BOARD OF MANAGEMENT

15 December 2020 at 5.00pm in Microsoft Teams

D&A DUNDEE AND ANGUS COLLEGE

==**The meeting will be preceded at 3.30pm by a strategic update from Karen Watt, Chief Executive of the Scottish Funding Council**==

AGENDA

1.	**WELCOME**		
2.	**APOLOGIES**		
3.	**DECLARATIONS OF INTEREST**		
4.	**MINUTE OF LAST MEETING – 29 SEPTEMBER 2020**	Paper A for approval	AMcC
	4.1 Adoption		
	4.2 Matters Arising	Paper B for information	AMcC
5.	**EXTERNALLY FACILITATED REVIEW OF BOARD EFFECTIVENESS**	Paper C for approval	JH
	5.1 Board Evaluation Action Plan	Paper D for approval	ST
6.	**COVID 19 UPDATE**	Verbal update	SH
7.	**STRATEGIC ITEMS**		
	7.1 Strategic Projects Update	Paper E for information	SH
	7.2 Economic & Social Recovery	Paper F for information	SH
8.	**STUDENTS' ASSOCIATION REPORT**	Paper G for information	CM/AM
9.	**NATIONAL BARGAINING UPDATE**	Verbal update	ST
10.	**PRINCIPAL'S REPORT**	Paper H for information	SH
11.	**FINANCE & ESTATES ITEMS**		
	11.1 Kingsway Campus Options Update	Paper I for approval	JC/SH
	11.2 Annual Report from Audit & Risk Committee	Paper J for approval	GR
	11.3 Audit Scotland Annual Report	Paper K for approval	JC
	11.4 Financial statements for the year ended 31July 2020	Paper L for approval	JC
12.	**HUMAN RESOURCE ITEMS**		
	12.1 Workforce Planning & Voluntary Severance	Paper M for approval	ST
13.	**GOVERNANCE ITEMS**		
	13.1 Board Membership	Paper N for approval	ST
	13.2 Board Metrics	Paper O for information	ST
14.	**MINUTES OF COMMITTEE MEETINGS**	Paper P for noting	AMcC
	14.1 Learning, Teaching & Quality – 4 November 2020		

14.2   Human Resource & Development – 12
November 2020
14.3   Joint Audit & Risk/Finance & Property – 8
December 2020 (verbal update)   SM/GR

15. CORRESPONDENCE   Paper Q for noting   AMcC

16. ANY OTHER BUSINESS   AMcC

17. DATE OF NEXT MEETING
Tuesday 16 March 2021 at 5.00pm via Teams

BOARD OF MANAGEMENT

Tuesday 15 December 2020

MINUTES OF PREVIOUS

Board of Management Meeting
29 September 2020

PAPER A

BOARD OF MANAGEMENT
Board of Management Meeting
Tuesday 29 September 2020

Draft, confirmed by Chair

Minute of the meeting of the Board of Management of Dundee and Angus College held on Tuesday 9 June 2020 at 5.00pm via Teams

PRESENT:

A McCusker (Chair)   S Hewitt
G Robertson   K Keay
N Lowden   S Stirling
S Mill   B Carmichael
D Fordyce   C Meldrum
P Milne   A Monks
D Mackenzie   M Thomson

IN ATTENDANCE: J Carnegie (Vice Principal)   T D'All (Principal's/Board Chair PA)
S Taylor (Vice Principal/Secretary to the Board)
A Ireland (ESRC Research Project)
J Howie (observer undertaking Board Evaluation)

1. WELCOME

A McCusker welcomed members to the meeting.

2. APOLOGIES

Apologies were received from and G Bisset, M Williamson, T Pirie & H Honeyman

3. DECLARATIONS OF INTEREST

There were no declarations of interest. G Robertson noted his role as Chair of the Board for Gardyne Theatre Limited.

4. MINUTE OF LAST MEETING – 9 JUNE 2020

4.1 Adoption

The minute of the Board of Management meeting held on 9 June 2020 was approved as an accurate record.

4.2 Matters Arising

All matters arising had been closed out.

G Robertson confirmed that all Committees were happy to continue to monitor Risks.

G Robertson advised there was no current requirement for training however, this would be considered again as new Board members took up their posts.

5. **COVID-19 UPDATE**

S Hewitt provided a summary of the work undertaken to support the safe reopening of campuses and services for students, and staff and our communities. S Hewitt also took the opportunity to note his pride in every single member of staff and student during the pandemic.

It was noted that the College was also working hard to influence national plans and approaches.

S Hewitt highlighted the new delivery methods and the ways of working introduced and noted the high levels of communication required to support awareness and understanding of all of the necessary arrangements. This included videoing virtual tours and undertaking empathy walks. The College was also actively supporting students on site.

S Hewitt noted that the 'D&A Way' had underpinned all of these developments with an approach and leadership around doing what was right for our students and staff.

J Carnegie stated that the College was playing a significant role in the Management Incident Team dealing with the Covid-19 student outbreaks in Dundee.

J Carnegie confirmed that Henderson Loggie had undertaken the Health, Safety & Wellbeing Audit as early as possible to identify any areas for development in respect of COVID 19 arrangements and mitigations. It was noted that this work had been completed and was pleased to report that the audit outcome was good; a very positive audit review with no significant recommendations.

J Carnegie advised that there had been a small number of positive cases, but none where there were any issues in terms of being on campus. It was noted that there were also staff and students currently undertaking self-isolation.

S Hewitt noted the huge size and scale of the work undertaken and the importance of communications to students and staff.

S Taylor noted that work was also progressing to look at different future scenarios and also to ensure that aspects like support for students could be scaled up were there to be larger outbreaks.

P Milne acknowledged the huge amount of work undertaken by the team and noted a job well done. K Keay echoed this sentiment noting how impressed the Human Resources & Development Committee with the incredible job being done.

J Carnegie took the opportunity to note that the Dundee COVID Management Incident Team are looking to progress a subgroup to include students to assist with the communication to their peer group.

C Meldrum said that the feedback received by the Students Association had been very positive highlighting communications via various social media platforms, the College website and the College App.

C Meldrum also highlighted the amazing support being given to the Students Association and their involvement in various College meetings including the Daily Check-ins – giving them a direct link to the College Senior Leadership Team. The Wellbeing Hub on the Staff Portal was also highlighted as a good resource.

A Monks noted her experience as a current student, highlighting how well prepared and student focused everything had been. While it had been strange it was great to be back at College she stated that it all felt safe and well organised.

The Board expressed their appreciation for all of the hard work undertaken to ensure that all campuses and services were COVID adapted and safe.

6. **STRATEGIC ITEMS**

    6.1 **National Developments**
    6.2 **Regional Economic Recovery**

    S Hewitt requested to take Agenda Item 6.1 and 6.2 together presenting the Board members with a diagram highlighting the key activities and linkages in terms of national and regional developments and opportunities.

    S Hewitt stated that these arrangements were being progressed in line with the 2025 strategy, with partnerships at the heart of the work progressing.

    S Hewitt highlighted the strengthening partnership working with Dundee & Angus Chamber of Commerce (DACC) with the Senior Team looking to prioritise business support needs and how best to work with DACC and its members moving forward.

    S Hewitt highlighted the work currently being undertaken by the D&A Educational Leadership Group alongside Dundee City Council (DCC)) University of Dundee and Abertay University.

