

## Board of Management

### Meeting of the Performance and Nominations Committee

MINUTE OF THE 5th MEETING HELD ON WEDNESDAY 24 JUNE 2020 AT 1500 HRS  
(PNC5) VIA MS TEAMS VC

Present	
Lesley Woolfries (LW) (Convener)	Karen Kelly (KK)
Alisdair Barron (AB) (Board Chair)	Paul Little (PL) (Principal)
Jim Gallacher (JG)	Graham Mitchell (GM)
George Galloway (GG)	
In attendance	
Paul Clark (PC) (College Secretary/Minute)	Roy Gardner
Sheila Lodge	Stuart Thompson
Roy Gardner	John Gribben
Claire Carney	
Apologies for absence	

Item PNC5-1	Apologies for Absence	
Paper No:	Lead: Convener	Action requested: Note
Decision/Noted	No apologies for absence received.	

Item PNC5-2	Declarations of Interest	
Paper No:	Lead: Convener	Action requested: Note
Decision/Noted	None declared.	

Item PNC5-3.1	Minute of the Performance & Nominations Committee meeting held on 12 May 2020	
Paper No: PNC5-A	Lead: Convener	Action requested: Approve
Discussion/ Matters Arising	The Committee noted progress with regard to filling posts, and assurances from JG that a protocol was in place with safety in mind.	
Decision/Noted	Minute approved	

Item PNC5-3.2	Catering Contract Options	
Paper No: PNC5-B	Lead: S Thompson	Action requested: Approve
Discussion/	ST introduced the paper which, due to the impact COVID 19 will have on	

## Matters Arising

the College's future catering provision, provides an update on the current situation regarding catering, and considers options for future provision.

The Committee noted that current Catering Provision provided by BaxterStorey expires on 31st July 2020. In January 2020 the Procurement Service published a tender for our new Catering Provision commencing in August 2020.

An evaluation concluded BaxterStorey to be successful although a formal award has not been made due to the crisis. BaxterStorey have been verbally advised that they are the Preferred Bidders.

The financial forecast within BaxterStorey's Commercial Bid was presented in the paper, along with the assumptions of footfall, hospitality provision, and Summer School, with commensurate financial forecast.

Four options were presented. i.e. awarding the tender to BaxterStorey; providing in-house catering facilities for six years; extending the current agreement, and providing vending provision only for staff and students. The impacts and liabilities of each option were carefully considered, along with mitigations, including staff costs and potential redeployments.

The Principal communicated the option proposed by Unison, for an in-house solution, which had been proposed after the current paper was circulated. ST reported that a minority of colleges (outwith UHI) have taken catering in-house, but face considerable challenges.

AB pointed out the complications of taking a catering function in-house, and the potential distraction from the main focus of learning and teaching, and concerns around TUPE transfer, industrial relations, management responsibilities etc. It was also noted that the Faculty is not supportive of being involved in delivering an in-house provision.

JG outlines the employment relations implications, and staff costs involved in an in-house solution. Also it was noted that there is an absence of in-house expertise, and additional staffing would be required.

AB noted the need to acknowledge the positive contribution that catering staff have made to the life of the College.

ST reported that legal and procurement advice had been obtained under Covid-19 legislation, to enable a return to BaxterStorey as the successful bidder, with a revised agreement to take account of the current situation, hence the revised option from that tabled at the Finance & Physical Resources Committee meeting held earlier in June.

KK noted that all figures are shown excluding VAT, however the College is liable for VAT. KK highlighted the figures in the proposal for the recommended option, which suggested that this was not financially sustainable. ST pointed out that the proposal includes a significant management fee which goes to BS, which when included, provides profit to BS. KK requested that this perspective be recorded in the paper, in the interests of transparent due diligence. Also the range of financial impact of variation in sales over year 1 and 2 should be included.

	It was agreed that ST should add written confirmation of the legal and procurement position as described, referencing the appropriate Covid-19 legislation, as well as further details relating to the financial impacts as discussed, particularly with regard to years 1 and 2 of the contract.
<b>Decision/Noted</b>	<p>ST to forward, in writing, information to include narrative on legal and procurement advice, profitability/due diligence, and financial impact of sales in year 1 and 2.</p> <p>Agreed to support the recommendation of Option 1, with a retrospective clarification commentary relating to the paper as above circulated via email in the first instance. Approved.</p>

