the student member of the Board of Management on 1 September 2011.

DECIDED: To note the report.

CoGCB7-18 Financial Plan 2011-12

RECEIVED: Draft Financial Plan for 2011-12 (Paper BoM7-P).

DISCUSSION: NP reported that the Finance Committee had received a detailed presentation on the plan at its meeting earlier in the day, and had agreed to recommend to the Board that the plan should be approved. The Committee had concluded that, having been reduced to less than £0.5 million, the proposed operating deficit for 2011-12 was acceptable, provided that in subsequent years the budgets reverted to producing surpluses. The Committee also wanted to emphasise to the Board that the new campus would present new financial challenges

SW drew the Board's attention to the significance of the nine planning assumptions listed on pages 9 and 10 of the report. If those altered, there would be an impact on the size of the deficit budgeted for. He also advised that there was likely be a substantial negative impact on the valuation of the College's fixed assets when approval for the new campus project was confirmed.

DECIDED: To approve the financial plan and proposed budget for 2011-12, while endorsing the observations of the Finance Committee and recognising that achievement of the budget depended on fulfilment of the planning assumptions.

CoGCB7-19 Report from Interim Board Secretary

RECEIVED: Report from Interim Board Secretary, including recommendations on the terms of reference of Board Committees and on minuting style (Paper BoM7-Q).

DISCUSSION: DC recorded his thanks to Board members and other colleagues who had helped him during his period as the Board's Interim Secretary, and before that as Secretary of the Shadow Board.

Members recognised that the current Committee terms of reference did not clearly assign responsibility for consideration of the College's international activities, or for student matters other than those directly concerned with learning and teaching. They considered that there would also be benefit in making a committee explicitly responsible for considering the College's commercial activities.

The Board noted that the style used for the minutes of its meeting and those of its committees would benefit from being more consistent.

- DECIDED:**
- (a) That the terms of reference of the Board's committees be adjusted
 - (i) to give primary responsibility for considering the international and wider commercial activities of the College to the Finance Committee, while allowing the Learning and Teaching Committee to retain an interest in international work as it relates to its own terms of reference; and
 - (ii) to give responsibility for considering student matters not concerned with learning and teaching to the Staffing and Equalities Committee.
 - (b) That the College Secretary consult Board members on their preferences for the style in which the formal records of meetings were presented, with a view to achieving a more consistent approach.

CoGCB7-20 Disclosure of Board Papers

DECIDED: That Papers BoM7-H and BoM7-I must remain confidential on the grounds that they include commercial information, but that all other papers are disclosable, subject to the removal of section 3.6 from Paper BoM7-M.

CoGCB7-21 Other Notified Business: Thanks

DISCUSSION: NP thanked Janak Sharma for his contribution to the College as one of the student co-Presidents and as the student member of the Board, and congratulated him on his recent graduation.

NP also thanked David Caldwell for his service as the Board's Interim Secretary and earlier as Secretary of the Shadow Board.

DECIDED: To record the thanks of the Board of Management to Janak Sharma and to David Caldwell.

Signed _____

Board Chair

Date _____

ANNEX TO THE MINUTES

ACTION POINTS ARISING FROM THE MEETING

| Item | Description | Owner | Target Date |
|-----------|--|-------------------|-------------|
| CoGCB7-08 | Estates Committee report: Implement PQQ approach and evaluation criteria as agreed, obtaining Estates Committee Convener's approval for any adjustments | JC | asap |
| CoGCB7-08 | Estates Committee report: Progress negotiations on possible property acquisition | PL/JC | asap |
| CoGCB7-10 | New Campus Project: Progress technical design advisor procurement by Buying Solutions route via TTPM as agreed | JC/IM | asap |
| CoGCB7-10 | New Campus Project: Deal with conflict of interest issues concerning specialist technical advisors applying principles agreed by Board | JC/IM | ongoing |
| CoGCB7-11 | Chair's Business: Arrange Board residential in September 2011 | College Secretary | 09 11 |
| CoGCB7-12 | Appointment of Board Officers: Conduct elections using agreed process and timetable | College Secretary | 09 11 |
| CoGCB7-12 | Appointment of Board Officers: Issue revised version of role description for Chair | DC | asap |
| CoGCB7-19 | Report from Interim Board Secretary: Adjust terms of reference of Finance Committee and Staffing and Equalities Committee | College Secretary | 10 11 |
| CoGCB7-19 | Report from Interim Board Secretary: Consult Board members of preferred style for presenting minutes, and implement more consistent style | College Secretary | 09 11 |

