

Board of Management

Meeting of the Development Committee

MINUTE OF 4th MEETING HELD ON THURSDAY 18 MAY 2023 AT 1500 HRS (DC4), ON CITY CAMPUS, ROOM C.06.106.

Present	
Lorna Hamilton (LH) (Convener)	Nicola Cameron (NC) (Remote)
Douglas Baillie (DB)	Paul Little (PL)
In attendance	
Roy Gardner (RG)	Drew McGowan (DM)
Carla Gethin (CG)	Ann Butcher (Minute)
Matt Horton (MH)	
Apologies for absence	
Graham Mitchell (GM)	

LH welcomed MH to the meeting.

Item DC4-1	Apologies for Absence	
Paper No:	Lead: Convener	Action requested: Note
Decision/Noted	Apologies were received from GM.	

Item DC4-2	Declarations of Interest	
Paper No:	Lead: Convener	Action requested: Note
Decision/Noted	There were no declarations of interest.	

Item DC4-3.1	Minute of the Development Committee Meeting held on 8 February 2023	
Paper No: DC4-A	Lead: Convener	Action requested: Approve
Decision/Noted	That the minute be approved.	
	<p>Matters Arising</p> <p>Committee Presentations</p> <p>RG confirmed that a presentation from BAE Systems would be provided at the next meeting scheduled at the start of AY 2023-24. Potential presentations from a relevant external education body (e.g. Skills Development Scotland) will be explored.</p>	

Item DC4-3.2		CGI Loan Agreement & Payment Terms	
Paper No: Verbal	Lead: R Gardner	Action requested: Approve	
Discussion/ Matters Arising	<p>RG reported that the actions regarding the loan agreement and payment terms had not been fully completed following approval from the Board. Clarification from Thorntons regarding the loan agreement template has been sought and continued relevance has been confirmed. It was agreed that a meeting will be scheduled with the Chair and LH to finalise sign-off of the loan agreement and confirm repayment terms. On a wider point, PL highlighted to the Committee that it was important that CGI demonstrated its potential for generating a return to the College.</p>		
Decision/Noted	That a meeting be arranged for the Chair and LH to sign off the CGI Loan Agreement.		

Item 4.5 was taken at this time.

Item DC4-4.5		Qobalak Update (Kingdom of Saudi Arabia)	
Paper No: DC4-K	Lead: R Gardner	Action requested: Approve	
Discussion/ Matters Arising	<p>RG provided an overview on the proposal and stages involved to undertake Phase 2 of the work with Qobolak and the new University partner, Umm Al-Qura, to train Saudi nationals in Glasgow.</p> <p>Following formal retrospective approval from the Scottish Funding Council (SFC) to proceed with the pilot initiative, the Corporate Development team has been actively engaged with Qobolak to establish Phase 2 of the Tourism Training programme. The newly appointed University partner, Umm Al Qura (UAU), has provided a supplier contract which is currently under review by Thorntons who are also reviewing the previous 'Introducer Agreement' between the College and Qobalak. These documents will outline the fundamental responsibilities of each party involved and in accordance with the College procurement procedure, will ensure that due diligence has been conducted for UAU.</p> <p>RG provided additional information regarding the agreement between the College and Qobalak which includes a provision that requires a payment to be made to a third party once the College receives the full funds from UAU. To comply with the financial regulations, authorisation is required from the Glasgow Colleges' Regional Board (GCRB) and subsequently the SFC. After receiving the necessary approvals, a purchase order will be created to initiate the payment to Qobolak.</p> <p>The business case, Single Source Justification (SSJ) and costing model were submitted for review and the summary of the overall costing was discussed. Considering the possibility of changes in project requirements, such as an increase in the number of students, it was agreed to raise the estimated income detailed within the business case. As a result, a revised costing model will be shared with all members via email for approval by correspondence prior to submission to GCRB and SFC. It was noted that any new training opportunities would be subject to separate business case approvals.</p> <p>Considering the ongoing staff compulsory redundancy situation, the Committee noted that certain roles previously identified as 'at risk' could be</p>		

retained due to involvement in this project, resulting in the potential retention of 4 FTE positions.

Post-Meeting Note: Decision by Correspondence

RG circulated the revised costing model to the Committee members and summarised the changes on 19 May. In accordance with the Standing Orders, DM advised that a decision on the recommendations could be taken by correspondence. Members were asked to reply with their decision by Friday 26 May at 17:00. On Tuesday 30 May, DM wrote to members and attending officers to confirm that the Committee had unanimously approved the recommendations.