<b>Item PNC5-3.3</b>		<b>Financial Plan 2020-21</b>	
<b>Paper No: PNC5-C</b>	Lead: S Thompson	Action requested: Approve	
<b>Discussion/ Matters Arising</b>	<p>ST presented an updated Financial Plan for 2020-21 (deferred from the recent FPRC) with three sets of financial assumptions: realistic, pessimistic, and optimistic. This reflects the global and national health and financial crisis. The Committee noted that with the high level of uncertainty across several major items of income and expenditure, the College management believe it is impossible to plan a robust budget near to break even for the year 2020-21.</p> <p>The Financial Plan for the year 2020-21 based on 3 sets of financial assumptions was presented to the Finance &amp; Physical Resources Committee on the 27th May. The projected loss based the realistic assumption was £3.8m with significant uncertainties surrounding the projection. The Committee had viewed the scale of the loss as too high and requested further work to review and refine costs and potential income. While all influences bearing on the projected loss are still in place, some improvements are noted, including the payment in full of SFC grant even if credit targets are not met.</p> <p>Initially the loss increased to £4.8m due to incorporating a projected 2% pay award in the realistic assumptions, adding the potential cost of the catering provision and including additional COVID-ready estates costs. It was noted that a 1% pay increase would cost the College around £0.5m, so it was recognised that pay negotiations are critical.</p> <p>ST indicated that the major reduction in tuition fees relates to Overseas &amp; Commercial fees of 40%. How COVID-19 will impact overseas student recruitment and the level of domestic commercial demand is very uncertain, especially with the anticipated severe recession. The SMT is looking at teaching models to increase and improve online provision to minimise the reduction in income.</p> <p>ST provided an economic/financial overview for the next three years which estimated an improving situation, though slowly at first.</p> <p>Commercial courses on offer are also being reviewed to best meet demand in the new working environment. The College believes there will be a substantial new demand for upskilling and reskilling in response to the economic recession and financial crisis. There is also the high</p>		

probability of a significant increase in the SFC Flexible Workforce Development Fund (FWDF). None of this potential income is currently included in the realistic assumptions, because these have not yet been confirmed.

PL pointed out that the College is a major UK college (3<sup>rd</sup> or 4<sup>th</sup> largest in the UK) and that the whole sector would be under threat before the College itself were to fail. PL pointed to signs of flexibility from the Scottish Government, in this period where the focus is changing from saving lives to saving livelihoods. One third of a million jobs may be at stake before the end of the calendar year. PL also pointed to possible opportunities for training via SDS, and other potential income-generating activity.

The Committee noted that all Colleges would be notifying OSCR of their “going concern” position.

PL advised the Committee on the prospect of pay negotiations. KK highlighted the deep harm caused to many within the private sector, and the need for a degree of realism within the public sector in the current climate.

**Decision/Noted**

Approved (Realistic position)

**Item PNC5-4.1**

**Principal’s Report**

**Paper No:  
Verbal**

Lead: Principal P Little

Action requested: Approve

**Discussion/  
Matters Arising**

PL provided an account of the lockdown/closure position at present, and included an account of high-level contacts that he has made. The Principal also outlined that the challenges to senior managers take the following forms:

- Logistical
- Planning
- Resources
- Psychological Challenge
- Creativity/Ingenuity
- Structural

PL also reported that the Section 22 Report on the past fraud was simply noted at the recent Public Audit Committee, with IAs and EAs not required to attend.

The student recruitment position is that –there have been 8000 acceptances for 7000 places. In the circumstances this is a promising position; however this is susceptible to University initiatives to recruit students.

The Principal highlighted the need to maintain affinity with the staff team, with a compassionate, caring approach. Positive feedback has been obtained via the staff portal.

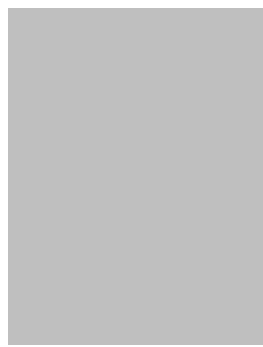
PL also reported that issues of poverty and hardship, and digital poverty, and the influence of the College in addressing these issues on a national basis. It was noted that student hardship and transition from bursaries had been addressed with the allocation of hardship monies.