PREVIOUS ACTION POINTS

| Ref | Agenda Item | Description | Owner | Target Date |
|------|-------------|---|---------------------------------|-------------------------------|
| A5.2 | 6 | Board Membership and Officers: The decision on election of an additional staff member was deferred pending the appointment of a new Chair. | ALL/DC/ College Secretary | Deferred to 10 11 |
| A5.3 | 7 | Principal's Report: An additional letter will be sent to M Batho requesting further confirmation on the procurement route ie NPD model, clarification on addressing the funding pressure imposed by items not funded through the NPD model, procurement of a new Hall of Residence and a letter of comfort for associated future funding required to cover the 25 year contractual commitment to specified lifecycle and Hard FM costs will be progressed. | PL | ASAP Completed |
| A5.4 | 7 | Principal's Report: A Board statement will be issued confirming that offers of harmonised terms and conditions must remain affordable in particular any reduction beyond the 24 hour average class contact time would not be affordable and would risk the financial stability of the College. | ETT/DC/PL | ASAP Completed |
| A5.5 | 7 | Principal's Report: Board members will be invited to attend the Hustings Event to be held in the CBLZ Building at CoGC on 27 04 11 at 1800 hours. | PL | ASAP Completed |
| A5.6 | 8 | Ministerial Request: The Principal will reaffirm the Boards commitment to avoid compulsory redundancies with A Constance. | PL | ASAP Completed |
| A5.7 | 10 | New Campus Report: LH will progress the various assurance issues with the SFC. | LH | ASAP Completed |
| A5.8 | 10 | New Campus Report: Additional information on market testing will be provided. | JC/IM | 21 04 11 Completed |
| A5.9 | 13 | Timetable for Board and Committee Meetings 2011-12: A revised timetable will be circulated to members. | DC | ASAP Completed |
| A4.6 | 8c | Vice-Principals' Reports: Launch Event Feedback: An update paper on the potential impact arising from recent Government announcements on immigration assessments and the new UKBA restrictions will be provided at a future meeting. | RS | ASAP |
| A4.7 | 8d | Vice-Principals' Reports: Student Services Progress Report: The provision of additional funding for the Student Executive will be considered. | PL | ASAP Completed |

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| A4.9 | 10 | Residential Meeting, 26 & 27 January 2011: Update: Update advice will be circulated to members when available. | DC | 01 11 Completed |
| A3.4 | 8 | Principal's Report: A presentation on quality processes will be provided at the next meeting of the Learning & Teaching Committee. | PL/DC/ VPL&T | To be confirmed |
| A2.4 | 6 | Chair's Business: The provision of a private access area within the College website for Board documentation will be further investigated. | DC/ College Secretary | ASAP |
| A2.10 | 7 | Principal's Report: Additional Board engagement sessions with Executive Leaders, staff and students will be further considered. | PL/DC/ College Secretary | |
| A2.11 | 7 | Principal's Report: It was suggested that a SUMs report be provided a future Board meetings. | PL | Completed |
| A2.13 | 9 | Legal Issues and Timelines Consequent on Merger: The various recommended actions and timelines will progress to the SFC for further consideration. | PL/DC | Completed |
| A2.14 | 11 | Constitution and Articles of Government: The Learning and Teaching Committee will advise on the appointment of members of the Academic Board. | PL/JG | Deferred to 10 11 |