    S Hewitt noted the opportunities for D&A College not just to input to various Regional and National Groups / Initiatives but to lead – benefiting the Sector; D&A College and our students.

    J Carnegie highlighted the Scottish Government's Kickstart Initiative collaborating with Angus Council and DACC to provide work placement opportunities and support to young people that were job ready. This "wrap around" service with work placements was likely to start in November 2020 and run for approximately 2 years. DACC as a "representative organisation" anticipate offering 200 placements.

    S Hewitt highlighted the Scottish Government's Young Person Guarantee for 16 – 24-year olds. A £60m investment, over 2 years, for training, apprenticeships and employment. S Hewitt stated that he was a member of the National Group taking this initiative forward.

    S Hewitt also noted the Flexible Workforce Development Fund (FWDF) funding had been increased to £20m.

    A McCusker was also involved nationally on the Digital Short Life Working Group (SLWG) looking at additional funding for Digital Poverty. The work of the D&A College Students Association was noted, highlighting issues around digital poverty to the Scottish Government.

    S Hewitt stated that two D&A 'investable propositions' had been taken forward under the PACE banner, these were Gateway provision and a project to supporting small and medium sized businesses.

S Hewitt highlighted the intention for a more joined up approach and conversations taking place with Ross Martin, Scottish Government Advisor on Regional Economies around the various funding opportunities under the National Training Transition Fund (£25m) and the Green Jobs Funding.

S Hewitt noted conversations with Robin Presswood, DCC, re Regional Digital Initiatives with D&A College being involved in 3 of the 4 workstreams looking at schools, the disabled community and upskilling.

S Hewitt stated that good work was progressing, but that many of the initiatives and opportunities were at an early stage. S Hewitt stated that a key approach from the College would be to help to shape these opportunities, rather than just implement them.

The update was welcomed.

6.3 Tay Cities Deal

S Hewitt stated that there had been some progress made with the Tay Cities Deal with the possibility of signing taking place in late October 2020.

It was confirmed that the College remained involved in several projects (as noted previously) including Advanced Manufacturing and the Biotech & SME projects.

S Hewitt stated that the college would be a signarory to the overall deal and asked the Board for delegated authority to sign the Tay Cities Deal. It was confirmed that this would be with no commitment to costs.

S Mill stated that he was happy to support this, and noted that the Finance and Property Committee would be interested to see the Outline Business Case (OBCs) for each project as these develop and the financial implications. G Robertson noted the significance of the project and supported S Hewitt's request.

The Board of Management confirmed authority to sign the Tay Cities Deal.

6.4 Regional Outcome Agreement (ROA) Timeline

S Taylor summarised the proposed process and timeline for the creation and development of the ROA for the College for 2021/22 noting that the College was still awaiting guidance.

S Taylor noted that a Board strategic event would usually be arranged during the autumn term and that it was suggested that a virtual event be held sometime in November 2020 with the main topic of the Tertiary Education Review - Phase 1 and following Phases.

A McCusker suggested that it would be a good idea that the SFC Chief Executive is invited to take part the strategic planning event. **Action: S Hewitt**

It was agreed that a Doodle Poll would be sent out to seek Board members availability for the Strategic Development Session. **Action: T D'All**

7.   **STUDENTS' ASSOCIATION REPORT**

C Meldrum summarised the Students' Association Report, highlighting the Summer Festival. The Summer Festival had been the biggest event, hosted by the Students' Association, was held over 3 days involving bands and local businesses raising £1,000 for the creation of a Pay it Forward Fund. The main purpose of the Fund is to allow D&A staff and students to nominate individuals from across the College to receive a small treat to say thank you – pay it forward with acts of kindness.

D Fordyce noted the newsletters produced by the Students' Association and asked if these could be shared with the Board. This was agreed. **Action: A Monks**

A Monks highlighted the DASA Treasure Hunt that took place on 19 September continuing the Association's Community Engagement with students. The 'treasure' consisted of 25 goodies bags placed at different locations across Dundee and Angus with clues posted on social media.

A Monks also confirmed that the Students' Association now had a full complement of office bearers, with Crianne Smith joining as a representative for Kingsway Campus and Lee Paterson at Gardyne Campus.

C Meldrum highlighted the engagement DASA had had with virtual classes of the previous 2 weeks, noting their involvement in approx. 65 classes so far with a further 15 to go, giving access to almost 1,000 students. At the same stage last year, the group had only managed to visit a small fraction of this number. C Meldrum commented that everyone has worked extremely hard to facilitate this interaction and that staff had been very supportive of their efforts.

The update was noted.

8.   **FINANCE & ESTATES ITEMS**

8.1   **2020/21 Budget**

J Carnegie noted the positive, balanced Budget for 2020/21 presented to the Finance & Property Committee on 8 September 2020 and summarised the changes arising from the initial £1.5M deficit projected in May 2020. This included moving some ICT spend into 2019/20 to better support students with access and better outcomes than initially projected in terms of SDS funding and the Job Retention Scheme.

J Carnegie stated that the draft budget included a prudent estimate of income from the range of economic recovery schemes outlined under agenda item 6. It was noted that Henderson Loggie had been asked to undertake an internal audit on the College's Economic Recovery responses.

J Carnegie asked the Board to approve the budget.

The potential impact of the library roof issue was discussed and it was noted that this should not impact adversely on the planned budget.

S Mill confirmed that the 2020/21 Budget has been approved for submission to the Board at the recent Finance & Property Committee and highlighted the positive work undertaken by Brian Ferguson and his Team and the monthly meetings that took place over the summer with S Mill, A McCusker, J Carnegie and B Ferguson.

S Mill noted that the Budget 2020/21 was a great starting point for this academic year.

The Board members approved the 2020/21 Budget.

8.2   Estates Development Update

i)   Kingsway Library

J Carnegie noted that, as confirmed with Board members, the structure of the old library building at Kingsway had been deemed unsafe and would have to be demolished. J Carnegie stated that conversations had already taken place with the Dundee & Angus Foundation and SFC both of whom were positive and supportive of plans moving forward.

J Carnegie stated that SFC had confirmed financial support for the demolition of the library and design costs for its replacement. It was also noted that SFC were supportive of the College utilising backlog maintenance funding for any planned new replacement build.

J Carnegie confirmed that inspections had been arranged in respect of the roofs of other buildings across Kingsway Campus.

Options for any new building would be progressed and fed through the Finance & Property Committee in due course. It was confirmed that this would include a further review of the Kingsway campus options given changes since this was completed previously.

K Keay requested that the capital risk associated with the Kingsway library building be added to the Strategic Risk Register. **Action: S Taylor**

ii)   MSIP & E-Sports

S Hewitt provided a recap to the Board on the Michelin Scotland Innovation Parc (MSIP) Project. Phase 1 – Skills Academy open from January 2021 (currently identifying schools' groups). Workshops, classrooms and students' social space are being created with the costs being covered by MSIP and some funding from SDS. Phase 2 – Integrate estate and plan new provision e.g. Wind and Hydrogen Technologies. A meeting is planned with SFC, D&A and MSIP on 30 September 2020 to discuss developments and potential SFC support for the project.

S Hewitt summarised the proposed development of an e-sports arena in Dundee and initial discussions with developers Northern Lights and Abertay University

It was proposed that the College, along with Abertay University, would be taking an Education Lead with upskilling, reskilling, apprenticeships etc. It was anticipated that the facility would help shape the Creative & Digital opportunities as well as bringing training and employment opportunities around marketing, business, events and hospitality.