	<p>PL provided an account of the national need in terms of upskilling and reskilling, and the College’s positioning in relation to addressing this. PL reported that key reports to note were the AGER report (Advisory Group for Economic Recovery<sup>1</sup>) and the Enterprise and Skills Report.</p> <p>AB provided an account of the significant changes in the sector that should be expected, and the challenges and opportunities that may be expected.</p>
<b>Decision/Noted</b>	Discussed and noted

<b>Item PNC5-4.2</b>		<b>Scenario: Competitive Positioning</b>	
<b>Paper No: Verbal</b>	Lead: Principal P Little	Action requested: Discuss	
<b>Discussion/ Matters Arising</b>	<p>The Principal referred to the reform and positioning addressed in the previous report, and related the increased importance of the Cumberford Little Report in the considerations of policy makers.</p> <p>PL introduced the following scenarios, presented in turn by ELT members, which challenge creative thinking and the agility of the College, and are intended to provide reassurance to PNC.</p>		
<b>Decision/Noted</b>			

<b>Item PNC5-4.3</b>		<b>Scenario: Operations</b>	
<b>Paper No: PNC5-D</b>	Lead: Dep. Pr. S Lodge	Action requested: Discuss	
<b>Discussion/ Matters Arising</b>	<p>SL presented an appraisal of various scenarios for College operations in academic year (AY) 2020-21.</p> <p>SL emphasised that highest priority has been, and will continue to be, the well-being of staff and students, which is the primary consideration. SG Guidance and the status of the virus, relations with the trade unions, feedback from the student body, and staff, are all taken account of.</p> <p>ELT has considered a range of options including “business as usual” with staff and students attending College buildings for 5 days per week; “all online” with no building usage; and “blended learning” with use of buildings where absolutely necessary. For example, in this last case, for the delivery of skills using specialised workshops, studios and equipment, with brief visits by all students for aspects of induction, guidance and to build the sense of being part of the College community. Priority would be given to first year students and those with a personal learning support plan (PLSP).</p> <p>The blended learning approach is proposed, as there is some activity which cannot be provided online. SL outlined the physical preparations, movement restrictions and guidance, PPE provision, cleaning arrangements, building preparations, access to facilities and spaces. Full</p>		

<sup>1</sup> Link: <https://www.gov.scot/news/advisory-group-on-economic-recovery/>



risk assessments are being undertaken for all spaces and activities, as well as Equalities Impact Assessments. All meetings will take place online.

SL presented further details of the Operations Action Plan, which is updated regularly. Following queries from members, SL reported that in the proposed model, there would be sufficient space. ST reported that a wide range of cleaning, sanitising, and disinfectant solutions are being evaluated.

**Decision/Noted**

Agreed.

**Item PNC5-4.4 Scenario: Learning and Teaching**

**Paper No:  
PNC5-E**

Lead: C Carney

Action requested: Discuss

**Discussion/  
Matters Arising**

CC provided a definition of what is meant by blended learning, i.e mainly online, but specialist areas open for regulated access. However all student will have access to the College in the course of the year.

Since March 17<sup>th</sup>, L&T and Student Support have been fully online. Students were fully supported throughout this time. Around 700 laptops were distributed, and assessments were approached creatively. CoGC approaches were accepted by SQA. The emergency delivery of learning and teaching has been supported by the Learning and Teaching Academy and the 10 learning technologists within the College.

Regular meetings have been held with the Student body, CitySA, which have informed development.

Resulting, recruiting, and returning have been the focus. Three key areas emerging from consultation with staff have been:

- Student Communication – keeping contact, building affinity
- Digital Access – access to hardware and internet, VLE development
- Staff Digital Capabilities – appropriate and up to date; L&T Academy provision and growth; shared knowledge

Blended and digital delivery has been the planned aim for some time. This crisis has accelerated the provision of this priority.

JG queried the reference to all theoretical subjects being delivered online, and sought assurance that all students would receive a good quality of student engagement. CC referred to the areas where most activity would be online, and that the Faculty concerned has been directed to providing a campus experience to all these students, bearing safety in mind, to ensure affinity and as full as possible a student experience.

