

Board of Management Meeting

MINUTE OF SPECIAL MEETING HELD ON 6 NOVEMBER 2014 AT 1630 HRS (CoGCSM2)

Present	
Douglas Baillie, Chair (DB)	Paul Little, Principal (PL)
David Eaton (DE)	Mark McCafferty (MM)
Jim Gallacher (JG)	Charanjit Kaur (CK)
Alan McKay (AM)	John MacLeod (JM)
Debbie McNamara (DM)	Eric Tottman-Trayner (ETT)
In attendance	
Alex Craig (Depute Principal) (AC)	Janis Carson (Vice Principal) (JS)
Paul Clark, College Secretary (Minute)	
Apologies for absence	
Tasmina Ahmed-Sheikh	Sanjay Lago
Alisdair Barron	Colin McMurray
Peter Finch	Lesley Woolfries

CONTEXT: This special meeting was held in the afternoon session of the Board Planning Event, held at the Marine Skills Centre, Riverside Campus on 6th November.

The paper relating to the proposal for Accelerated Completion of the Halls of Residence, and associated Additional Costs, was circulated in advance of the meeting. A further paper with supplementary information was presented at the meeting by Vice Principal Janis Carson.

The report on Regional Matters was an agreed agenda item, presented verbally by the Principal, with input from the Depute Principal

CoGCSM2-01 Apologies for Absence

RECEIVED: Apologies for absence were received from TAS, AB, PF, SL, Cm, LW.

CoGCSM2-02 Accelerated Completion of the Halls of Residence and Additional Costs

RECEIVED: JC introduced the papers (including a supplementary paper responding to key questions) proposing an additional payment for accelerated completion of the Halls of Residence, summarizing the context.

JC reported that solutions have been sought for an interim accommodation strategy for the August Dec 2015 period, with to date no single location being found to accommodate demand, and at best a fragmented solution.

Accelerated completion of the residences at a cost of approx. £300k is therefore proposed. There is a risk that the accelerated completion date may not be met, but a strong case for confidence that it will. The surplus generated from the Halls would meet the additional payment, so this represents more of a cash flow problem than a funding problem.

DISCUSSION:

Board members commented on the proposals as follows:

- The Board needs reassurance that McAlpine can meet the deadline. The added cost does not meet the College Foundation's criteria. Some concern was expressed, from a governance point of view, that there was no previous warning that this situation was a possibility. JC provided assurances that there had been a number of proposals and considerations over an extended period of time, and that the College had arrived at this position fully aware of the risks and benefits.
- It was noted that the Board's anxieties were caused by the need to make a decision straight away.
- The Principal provided perspective from the shipping companies, and that it was preferable to house students in our own accommodation - for provision of pastoral care as well as adjacency of learning and teaching.
- JC reported that McAlpine would not have offered this solution were they not very confident indeed of delivering it.
- The Chair pointed out that commercially McAlpine would be aware that liquidated damages would apply to the teaching block from August, so it would be their priority. The risk therefore sits with the College. JC accepted that there is indeed risk to the College but also significant reputational and commercial risk to SRM should they fail to make the date. A stronger certainty would only be achieved at significant additional costs, as SRM would simply 'price the risk'.
- JC emphasised that, removing the financial considerations, this is the correct approach, noting that this does not represent funds lost to the College - assuming the Halls are completed on time.
- JC expressed confidence in the cash flow figures which indicate that the 300k and more will be recouped if the Halls are completed on time. However, the Board noted that the risk is that £300k would be lost

with no net benefit if the Halls are not completed on time

- The Board questioned whether there was any danger that the Halls might be completed to a detriment to quality? JC responded that there exists an independent assessment of quality undertaken by Currie and Brown, which provides regular professional quality control; this provides assurance.
- The Chair reported a conversation with McAlpine staff on the site, which indicated that they have access to a pool of quality staff. DMcN referred to a similar conversation with McAlpine staff, which provided similar reassurance
- The Principal highlighted the reputational implications to McAlpine, should they not succeed in meeting the revised timetable.
- ETT expressed confidence that the figures indicate McAlpine know they can achieve this easily, a view confirmed following today's site visit and the stage of the building completion.
- DM agreed that the risk was justifiable, but highlighted the real risk of loss.
- AM emphasised that student safety was paramount, so the outlay represented good value.
- The Principal expressed satisfaction that the College was in a position to absorb exposure to the risk.
- The Chair recognised both the risk and the value of the first option.

JC discussed Plan C options, were the Halls not to be completed, and also the possibility of a staged handover. This was acknowledged as being difficult, and probably not possible.

JC reported that the project is on programme and on budget.

DECIDED:

JM proposed that the options be pursued in the order of preference, altering the order of 3 and 4 (under advice of capitalization possibilities). The Principal seconded the proposal.

The Board agreed the proposal.

The Chair commended JC for bringing this matter to the Board.

N.B. Post meeting note, 20th November 2014: JC confirms that Financing Option 1 has been secured, and the acceleration is being legally processed.

CoGCSM2-03 Update on Regional Matters

RECEIVED: The Principal provided the Board with an update on progress concerning the consultation on the curriculum & estates plan for Glasgow. PL reported that there may be challenges involving the commitment of the other Colleges to deliver the plan to schedule.

AC reported that the three colleges have worked effectively in collaboration to produce the plans and background contextual information. The consultation event was held on 5th November, and feedback is being collated.

AC also reported on two recent meetings with the other colleges, where he had expressed to the other colleges a need to know what curriculum CoGC will be expected to deliver; this being a time-limited consideration. AC reported on challenging discussions regarding suggested movement of SUMs.

DISCUSSION: DB reminded the Board that the 3 college Boards have agreed (albeit with a qualification from Clyde) that the Glasgow colleges will work towards a solution. PL also highlighted the joint commitment to a task completion group, with the support of SFC and GCRB.

The Board noted that the new campus was planned to a specified curriculum delivery requirement, and that it should be made clear to SFC and the Scottish Government that the College now faces a critical position. For example, there may be a scenario in 2015 in which the Riverside Campus opens with fully-equipped specialist teaching spaces, but without students.

JC noted that in February 2015 the Scottish Government will undertake a gateway review assessment of progress.

DECIDED: It was agreed that the Chair would express the Board's concerns in writing to appropriate officials (including Alice Brown, Chair, SFC), as well as to the Cabinet Secretary, pointing out that the CoGC Board has acted in good faith throughout this process.

CoGCSM2-04 Duke of Edinburgh Award

RECEIVED: AM reported that three College students have achieved the Duke of Edinburgh Bronze award. It is believed that they

are the first students from the College to have achieved the award.

DISCUSSION: The Board commended the student son this conspicuous achievement, and also AM on his work supporting the students

DECIDED: It was agreed that the Chair would write to each of the students concerned, expressing the Board's congratulations.

The meeting closed at 1815 hours.

Signed _____ Chair

Date _____

ANNEX TO THE MINUTE

ACTION POINTS ARISING FROM THE MEETING

Item	Description	Owner	Target Date
CoGCSM2-02	Financing Option 1 to be progressed	JC	ASAP
CoGCSM2-03	Chair to write to various officials and Cabinet Secretary, expressing the Board's concerns regarding progress towards an agreed curriculum and estates plan for Glasgow	DB	As appropriate
CoGCSM2-04	Chair to write to the three students concerned expressing the Board's congratulations	DB	ASAP