Decision/Noted

- To circulate a revised costing model to members and a decision be taken by correspondence.
- Decision by Correspondence:
 - To approve the business case and revised costing model;
 - To approve due diligence for Umm Al-Qura University
 - To approve to refer papers to the Board for noting
 - To approve submission to the GCRB and SFC for authorisation

Item DC4-4.1 CGI Ltd Update Report – Activity Update

Paper No: DC4-C	Lead: M Horton	Action requested: Discuss
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**Discussion/
Matters Arising**

MH, Head of Partnerships & Operations, CGI presented the Committee with an overview of arrangements and actions taken regarding the establishment of the CGI bank account, VAT registration, creation of an e-store and the setup of a separate company identity within the existing the College’s finance system. Despite best efforts, it was noted that the completion of these arrangements had taken longer than anticipated, causing some delays in the process.

A list of the ongoing opportunities was provided, acknowledging that CGI is bound by the College procurement framework which prohibits direct purchases. MH further emphasised that establishing partnerships and defining processes with other companies requires a considerable amount of time. Information on attendance at recent networking events to further explore potential collaborations and opportunities were also provided.

Recognising the Committee’s responsibility for rigorous oversight, PL raised a question regarding the lack of cost of delivery details and suggested that having a clear understanding of the overall net profit on a project-by-project basis would provide additional reassurance. DB further emphasised the need for a robust financial plan to evaluate CGI’s performance in line with the financial forecast and taking account of the impact of loan repayment obligations.

RG assured members that appropriate financial advice to ensure compliance with accounting requirements is being sought. This will ensure that all necessary financial information and details required for effective analysis are provided. LH further emphasised the importance of developing appropriate Policies and Procedures for CGI.

The Committee was informed that the establishment of the CGI Board and

governance requirements were still in progress. DB emphasised the importance of regularly reviewing the CGI Business Plan. PL highlighted that this matter would fall under the remit of the CGI Board.

Decision/Noted To note the update report.

MH left the meeting.

Item DC4-4.2 Performance against Targets (Commercial & International)	
Paper No: DC4-D	Lead: Carla Gethin Action requested: Discuss
Discussion/ Matters Arising	<p>CG reported that financial planning activities for AY 2022-23 identified a shortfall between projected income and expenditure for 2023-24. As part of a planned multiyear recovery, an initial target (net) income growth was set for 2023-24 through discretionary international and commercial income. This target reflects a revenue increase in 2023-24, assuming growth from the baseline target in 2022-23 and a 30% course contribution.</p> <p>The total projected position as of March 2023 indicates a positive variance in expected revenue from commercial and international income compared to budget. The Committee noted the 2023-24 target required to achieve the additional income from both the 2022-23 baseline target and projected income position.</p> <p>Comprehensive details were presented on the various approaches and strategies implemented to achieve the required income growth for 2023-24 including a pipeline of opportunities and a range of low, medium and high targets. A summary of commercial growth strategies including the budget and target positions for 2023-24 were noted.</p> <p>Committee members thanked CG for the comprehensive presentation and requested a detailed breakdown of the various strategies and proposed income streams over the next 12 months.</p> <p>PL suggested that a condensed version of the presentation be provided at the next meeting of all managers.</p>
Decision/Noted	<ul style="list-style-type: none"> • That the commercial and international fee income budget and target for 2023-24 were agreed in principle. • That a detailed breakdown of proposed income streams be provided over the next 12 months. • That a condensed version of the presentation be provided at the next all managers meeting.

Item DC4-4.3 Flexible Workforce Development Fund Update	
Paper No: DC4-E	Lead: R Gardner/Carla Gethin Action requested: Discuss
Discussion/ Matters Arising	<p>CG provided an update on the progress to date for the Flexible Workforce Development Fund (FWDF) for academic years 2021/22 and 2022/23. Applications received for FWDF Year 5 fully utilised the funding allocation given to the College.</p> <p>FWDF for Year 6 was announced by the Scottish Government in August</p>

2022 but due to economic circumstances and budget revisions, the SFC was unable to confirm allocations until 18 January 2023. For the College sector the fund was set at £10 million for Year 6 which represents a significant reduction from the £17 million allocated in Year 5.

In March 2023, the GCRB allocated some previously unused FWDF funding from prior years, adding an extra £193,616 to the FWDF Year 6 allocation for CoGC, bringing the total funding allocation for the year to £927,953.

Despite the 5-month delay in confirming the allocation of FWDF, the Committee noted that the timelines set by SFC remained unchanged.

Decision/Noted To note the update report.

PL left the meeting during the following discussion and the meeting was not quorate from that point. DM advised the Committee to continue with the meeting, as the remaining items did not require any decisions to be taken.

Item DC4-4.4		Shell UK FE College Proposal
Paper No: DC4-F	Lead: R Gardner	Action requested: Discuss
Discussion/ Matters Arising	<p>RG informed the Committee of the extensive work, timeline and approach undertaken for a Shell UK proposal following an announcement that they intended to grow its share of UK oil and gas supplies and invest in skills to support 15,000 energy transition jobs by 2030. The College was initially selected after expressing an interest to submit specific proposals for projects.</p> <p>Unfortunately, the College has received advice indicating that the overall bid would not be progressed at this stage. However, Shell has expressed interest in potential collaboration on the delivery of courses on Maritime Decarbonisation, Electric Vehicle Charging and Sustainable Manufacturing during 2024-25. It was recognised that relevant coursework would need to be developed during 2023-24 and funding will be sought to accommodate these initiatives.</p>	
Decision/Noted	To note the update report.	