S Hewitt noted there had been global interest for sponsorship of an E-Sports facility in Dundee with an expected opening date of 2025 - employing students who had completed new programmes of study being planned in advance of the opening.

A McCusker noted that this would be a one-off and the only one of its kind in the UK.

9. NATIONAL BARGAINING UPDATE

S Taylor advised the Board that a 2% pay increase offer made to the Academic Unions had been send out to its members with a recommendation to accept. It was expected that an outcome of the indicative ballot would be known within a few days.

A similar offer to Support Staff Unions had been rejected, who were seeking a higher flat rate increase plus a move to a 4-day working week and other additional allowances. National discussions would continue.

S Taylor noted there were currently a small number of national disputes being progressed.

10. PRINCIPALS REPORT

S Hewitt highlighted in 2.1 of his report in respect of session 2020/21 recruitment, noting that full-time student recruitment had now exceeded the 5,000 mark. S Hewitt stated that this was an important milestone and that although there was still a lot to do, student numbers were looking positive.

D Mackenzie enquired about any signs of early drop out and S Hewitt acknowledged that this was the biggest fear for the sector at present. S Hewitt noted that the College has developed a new engagement tracking system to support remote and on-line learning and was finalising 'live' dashboards and daily contact to combat this and to quickly pinpoint and target support.

The report and developments were noted.

11. GOVERNANCE ITEMS

11.1 Strategic & COVID Risk Register

S Taylor advised that both Risk Registers had been seen by all Committees. The Audit & Risk Committee had approved the Register requesting the following updates:

- Risk around the impact on ICT
- Risk around the whole COVID piece and any how any significant outbreak may impact on the delivery of services
- Risk around the library roof at Kingsway Campus

S Taylor noted that these would be built into the next update

11.2 Board Metrics

S Taylor noted that the provisional student outcome data was very positive, with an increase in student success rates (despite COVID and the cyber-attack). These had increased on session 2018/19 and were consistent with the high level of success in other years. The metrics report was noted.

11.3 Board Membership

S Taylor noted that recruitment for new board members is currently underway with a Come on Board Event taking place on 5 October 2020.

D Fordyce noted that she would come to the end of her 4-year period in spring 2021 and asked about the process to extend this. This was explained.

A McCusker advised that Steven Mill had agreed to form part of the interview panel for the Board positions and she hoped that new members would be identified by the next meeting.

12. MINUTES OF COMMITTEE MEETINGS

The minutes of the recent round of Committee meetings were noted.

13. DATE OF NEXT MEETING

It was agreed that the time for the next Board of Management Meeting will move to 5.00pm on Tuesday 15 December 2020 via Teams

Action Point Summary

Action	Responsibility	Date
SFC Chief Executive to be invited to take part in the BOM Strategic Development Session	S Hewitt	30 October 2020
Doodle Poll to seek Board members availability for the Strategic Development Session in November 2020.	T D'All	9 October 2020
DASA Newsletters to be circulated to Board members via Teams	A Monks	9 October 2020
Risk relating to the Kingsway library roof to be incorporated into the Strategic Risk Register	S Taylor	30 October 2020

BOARD OF MANAGEMENT

Tuesday 15 December 2020

MATTERS ARISING   **PAPER B**

BOARD OF MANAGEMENT

Tuesday 15 December 2020

Matters Arising

Paper for information

The following actions were noted from the Tuesday 29 September 2020 Board of Management Meeting

Agenda Item No	Action	Current status	Open / Closed
6.4	SFC Chief Executive to be invited to take part in the BOM Strategic Development Session - **S Hewitt 30 October 2020**	Event taking place prior to the BOM Meeting on 15 December 2020	Closed
6.4	Doodle Poll to seek Board members availability for the Strategic Development Session in November 2020. **T D'All 9 October 2020**	Due to availability it was agreed to go with the event prior to December BOM Meeting	Closed
7.0	DASA Newsletters to be circulated to Board members via Teams **A Monks 9 October 2020**		Closed
8.2(i)	Risk relating to the Kingsway library roof to be incorporated into the Strategic Risk Register **S Taylor 30 October 2020**		Closed

Author & Executive Sponsor: Steve Taylor, Vice Principal – People & Performance

BOARD OF MANAGEMENT

Tuesday 15 December 2020

EXTERNALLY FACILITATED REVIEW OF BOARD EFFECTIVENESS

PAPER C

EXTERNAL EVALUATION OF THE OPERATION AND EFFECTIVENESS OF THE BOARD OF MANAGEMENT OF DUNDEE AND ANGUS COLLEGE OCTOBER 2020

Background

In 2016 Colleges Scotland issued a Code of Good Governance for Scotland's Colleges which sets out the principles of good governance expected from colleges. Compliance of the Code is a requirement for all colleges receiving funding from the Scottish Funding Council (SFC).

Methodology

The methodology adopted was as follows:

- Review of Dundee and Angus College Board of Management self-evaluation;
- Review of Board and Committee papers and minutes for academic session 2019-2020;
- Observing four Committee meetings during September 2020;
- Observing the Board of Management meeting on 29 September 2020;
- One to one interviews with 9 Board Members including the Chair, the Principal, staff, student and other members; and
- Interview with the Board Secretary.

During the period of the effectiveness review matters of an individual nature were being progressed by the Board and a special meeting held to consider these. This meeting was not considered as part of the effectiveness review.

Acknowledgements

Thanks to Board Members and staff consulted during this evaluation for their assistance and co-operation.

Governance

The Code of Good Governance for Scotland's Colleges outlines that the overarching purpose of good governance for Scotland's colleges is to:

- Lead the college and set its strategic direction and values;
- Ensure effective management and financial controls to support the student experience within a framework of public accountability and transparency; and
- Deliver high quality learning and outcomes.

The Code defines five key principles of good governance, as follows:

- Leadership and Strategy
- Quality of the Student Experience
- Accountability
- Effectiveness
- Relationships and Collaboration

Conclusion

Dundee and Angus College has a skilled and experienced Board which works well with its senior leadership team and its student body. The Board, led by a very experienced and enthusiastic Chair, works collectively in formulating the College's strategic direction and in ensuring its effective delivery for its students and wider partners. There is evidence of strong processes and effective governance arrangements that adhere fully to the Code of Good Governance for Scotland's Colleges.

The evaluation was undertaken during the COVID-19 pandemic which had, and continues to have, a significant impact on the way the College delivers its services. The Board's strong governance arrangements supports the senior leadership team in managing these challenges and maintaining a continuity of service to its users.

The Board has a robust self-evaluation process in respect of its overall effectiveness which identifies actions through which the Board can continuously develop.

Main Findings
Leadership and Strategy

- Each Board Member receives an Induction Pack which includes a copy of the Code of Conduct and is made aware of the need to abide by the Code and the Principles of Public Life in Scotland.
- The Board meets in separate sessions to develop the College's strategic plan and includes external input to inform College responses and actions.   The College has a 2025 Strategy "More Successful Students", the pledges and metrics of which have been developed as a clear transition from the previous "Good to Great" Strategy. Progress against the agreed performance measures - metrics – are reported and discussed at Board and Committee meetings with improvement plans submitted where required. During the interviews, Board Members praised the Chair's leadership in ensuring that all members, particularly the student members, are fully engaged in the process.
- The Board oversees the development of the Regional Outcome Agreement (ROA), monitors its outcomes and agrees its associated funding with the Scottish Funding Council (SFC).
- The Board has a good understanding of the College's role in the plans for local and national economic recovery. It is also aware of its corporate social responsibilities of improving the cultural and social wellbeing of the local community it serves.
- Membership of the Board is a good mix of age, background and gender and provides an excellent range of skills and experience. There is a view however, that discussion of the core business - learning and teaching – is sometimes challenging and would benefit from additional Board membership from a member (or members) with an education skills background. A non-executive member has been appointed to act as senior independent member to provide a sounding board for the Chair and to serve as an intermediary for the Principal, other Board Members and the Board Secretary.