**Decision/Noted**

Agreed

<b>Item PNC5-4.5</b>	<b>Scenario: Upskilling and Reskilling</b>
Paper No: PNC5-F	Lead: R Gardner
Discussion/ Matters Arising	<p>RG referred to the Flexible Workforce Development Fund, Industry Academy Skills Canvas (Appx A), and Online Delivery Models.</p> <p>FWDF is now in its 3<sup>rd</sup> year, and the College's provision is expected to expand, as the Fund is expanded to £30m from £10m in each of the three years since inception. It is expected that this would enable colleges to do what they do best - work directly with industry, stakeholders and communities, which will ultimately impact positively on the business community and economy for Scotland.</p> <p>The College has delivered 83 courses this month (June), with more planned next month.</p> <p>RG outlined the response of the College to the crisis situation, and indicated that an upscale of this activity is required to support a skill-led recovery. A development team had been established to switch materials to a format that could be used for online delivery through platforms like Zoom, Microsoft Teams and Google Hangouts. The College targeted re-establishing scheduled training delivery from 1st May onwards.</p> <p>RG reported that the FWDF Team had continuously liaised with clients, maintaining relationships and, where possible, helping to re-schedule or postpone training as they adjusted to the new situation. Initially clients seemed hopeful the situation was short-term, with the number of courses in May reflecting this, but June was much busier as companies adjusted to the reality of COVID, and the likelihood of constraints in place for the foreseeable future.</p> <p>The Industry Academy Canvas was outlined. Training Needs Assessment (TNA) training has been provided to staff, to enable TNA to be undertaken more widely. Some remote training has been undertaken with a Chinese partner.</p> <p>61 courses have been developed in total. The real challenge is to deliver on the Fund, and to maintain the business contacts that we have developed, as many of these are now back on line.</p> <p>GG commented positively that businesses will need to be more flexible, and that this represents an opportunity for the College.</p> <p>RG commented that at a recent Business Directors forum, some colleges had not maintained contact with their business contacts through the crisis, as the College has, which places the College in a relatively advantageous position at the moment.</p>
Decision/Noted	Noted and agreed.

<b>Item PNC5-5.1</b>		<b>Staff Survey Feedback</b>	
<b>Paper No:</b> PNC5-G	Lead: J Gribben	Action requested: Note	
<b>Discussion/ Matters Arising</b>	<p>JG commented that engagement and communication with staff has been intense and varied, with 450 responses to the staff survey on remote working. In general, staff reported that they have liked the flexibility, autonomy, and with no need to commute. Most have appreciated the College's approach, which has been undertaken with care and compassion.</p> <p>The Committee enquired as to any negative feedback. JG indicated that among concerns were that some managers had been described as overbearing, e.g. asking for detailed recording. This may be a reaction to supportive contact, and a possible misunderstanding of intentions and intended emphasis. This feedback has been considered, and used to change management behaviours as appropriate.</p>		
<b>Decision/Noted</b>	Noted and agreed		

<b>Item PNC5-6</b>		<b>Any Other Notified Business</b>	
<b>Paper No:</b>	Lead: Convener	Action requested:	
<b>Discussion/ Matters Arising</b>	None notified		
<b>Decision/Noted</b>			

<b>Item PNC5-7</b>		<b>Disclosability of Papers</b>	
<b>Paper No:</b> Verbal	Lead: Convener	Action requested: Note	
<b>Discussion/ Matters Arising</b>	The disclosability status of the papers remains as described for the present.		
<b>Decision/Noted</b>			

<b>Item PNC5-8</b>		<b>Date of Next Meeting</b>	
<b>Paper No:</b>	Lead: Convener	Action requested: Note	
<b>Decision/Noted</b>	Wednesday 5 <sup>th</sup> August at 3pm.		



## ANNEX TO THE MINUTE

### ACTION POINTS ARISING FROM THE MEETING

Item	Description	Owner	Target Date
PNC5 3-2	Forward information to include narrative on legal advice, profitability/due diligence, and financial impact of sales	ST	ASAP

### ACTION POINTS ARISING FROM PREVIOUS MEETINGS

Item	Description	Owner	Target Date
PNC4-3.2	Forward the proposals for tenure extensions, (with record of considerations from a draft minute) to GCRB.	PC	ASAP <b>Complete</b>
PNC4-3.2	Advise GCRB of Committee's support for Chair tenure extension	PC	ASAP <b>Complete</b>
PNC4-3.2	Present paper to GCRB Panel	LW	May 2020 <b>Complete</b>
PNC4-4.1	Director of Excellence and Director of Communication posts to be recruited	PL	Asap <b>In progress</b>
PNC4-5.1	Review Risk MAPs and edit content	PC	Sept 2020 <b>Complete</b>

Item	Description	Owner	Target Date
PNC3-3.1	Check insurances and liabilities for staff entering College premises during lockdown	PL/PC	Asap <b>Complete</b>
PNC3-3.1	Circulate finalised Risk Review to PNC	PC	<b>Complete</b>
PNC3-3.1	Circulate financial assumptions paper to PNC	PC	Asap <b>Complete</b>
PNC3-5	Arrange further PNC meeting date (May)	PC	Asap <b>Complete</b>
PNC3-5	Check timing of accounts submission and audit	PC/ST	Asap <b>To be confirmed</b>