Item DC4-4.6		Strategic Risk Review
Paper No: DC4-G	Lead: D McGowan	Action requested: Discuss
Discussion/ Matters Arising	<p>DM highlighted the two high-scoring risks, Risk 7 <i>Failure to achieve improved business development performance with stakeholders</i> and Risk 16 <i>Failure to maximise income via diversification</i>. Although there were no recommended changes to the risk scores, DM welcomed members review however, due to the meeting no longer being quorate, any proposed changes would require approval from the Board at the next meeting in June. No changes were proposed, and the risk scores remained unchanged.</p> <p>Considering the recent announcement regarding proposed Compulsory Redundancies, there was a discussion on the risk score for Risk 6 <i>Negative Impact on College Reputation</i> (Risk Score 12 AMBER). Members were content that the risk score was set at an appropriate level.</p>	

Decision/Noted

- To note the Strategic Risk Register as at 25 April 2023.
- To note the MAPs for high-scoring risks (7 and 16).

Item DC4-5.1 Innovation and STEM Update**Paper No:**
DC4-H

Lead: R Gardner

Action requested: Note

Decision/Noted

To note the update report.

Item DC4-5.2 International Projects Update**Paper No:**
DC4-I

Lead: R Gardner/C Gethin

Action requested: Note

Decision/Noted

To note the update report.

Item DC4-5.3 International Travel Costs v Benefits Update**Paper No:**
DC4-J

Lead: R Gardner/C Gethin

Action requested: Note

Decision/Noted

To note the update report.

Item DC4-5.4 Skills Academy Activity – January Update**Paper No:**
Verbal

Lead: R Gardner

Action requested: Note

Decision/Noted

RG informed the Committee on a decision reached by ELT/SMT. It was agreed that considering the proposal for Compulsory Redundancies, the pursuit of Skills Academy activities would not be pursued at this time. This matter will be further discussed in detail at upcoming SMT operational planning sessions.

Item DC4-6 Any Other Notified Business**Paper No:**

Lead: Convener

Action requested: Note

Decision/Noted

None.

Item DC4-7 Disclosability of Papers**Paper No:**

Lead: Convener/D McGowan

Action requested: Note

Decision/Noted

The disclosability status of papers as described on respective cover sheets were retained.

Item DC4-8 Date of Next Meeting**Paper No:**

Lead: Convener

Action requested: Note

Decision/Noted

To be confirmed.

Although not present at the meeting, LH expressed sincere gratitude to GM for his contributions and dedicated service to the Committee over the years. She acknowledged GM's integral role

in advancing the Committee's work and noted that his expertise, commitment and valuable insights had greatly influenced discussions and decisions. The Committee expressed their appreciation and extended their best wishes.

The meeting closed at 1720 hours.

ANNEX TO THE MINUTE

ACTION POINTS ARISING FROM THE MEETING

Item	Description	Owner	Target Date
DC4-3.1	Matters Arising: Arrange BAE Systems presentation for the next meeting and consider the potential for future presentations from a relevant external education body.	RG	DC1 AY 2023-24
DC4-3.2	CGI Loan Agreement & Payment Terms: Arrange sign off meeting.	RG	ASAP
DC4-4.5	Qobalak Update: Circulate revised costing model to members for approval by correspondence.	RG/DM	ASAP
DC4-4.2	Performance against Targets: Provide detailed breakdown of proposed income streams over the next 12 months.	CG	Ongoing

ACTION POINTS ARISING FROM PREVIOUS MEETINGS

Item	Description	Owner	Target Date
DC3-3.2 08 02 23	Matters Arising: To consider Committee presentations from external education bodies and industry parties.	RG/DM	Ongoing Superseded DC4-3.1
DC3-3.3 08 02 23	Committee ToR Review: To update as agreed.	DM	ASAP Complete
DC3-4.1 08 02 23	CGI Activity Update: Provide additional financial information as discussed.	RG	03 05 23 Complete
DC3-4.1 08 02 23	CGI Activity Update: Invite M Horton to attend next meeting.	RG	03 05 23 Complete
DC3-4.2 08 02 23	CGI Board Formation: Approach NC re membership.	RG/DM	Ongoing
DC3-4.3 08 02 23	Performance against Targets: Provide additional information as discussed.	RG/CG	03 05 23 Complete
DC3-4.3 08 02 23	Performance against Targets: Invite RD to future meeting.	RG	Ongoing