Action

The Board should consider the appointment of members with an education background.

Quality of the Student Experience

- The Board ensures that the student experience is central to the College's activities and that student engagement at Board and Committee meetings is routinely sought on the papers and issues being considered. The Students Association's President and one other student are members of the Board and of the Learning, Teaching and Quality Committee.

The student members have a standing item on the agenda of each Board and Committee meeting which presents a comprehensive update on a range of student activities and events. Student surveys are regularly employed to monitor the quality of the learning and teaching, the results of which are fully discussed and actions agreed. During the interviews, the student members re-enforced the positive nature of their engagement with the Chair, the Board and the Principal and his senior team. This engagement was seen as helping shape and inform the range of services provided to the students. "Cake with the Chair" and "Pizza with the Principal" were two examples of the positive on-going engagement with the student body. The Students Association is a fully autonomous body and is supported by an employed President.

- The relevance and quality of learning at the College has a high priority, with the Board monitoring provision through discussions with external bodies and leading on strategies for organisational and curriculum review and change.

No Actions

Accountability

- The Board recognises its primary accountability to the SFC. It regularly monitors the College's performance against its ROA with the SFC. Board and senior leadership team members' interests are disclosed in a Register of Interests which, along with the Board and Committee papers and minutes are published on the College's website. Declaration of Interests in the business of the meeting is a standing item on all agendas. The Board Secretary issues, electronically, Board and Committee papers one week in advance of meetings, providing members with sufficient time to read reports prior to the meetings. The quality of the papers is excellent and the minutes include SMART agreed action points.

  All members felt that they were encouraged and given the opportunity to contribute effectively at meetings and to challenge the Principal and his team as required. The Board has a Scheme of Delegation which outlines the authority reserved to the Board and the authority delegated to each of the Committees, the Principal and the Board Secretary. Senior leadership team members attend Board and Committee meetings to present reports and offer advice.

- The Audit and Risk Committee reviews the comprehensive risk register at every meeting and it is reviewed by the Board twice per year. The Audit and Risk Committee assigned specific risks to each of the Committees to allow a more detailed discussion which, following an evaluation has proved to be a positive exercise. An additional COVID-19 Strategic Risk Register was developed to record the additional risks, mitigating actions and monitoring associated with specific areas of the College's activities during the period of the pandemic. The Audit and Risk Committee has reviewed arrangements in respect of the recent Audit Scotland COVID 19 risk guidance.

- Internal and external auditors are invited to every Audit and Risk Committee meeting and an annual private meeting is held without the senior leadership team being present.

- Members of the Remuneration Committee have undertaken the relevant training.

- The Board is aware of its responsibilities for ensuring financial and institutional stability with appropriate mechanisms to monitor and manage financial and non-financial performance in place.

- The Board promotes a positive and effective partnership working with all staff and trades unions. Staff satisfaction surveys are regularly undertaken with action plans and development requirements implemented.

No Actions

Effectiveness

- The Board Chair provides strong, effective and supportive leadership. She encourages contributions from all members and promotes a culture of constructive challenge of the Principal, the Board Secretary and the senior leadership team.

- Dundee and Angus College has a strong Board and members provide an excellent range of experience. A recruitment process to appoint new members is underway with the college targeting the skills and experience required to enhance the existing mix of members.

- Board members are made aware of their responsibilities in the comprehensive induction programme for Board members with a particular emphasis on the essential roles of the staff and student members.

- There are on-going "bite-size" development sessions prior to Board meetings and strategic events with input from internal and external speakers. The Chair undertakes an annual appraisal with members to support continuous improvement and to promote effective team-working.

- The Board appointed a new Principal and Chief Executive in August 2020. The recruitment process, outlined in the Governance Manual, involved staff and student input.

- The Board Secretary reports to the Board Chair and provides impartial governance support to all members.

- A comprehensive evaluation of the Board's effectiveness of operation is undertaken bi-annually and is based on a set of evaluation indicators developed by the Board for the Board and its Committees.

No Actions

Relationships and Collaboration

- Effective partnership working is a great strength of Dundee and Angus College and demonstrates its role in leading and influencing projects linked to the Government's agendas. It is engaged in a range of partnerships, working with local, regional and national bodies. The Board, at each meeting, receives detailed updates on the various partnerships and projects, ensuring its key role in addressing local needs and meeting national priorities.

- Partnership working is a key pledge within the recently approved 2025 College strategy, with this pledge underpinned by a series of actions and metrics.

No Actions.

BOARD OF MANAGEMENT

Tuesday 15 December 2020

EXTERNALLY FACILITATED REVIEW OF BOARD EFFECTIVENESS

BOARD ACTION PLAN   **PAPER D**

BOARD OF MANAGEMENT

Tuesday 15 December 2020

Board Evaluation and Action Plan

Paper for approval

1.   Introduction

This paper summarises arrangements and outcomes in respect of the independently facilitated evaluation of the effectiveness of the operation of the Board of Management conducted during the period August – September 2020.

2   Board of Management Evaluation

The Code of Good Governance for Colleges in Scotland outlines the following requirement for Boards of Management.

> The board must keep its effectiveness under annual review and have in place a robust self-evaluation process. There should also be an externally facilitated evaluation of its effectiveness at least every three years. The board must send its self-evaluation (including an externally facilitated evaluation) and board development plan (including progress on previous year's plan) to its funding body and publish them online.

The deadline for completion of externally facilitated reviews was extended to April 2021 by the Scottish Funding Council due to the impact of COVID 19. The approach adopted in respect of the evaluation of the effectiveness of the operation of the Board meets all of the above requirements.

4   Board Development Plan

Following on from the evaluative activities undertaken in previous years a Development Plan for the Board has been created. This plan is detailed below and the actions detailed within it will be built into Board activities, development sessions and approaches over the remainder of 2020/2021.

A formal review of progress against the requirements of the Development Plan will be considered at the June 2021 Board meeting and will inform evaluation activities for session 2021/2022 and beyond.

5   Approval

Board members are asked to consider and approve as appropriate the following elements of the evaluation process.

- Adoption of the Independent Review and Evaluation of the operation of the Board of Management and related actions.

- Approval of the Board Development Plan.

Author and Executive Sponsor: Steve Taylor, Vice Principal People and Performance

BOARD DEVELOPMENT PLAN PROGRESS REPORT DECEMBER 2020

Following on from the evaluation of the effectiveness of the operation of the Board of Management approved initially in June 2018, the following key development actions were identified for action. Progress in respect of these actions is summarised below, and as appropriate revised implementation dates have been identified.

