

Board of Management

Meeting of the Performance and Nominations Committee

MINUTE OF THE 4th MEETING HELD ON MONDAY 24 APRIL 2023 AT 1500 HRS (PNC4) VIA MS TEAMS

Present	
Alisdair Barron (AB) (Board Chair)	Lorna Hamilton (LH)
Lesley Woolfries (LW) (Convener)	Paul Little (PL)
Audrey Sullivan (AS)	Ronnie Quinn (RQ)
In attendance	
Drew McGowan (DM) (Minute)	Sheila Lodge (SH)
Claire Carney (CC)	Roy Gardner (RG)
Mark Drummond (MD)	John Gribben (JFG)
Not Present	
Graham Mitchell (GM)	

Item PNC4-1	Apologies for Absence	
Paper No:	Lead: Convener	Action requested: Note
Noted	Apologies were received from GM.	

Item PNC4-2	Declarations of Interest	
Paper No:	Lead: Convener	Action requested: Note
Noted	None.	

Item PNC4-3.1	Minute of the Performance & Nominations Committee held on 23 January 2023	
Paper No: PNC4-A	Lead: Convener	Action requested: Approve
Decision	To approve the minutes and close previous actions.	

Item PNC4-4.1	Finance Update	
Paper No: PNC4-B	Lead: M Drummond	Action requested: Discussion/Decision
Discussion	PL told members that the purpose of this paper and item was to contextualise the Scottish Funding Council's indicative funding allocation for the college sector and its implications for the College ahead of the Board's extraordinary meeting on 2 May. He confirmed that discussions and decision-making with the Senior Management Team (SMT) and Executive Leadership Team (ELT) remained ongoing at the time of speaking and that a recommendation paper on restructuring would be	

shared with the Board before the end of the week.

MD informed the Committee that the delayed announcement from the SFC) on indicative funding for the college sector was made on 13 April. He confirmed that this announcement did not substantially change the College's financial outlook. Members noted that £6 million of budget improvements had been delivered and there was £6 million left to secure. At this stage, MD explained, no further funding for a further round of Voluntary Severance has been identified from the Regional Board or the SFC; however, he reminded members that a new request to the College Foundation had been submitted and confirmed the discussions were ongoing to expedite a decision before the extraordinary meeting of the Board on 2 May. Members also noted that the delay to the SFC's announcement had impacted the College's planning and decision-making and could require further savings.

PL told members that there had never been a tougher time for the college sector in Scotland and explained that, with flat cash allocations, the College would be expected to do less with less. JFG provided a high-level overview of the business cases for organisational change and the pre-consultation meetings with the College's trade unions. CC explained that the College's curriculum and structures would contract and that the student experience was paramount, regardless of the size of the curriculum.

When asked about further approvals for restructuring proposals for the College, SL confirmed that it is understood that no further permissions would be required from the Regional Board or the SFC after the Board has made a decision. Members noted that the ELT had remained engaged with the Regional Board and the SFC to share pertinent information and keep them informed of the situation and the College's plans.

Decision

To discuss the update and its implications.

Item PNC4-4.2		Schedule of Transformation Activities	
Paper No: PNC4-C	Lead: S Lodge	Action requested: Discussion/Decision	
Discussion	SL provided an overview of the schedule of transformation activities planned for the coming weeks, including pre-consultation engagement with trade unions, organisational change training, key documentation milestones and meetings with the Board, the Regional Board, the College Foundation, the SFC and a formal announcement. Members asked about engagement with trade unions and alternative solutions that could improve the College's financial position and potentially reduce the number of roles facing compulsory redundancy. SL explained that the ELT had met with trade unions to brief them before any formal consultation commenced and confirmed that no alternative proposals had been shared to date; however, she confirmed that all potential solutions shared by trade unions, staff, SMT or ELT members would be actively considered. Members recognised the importance of communication with staff and students to ensure they were informed of developments and supported throughout organisational change process, with health and wellbeing		

	services being made available throughout.
Decision	To discuss the update and its implications.