Action	Responsibility	Timescale
1. The diversity of Board membership should be included within all future recruitment arrangements to seek to maintain 50:50 gender representation and to further improve overall diversity of background/experience.	Chair/Secretary	Next and future recruitment
Progress 50:50 gender balance maintained through recruitment/additional diversity sought		
2. The Board should consider options to co-opt members to Committees where this is considered appropriate to enhance knowledge and skill-sets.	Chair/Secretary	As required
Progress New member co-opted to support the work of the Audit & Risk Committee		
3. Board training/CPD matrix to be developed to support individual members in identifying and tracking CPD needs.	Chair/Secretary	September 2019
Progress Scottish Government skills/development matrix developed by Scottish Government and completed by all Board members in September 2019		

	Action	Responsibility	Timescale
4.	Strategic visioning and strategy development looking forward to 2025 to be incorporated into Board strategic sessions	Chair/Principal	September 2019

Progress   **Completed, 2025 vision approved December 2019**

	Action	Responsibility	Timescale
5.	"Kingsway Plan B" strategy is required to inform the future direction of campus development activities in the absence of opportunity for current replacement plans.	Chair/Principal	September 2019

Progress   **Phased development plan in place and work progressing**

	Action	Responsibility	Timescale
6.	The Board should consider the appointment of members with an education background.	Chair/Secretary	Next and future recruitment

Progress   **Included in Board Skills mix for future recruitment**

BOARD OF MANAGEMENT

Tuesday 15 December 2020

STRATEGIC ITEMS

Strategic Project Update   PAPER E

BOARD OF MANAGEMENT
Tuesday 15 December 2020
STRATEGIC PROJECTS UPDATE

Paper for Information

1. **Introduction**

   The purpose of this paper is to summarise the work being undertaken on key strategic projects across the region where the College is leading or heavily involved. This paper will cover D&A involvement in
   - Flexible Workforce Development Fund
   - Michelin Scotland Innovation Parc
   - Tay City Deal

2. **Flexible Workforce Development Fund**

   Background

   In December 2016 the Scottish Government announced the introduction of a Flexible Workforce Development Fund (FWDF) to provide Apprenticeship Levy-paying employers in Scotland with workforce development training to upskill and reskill their existing workforce.

   The Scottish Government has allocated £10 million each year for the FWDF since 2017-18. For AY 2020-21, the fourth year of the fund, Ministers have allocated £13 million to allow colleges to provide additional support for Levy-paying employers. The Scottish Government has also announced an additional £7 million (Phase 2) FWDF allocation. Phase 2 allocation is directed towards support for SME's and this additional funding should respond directly to the impact of COVID-19 to provide upskilling and reskilling opportunities to the existing workforce as they adapt to new ways of working as sectors and the economy restarts and recovers.

   D&A Allocation

   The table below outlines the allocation of funding received from SFC for the FWDF.

	AY	Allocation	Delivered	To be claimed
Year 1	2017/18	£447,325	£382,877	
Year 2	2018/19	£447,325	£473,383	
Year 3	2019/20	£473,379	£82,000	£391,379
Year 4	2020/21	£607,852	Budgeted AY20/21 £171,433	c/f for AY 21/22 £436,419
Phase 2	2020/21	£157,135		

Due to the impact from Covid 19 on delivery for AY 19/20 an extension to delivery dates was given. This has resulted in a carry forward allocation from AY 19/20 into AY 20/21. A subsequent knock on effect was to also extend AY 20/21 to be completed by March 2022.

FWDF Contract Year	Training contractually agreed	Training commenced	Training delivered and completed
Year 3	By 31 July 2021		by 31 December 2021
Year 4 & Phase 2	by 31 July 2021	by 31 August 2021	by 31 March 2022

The combined Year 3, Year 4 and Phase 2 allocation has resulted in the FWDF Project having a value of over £1M for D&A College.

We have developed an Operational Group and a Strategic Group to take forward the FWDF project. These groups meet on a fortnightly basis and provide an update on application status, progress, delivery and competition. The Strategic Group will report to the SLT on a bi-monthly basis in line with the return to SFC.

The Strategic Group has developed a set of metrics to report to the SLT, these reports will be based on progress against AY 19/20 and AY 20/21 allocations. The metrics will cover -

- Application No. V Target
- Income drawdown v drawdown schedule
- Progress & Completion Update (RAG) on all projects.
- Reports to SFC

Risks

The Strategic Group have developed a Risk Register to monitor the impact of risks associated with the FWDF project. This will be updated over the next few months and maintained over the course of the project.
The Risk identified focus around 3 main areas –

- Engagement with companies
- Skills expertise and availability of staff to deliver
- Internal Systems.

3.   **Michelin Scotland Innovation Parc**

Background

The Michelin Scotland Innovation Parc (MSIP) aim is to create a sustainable mobility & low carbon energy parc on the previous Michelin site.

An Advanced Skills Academy, led by D&A, will be created to develop the skills of future needed to train the workforce in low carbon, green energy, hydrogen, battery storage, offshore wind, remote control systems, and advanced manufacturing. An Innovation Centre is also planned to allow research, prototyping and development with the College, Universities and Industry partners.

D&A and MSIP have identified a site layout for Phase 1 of the project.

Phase 1 will consist of zoned areas -

- Green Energy zone – incorporating hydrogen, battery storage & development, clean growth, bio economy, low carbon,
- Skills zone – practical engineering workshops, machine workshop, hybrid/ MV
- Technology & Innovation zone – focussing and highlighting the skills required for Industry 4.0, meta skills, AR/VR and AI. Incorporating cobolt robotics etc. Creating the digital engineer of the future.
- Wind Turbine zone – practical area for working at height, rope access, H&S, confined space training etc
- Data Zone – data centre using smart technology and digital sensors to create digital twins, remote control room for simulation of remote wind turbine technology.

The area identified for Phase 1 of the Skills Academy is being developed by MSIP, and work is progressing with the planned layout to allow for teaching, workshop and student social space. The overall cost of the development of the space is being covered by MSIP as part of their ongoing site improvements.

D&A are working towards full agreement on the use of the site and the overall business arrangement early January 2021.

The College is now reporting monthly to the MSIP Board. We have set up an Advisory Group that will include all partners including the Universities involved and employers on the site.

D&A are in the process of setting up a Curriculum Workstream, to create a matrix of courses, training and development for future technology, advanced engineering, AI and Low carbon transport specialisms with the University partners. We will work with Industry to refine the 'portfolio' offer.

D&A and MSIP have developed a delivery timeline to enable access for stage 1 and 2 of the Phase 1 Skills Academy, where this should be fully operational by August 2021.

The MSIP Skills Academy will be considered as part of the wider Estate Strategy and form part of the Curriculum Delivery Strategy moving forward.

Update –

- MSIP planning on 500 jobs in 3 years rising to 850 jobs on site.
- First tenants onsite in Nov/Dec 2020
- College in discussion with Coast Renewables to deliver future Offshore Wind training along with working at height and confined space training and various H&S courses within the MSIP Skills Academy.
- Stage 1 of the Skills Academy should be available for D&A to access and delivery training by end of May 2021
- Full access to Phase 1 will be available for access and delivery by August 2021
- Discussion on distributed cost model to be held in January 21 with a detailed costings model and business plan to be submitted at a future board meeting.
- Potential to received £600K from SDS for initial capital funds.

4. **Tay Cities**

Overview

There was an announcement by the Chancellor in the November Spending Review that the UK Government has reduced the Tay Cities Deal from 15 years to 10 and pledged £150 million to the deal, this is also supported by £200m funding from the Scottish Government. It is very likely that the Tay Cities Deal will be signed by the Scottish and Westminster governments before Christmas.

D&A Bids

Our three main bids are all in progress:

i) **Tay Cities Engineering Partnership (TCEP)**

This £4.2m innovative project will bring together the resources of training organisations, public sector bodies and engineering employers across the Tay Cities Region to establish the Engineering and Advanced Manufacturing (EAM) network.

TCEP will drive the transformation of manufacturing processes required to meet the ambitions of The Forth Industrial Revolution - from implementation of robotics and artificial intelligence and the digital skills to operate those new engineering methods.

Status Update - OBC has been submitted and we are awaiting feedback before submission of the FBC.

ii) **Supporting the development of our business-base (SMEs) –**

This project will support SMEs (particularly micro businesses) and focus on tackling barriers to accessing training and addressing identified gaps in training provision. A specific focus will be on helping rural businesses, which can encounter additional barriers to accessing the training they require.

iii)   Growing the Tayside BioMedical Cluster (GTBC) – Skills and Training

The GTBC project is being developed to establish a training package that will support the Biotechnology and Medical Technology sector. The focus is to develop a technical training facility and a suite of life science workforce development programmes at Dundee & Angus College to increase the supply of skilled laboratory staff. This project will target gaps in training provision which cannot be filled using current provision (such as Apprenticeships or SFC-funded courses), enhance training prospects for individuals from disadvantaged groups or communities, and help to address inequalities in the workforce. The project will support the wider £25m Growing the Tayside BioMedical Cluster project being led/prepared by the University of Dundee. The partners are preparing an OBC and it is identified as a priority project for the region.

Status Update – Overall Skills & Employability Development Programme OBC submitted. EKOS have been appointed as consultants to complete the OBC for both ii and iii projects. Workshops with key stakeholders have taken place and the projects are progressing well.

Funding Timescales

Funding timescales will be provided for each project once the FBC have been completed and the overall Tay City Deals have been signed.

5.   Conclusions

Significant work has been progressed for these projects and they offer a significant opportunity for the College to be involved directly with employers and key stakeholders to respond to sector and regional developments that form part of new economic growth initiatives.

The Board are asked to note the Strategic Projects Update paper and advise on future methods of updates required.

6.   Link to Strategic Risk Register

Information in this report is intended to provide Board members with reassurance that actions and activities are being progressed and addressed that support the mitigation of a range of risks identified within the Strategic Risk Register – COVID-19 Specific Mitigations.

Author: Kevin Murphy, Director of Curriculum & Attainment
Executive Sponsor: Simon Hewitt, Principal

BOARD OF MANAGEMENT

Tuesday 15 December 2020

STRATEGIC ITEMS

Economic & Social Recovery   **PAPER F**

BOARD OF MANAGEMENT

Tuesday 15 December 2020
Economic & Social Recovery

Paper for information

1. **Introduction**

   This paper aims to give the Board a high-level overview of the types of partnerships, discussions and influence that the College is having, both regionally and nationally, on economic and social recovery. It also aims to identify the various funding streams announced through the Scottish Government's *Programme for Government* and what progress the College has made in maximizing these initiatives and projects.

2. **Recommendation**

   Members are asked to note the contents of this paper.

3. **Our Approach & Principles** – Over the past few months the College has been heavily involved in a number of significant regional discussions, projects and partnerships. We have played a leading role in key discussions and developments and, throughout this period, we have adopted the following high-level principles and approach:

   3.1. *Collaboration & Partnership* – As identified in the new 2025 Strategy, Effective Partnerships is a key priority for the College and, throughout this period, we have championed a 'co-creation' approach to supporting regional recovery and growth. We have been proactive and determined to raise awareness of the vital role the College could and should play in supporting the region both now and in the future.

   3.2. Inclusiveness – It is vital that the College maintains a voice for all citizens of the region and we must ensure that there is fair access to opportunities for everyone within our society. Throughout our discussions we have consistently reiterated the importance of delivering opportunities and options that are accessible to all.

   3.3. Solutions focused – As a College we have strived to be proactive and offer solutions at a time when these are difficult to see. We have taken on a number of lead roles in various projects and groups in a bid to demonstrate our capability and willingness to support the region to build back better.

4. **Our Region & Opportunities** – Throughout this period the College has led and been part of a number of opportunities throughout the region, the following section summarises these, with a visual, high-level overview of these opportunities also shown in *Appendix 2*.

   4.1. Economic Recovery/Growth Seminar - The College led a virtual Economic Recovery Seminar on the 27th November, in partnership with Perth College UHI. This seminar involved key stakeholders from all over the Tay Cities region such as SDS, Angus Council, Dundee City Council, Perth & Kinross Council, D&A Chamber of Commerce and Business Gateway. Supporting us with the facilitation of the seminar was Ross Martin (Chair of Forth Valley College's Board) and Paul Smart, ex Scottish

Government lead for College policy who are tasked by the national College Chairs Group to develop a snap-shot of the role of colleges in their regional economies. The following high-level findings were obtained as part of the seminar:

- Stakeholders agreed that the Colleges should play a key role in economic growth and believed that the immediate priorities were to:
    - Support the delivery of the Tay Cities deal
    - Support underrepresented groups
    - Provide appropriate training and education
    - Support growth through upskilling & reskilling

- Stakeholders agreed that the immediate areas of provision should be focused around the following sectors:
    - Culture Tourism & Hospitality
    - Care (including. H&SC and ELC)
    - Manufacturing & Engineering
    - Energy, Renewables & Offshore Wind (low carbon growth)
    - Food and Drink
    - Construction
    - Creative & Digital (including cyber, games etc.)
    - Life Sciences

- Stakeholders agreed that there are a number of groups throughout the region and the College is well represented within these forums. However, there is a gap/opportunity for a more focused forum dedicated to shaping education, skills and training. The College will take the lead in establishing this group.

Both Colleges will now meet to discuss the key findings and develop an action plan for how we will collectively deliver and support the findings of the seminar. Further detail of the discussions can be found in *Appendix 1*.

4.2. Tay Cities – The College currently plays a key role in a number of projects within the regional Tay Cities project. Following the announcement by the Chancellor in the November Spending Review that the UK Government has reduced the Tay Cities Deal from 15 years to 10 and pledged £150 million to the deal, supported by £200m funding from the Scottish Government, we are now moving closer to the final signing stages and it is very likely that the Tay Cities Deal will be signed by the Scottish and Westminster governments before Christmas. The College has key involvement in the following bids which will support both economic and social growth:
- Tay Cities Engineering Partnership (TCEP) which focuses on advanced engineering and manufacturing in Angus. This is a £4.2m project.
- Supporting the development of our business-base which is designed to support SMEs, in particular micro businesses.
- Growing the Tayside BioMedical Cluster which aims to establish a training package that will support the Biotechnology and Medical Technology sector. This is a £25m project.

4.3. Michelin Scotland Innovation Parc (MSIP) – The aim of the MSIP project is to create a sustainable mobility & low carbon energy parc on the previous Michelin site. The College will lead on an Advanced Skills Academy which will develop the future workforce skills in low carbon, green energy, hydrogen, battery storage, offshore wind, remote control systems, and advanced manufacturing. An Innovation Centre is also planned to allow research, prototyping and development with the College, Universities and Industry partners.