Item PNC4-4.3	Draft Board Schedule AY 2023-24	
Paper No: PNC4-D	Lead: D McGowan	Action requested: Discussion/Decision
Discussion/ Matters Arising	DM tabled the draft schedule of the Board and its committees for the forthcoming academic year for the Committee's consideration. He explained that this draft schedule was informed by the feedback of the Board to the review of the committee structure at its previous meeting.	
Decision	To agree that the paper and draft schedule be tabled for the approval of the Board.	

Item PNC4-4.4	Board Appointments and Committee Co-option	
Paper No: PNC4-E	Lead: D McGowan	Action requested: Discussion/Decision
Discussion	<p>DM informed the Committee that the Regional Board had approved the four candidates recommended for appointment to the Board. The Board member-elects will be appointed from June 2023 for terms of four years each. DM also confirmed that the Regional Board had approved the extension requests for AS, LH and RQ for terms of three years each. Members welcomed this news.</p> <p>The Committee noted the Regional Board's request that interview panels be gender-balanced in future recruitment rounds and that a review of application and recruitment arrangements is undertaken to ensure it encourages applications from women. Members also noted that this had been recognised by the Board itself when recently discussing succession planning and diversity.</p> <p>DM said that co-opting people who have valuable skills and experience to committees is a way to support succession planning and improve diversity for the Board. This, he said, would be a particularly positive step given the impending loss of the Board's gender-balanced status. LW recommended that the Committee agree to invite two candidates to interview for co-opted positions. Members concurred and asked that DM make the necessary arrangements.</p>	
Decision/Noted	<p>To note the Regional Board's request for a review of future non-executive member application and recruitment arrangements to promote diversity on the Board.</p> <p>To agree to invite two candidates to interview for co-opted positions on the Board's committees.</p>	

Item PNC4-4.5	Strategic Risk Review	
Paper No: PNC2-F	Lead: D McGowan	Action requested: Discussion/Decision
Discussion	DM provided members with an overview of the latest quarterly strategic risk review as it related to the Committee's remit. In addition to the highest-scoring risks reported to the Committee, he highlighted that	

	members were recommended to approve an increase in the score of risk 11 (failure of corporate governance) taking it from green to amber, and to merge risk 13 into risk 8 (failure to manage performance and achieve improved performance. DM explained that the score change to risk 11 was in light of the breach of the Financial Memorandum which was currently under review, whilst the merger of risks 8 and 13 would avoid duplication. Members approved the paper as recommended.
Decision	To approve an increase of the score of risk 11 from 5 to 10. To approve the merger of risks 8 and 13. To note and approve the updated MAPs for risks 4, 8 and 11.

Item PNC4-5	Any Other Notified Business	
Paper No: Verbal	Lead: Convener	Action requested: Discuss
Noted	None.	

Item PNC4-6	Disclosability of Papers	
Paper No: Verbal	Lead: D McGowan	Action requested: Note
Decision	To retain the disclosability status of papers as tabled.	

Item PNC4-7	Date of Next Meeting	
Paper No: Verbal	Lead: Convener	Action requested: Note
Discussion	LW noted that this was the final scheduled meeting of the Committee for the current academic year. She recommended that an additional meeting be scheduled to receive an update on organisational change and the College's financial position. Members agreed to schedule an additional meeting for early June.	
Decision	To agree to schedule an additional meeting of the Committee.	

The meeting closed at 16:35

ANNEX TO THE MINUTE

ACTION POINTS ARISING FROM THE MEETING

Item	Description	Owner	Target Date
PNC4-4.3	Table paper and draft Board schedule for discussion and decision at the Board in June.	DM	14/06/2023
PNC4-4.4	Invite two candidates to interviews for co-opted committee positions and make necessary arrangements.	DM	ASAP
PNC4-7	Schedule an additional meeting of the Committee.	DM	06/06/2023

ACTION POINTS ARISING FROM PREVIOUS MEETINGS

Item	Description	Owner	Target Date
PNC3-4.1	Request that a senior representative from Colleges Scotland be the Independent Panel Member in this forthcoming round of recruitment.	DM	Complete 10.02.23
PNC3-4.1	Undertake recruitment and selection process to appoint up to four new non-executive Board members, recommending candidates to GCRB for appointment.	DM/LW	Complete 13.03.23
PNC3-4.1	Submit term extension requests for LH, RQ and AS to GCRB for three-year terms each.	DM	Complete 02.03.23