4.4. <u>Digital</u> – The College has also been involved in a number of discussions regarding the enhancement and development of digital skills within the region. These discussions have centred around developing a more joined-up approach to delivering digital skills which isn't organisation specific but more collaborative and partnership focused. Five strands/workstreams have been identified, these include:
- **Neurodiversity**
- Research & Development
- **Schools Engagement**
- Employer Led
- ***Upskilling/Reskilling***

Whilst discussions are ongoing, it is hoped that the College will **lead** in two of the five workstreams and undertake a ***joint lead*** in one.

4.5. <u>Abertay University</u> – As part of the SFC Review, but also with a view to supporting regional recovery, the College has been working with Abertay on two specific projects. The first project is aimed at developing a wider, collective offer in the Business subject area. The second project is in the area of eSports with a number of meetings having now taken place at curriculum level to explore the course frameworks and progression pathways. Partnerships have also been established with NESCol, Glasgow Clyde College, the British eSports Association and Amazon Web Services (AWS) to support the development of a centre of excellence for eSports in Dundee.

4.6. <u>Employability Review</u> – The College has been heavily involved in the development of the new Dundee Discover Work Service Employability Strategy. The Service Design Academy led a workshop on 25th November with all key stakeholders who deliver employability services within Dundee. This session explored the current challenges and potential opportunities with Scottish Government initiatives such as No One Left Behind and the Young Persons Guarantee. The output of this session with be used by consultants, Rocket Science, to form the basis of the new strategy and action plan. The College has also been supporting Angus Council with the re-establishment of employability services within Angus and will play a key role in both planning and delivery.

4.7. <u>Eden Project</u> - Following the [announcement in May](#) of the Eden Project undertaking a feasibility study into a potential new project in Dundee, the College has been in early discussions on what our role could and should look like, and how we can become a strategic partner. Early discussions have identified potential partnerships/collaborations with areas such as Creative & Digital, Horticulture, Business and Hospitality.

5. **Our Sector & Wider Initiatives** – As part of the Programme for Government it was announced that £100m would be focused towards skills and employment. Of that £100m, £60m would be focused on those aged below 25 with £40m focused on 25+. Below is a breakdown of our understanding of the funds, how they will be distributed and what our role will be in delivering these:

5.1. *Young Persons Guarantee (YPG)* - The YPG is a £60 million fund aimed at ensuring every young person aged between 16 and 24 will be guaranteed an opportunity at university or college, an apprenticeship programme, employment including work experience, or participating in a formal volunteering programme. This will be backed by additional funding for apprenticeships and the new Job Start Grant. The £60m is broken down as follows:

Amount	Target	Focus
£30m	Local Authorities	To enhance the existing employability 'No one left behind' initiative.
£10m	DYW	Additional support to Developing the Young Workforce regional groups which will see a 0.5FTE resource placed in every secondary school.
£10m	SDS/Colleges	Pathways to Apprenticeships, of which the College has been allocated £332,960 following a bidding process
£10m	Colleges	*Yet to be announced*

5.2. *National Transition Training Fund* - A £25m fund to provide retraining, upskilling and reskilling opportunities for approx.10,000 people across Scotland who have lost their jobs or are at risk of doing so. This funding has been broken into two phases, the first phase (£11m) has been allocated to those who provide Employability Fund opportunities, so not specifically allocated to Colleges. The second phase (£14m) will be allocated to 'sector led responses' and will go through a bidding process at a local level. Colleges will have the opportunity to bid into these funds however detail on this is yet to be announced.

5.3. *Flexible Workforce Development Fund (FWDF)* – The Scottish Government announced that it is doubling the current Flexible Workforce Development Fund to £20m - enabling levy paying employers to access up to £15,000 worth of training and development each to address skills gaps in their workforce. Originally £10m for Colleges, this was increased to £13m, specifically for delivery to levy payers, with £7m allocated to supporting SMEs, only £4m of which Colleges can access. £1m has been allocated to the Open University and £2m to private training providers.

5.4. Mental Health Funding – In November it was announced that an additional £1.32 million would be allocated to Colleges and Universities to support students who have been impacted by mental health issues as a result of the pandemic. We welcome this additional funding and await how this will be allocated.

5.5. Kickstart – The College are looking at ways in which we can work closer with the Dundee & Angus Chamber of Commerce. As well as involving them in the Economic Recovery project, we are also working closely with them to support the delivery of the Kickstart Scheme to support work placements for young people within the College.

6. **National Funding Opportunities Summary** – Below is a summary of the national initiatives where we know funding will specifically be allocated to Colleges.
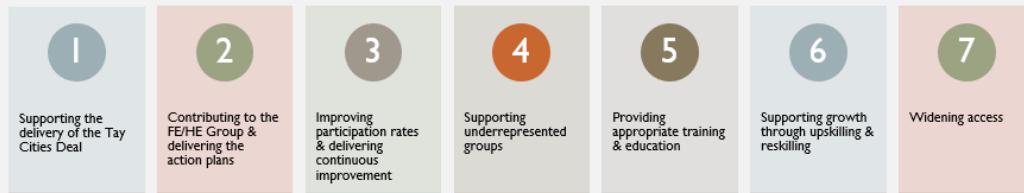
Initiative/Project	Value (College)	College Role/Influence
YPG: College related activity (TBC)	£10m (D&A TBC)	Yet to be confirmed
YPG: Pathways to Apprenticeships	£10m (£332,960 to D&A)	£332,960 if we hit all of the outputs, this is based on 96 starts across 5 frameworks. Business Skills, Engineering, IT Hardware, IT Software and Social Sciences

FWDF: Levy payers + SMEs	£20m (£607,852 + £157,135 to D&A)	Delivery to both levy payers and SMEs
Mental Health Funding	£1.32m (D&A TBC)	Yet to be confirmed – Colleges & Universities
National Transition Training Fund	£14m (D&A TBC)	This will be dependent on the bidding criteria
Skills Boost	£2.2m (D&A TBC)	Yet to be confirmed

Author & Executive Sponsor: Simon Hewitt, Principal

Appendix 1 – Outputs from Economic Growth Seminar

WHAT YOU SAID
OUR ROLE IN SETTING THE REGIONAL INCLUSIVE ECONOMIC GROWTH AGENDA

1	2	3	4	5	6	7
Supporting the delivery of the Tay Cities Deal	Contributing to the FE/HE Group & delivering the action plans	Improving participation rates & delivering continuous improvement	Supporting underrepresented groups	Providing appropriate training & education	Supporting growth through upskilling & reskilling	Widening access

WHAT YOU SAID
KEY ECONOMIC SECTORS VITAL TO RECOVERY & GROWTH

CULTURAL, TOURISM & HOSPITALITY	CARE (INC. H&SC, ELC)	MANUFACTURING & ENGINEERING	ENERGY, RENEWABLES & OFFSHORE WIND (LOW CARBON/CLEAN GROWTH)	FOOD & DRINK	CONSTRUCTION	CREATIVE & DIGITAL (INC CYBER, GAMES ETC.)	LIFE SCIENCES

WHAT YOU SAID
THE REGIONAL
GROWTH
PROSPECTUS

Courses to support delivery of Tay Cities regional economic strategy and action plan focused on growth sectors

Growing capacity in the digital sector - significant skills shortages and annual growth of circa 20%

Priority needs to shift towards supporting higher value job

Should be aligned to areas of growth in the immediate and medium term

Delivery of actions in Tay Cities action plan

Numbers of students completing courses in relevant sectors

Percentage of students going on to relevant positive destination (including employment)

KPI's such as course graduations, apprenticeship trained and paired with businesses, number of individuals re-trained to gain new employment and also number of partner referrals

College outputs need to be captured as part of the wider Regional Economic Strategy monitoring and evaluation process

Improved participation from hard to reach groups, improved participation from a diverse group of employers to shape skills planning

WHAT YOU SAID
HOW WE SHOULD
BE MEASURED

WHAT YOU SAID
COLLEGES MEETING THE STRATEGIC ECONOMIC POLICY PRIORITIES

Delivery of skills and training to meet needs of these sectors; promotion of career opportunities to those in the area.

Colleges need to re-assess/review activities and priorities against emerging issues.

The Colleges have to be a key partner working alongside the industry experts and businesses in these fields to learn the problem areas

Better understanding of opportunities and better responsiveness to specific demand

By being responsive to employer needs now and with an eye to the future for skills in demand, industry to co design and co deliver

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Great opportunity to add to the regional action plan, really focus on skills needs of area and provide courses and training that meet sector needs in the area

There's already a draft Regional Economic Strategy and Action Plan - would it not be more fruitful to align the two?

There are significant projects on the horizon and so it is important that the growth prospectus is launched well in advance of these.

WHAT YOU SAID
FINAL COMMENTS
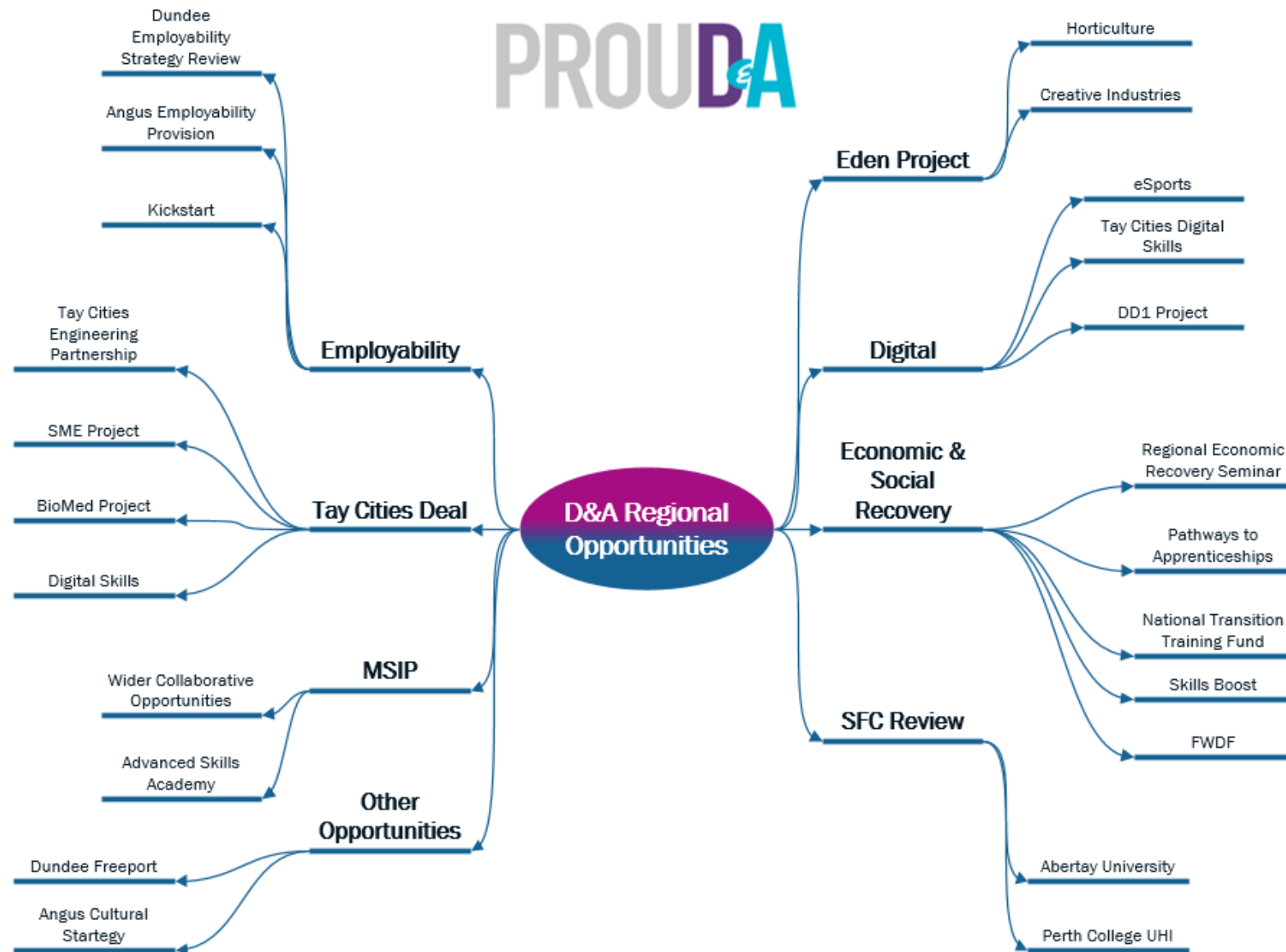
BOARD OF MANAGEMENT

Tuesday 15 December 2020

STUDENTS' ASSOCIATION REPORT   **PAPER G**

Students' Association

Learner Representative Update

Update – 28ᵗʰ October 2020

1. **A New Member to the Team!**

We would like to introduce our newest member of the team, Lee Paterson.

LEE
PATERSON

DUNDEE & ANGUS
COLLEGE
STUDENTS' ASSOCIATION
ASSISTANT

GARDYNE CAMPUS

l.paterson@dundeeandangus.ac.uk

Lee is one of our Sports & Coaching students from the Saltire Centre who is taking on the role of Students' Association Assistant at the Gardyne Campus as well as a joint Health & Wellbeing project with Crianne. Lee started in his role during September and has very quickly become part of the team. He has given a new perspective and guidance on exercise and wellbeing to be included in our Wellbeing Hub for students. Welcome to the Team Lee!!

2. **Class & Lead Rep Recruitment & Training:**

This time of year, we are busy promoting the Students' Association and the role of both class and lead representative to encourage student representation across the College. The voice of the students is as always, our main topic for the academic year, this year focusing on promoting feedback in learning and teaching as a priority. The SA have virtually attended over 100 classes to talk to them about the importance of each of the roles as well as all the other activities and events that the SA has on offer for them to enhance their student experience at Dundee & Angus College. There has been, as we expected a dip in the number of students signing up or volunteering for these roles this year, which we have accredited to the remote learning set up for most of our students and the social impact that this has had on classmates getting to know one another. We have, however, set up a Students' Association Teams page that all students

will be added to soon which will allow us to promote these roles and encourage others to undertake them. (Please see more information in the next section)

Class and Lead Rep training has been designed for the student reps by the student reps with a little input from the SA Team and College Senior Management Team through various Miro workshops and consultations. As a result of student feedback, the training this year will consist of a Rise 360 online course that will be available as a resource to the representatives throughout the year to dip in and out of for the duration of their time as a representative. We have worked with the information gathered from the various workshops and consultations to ensure that all aspects of the roles have been explained and taken into consideration, you can see a copy of the Class Representative Training here. We have sent this out to the SA Team and members of the College Executive for feedback and will be testing it out on a couple of our returning representatives before launching it next week for the Class Rep training workshops, we would welcome any feedback that you might have on the Rise Course.
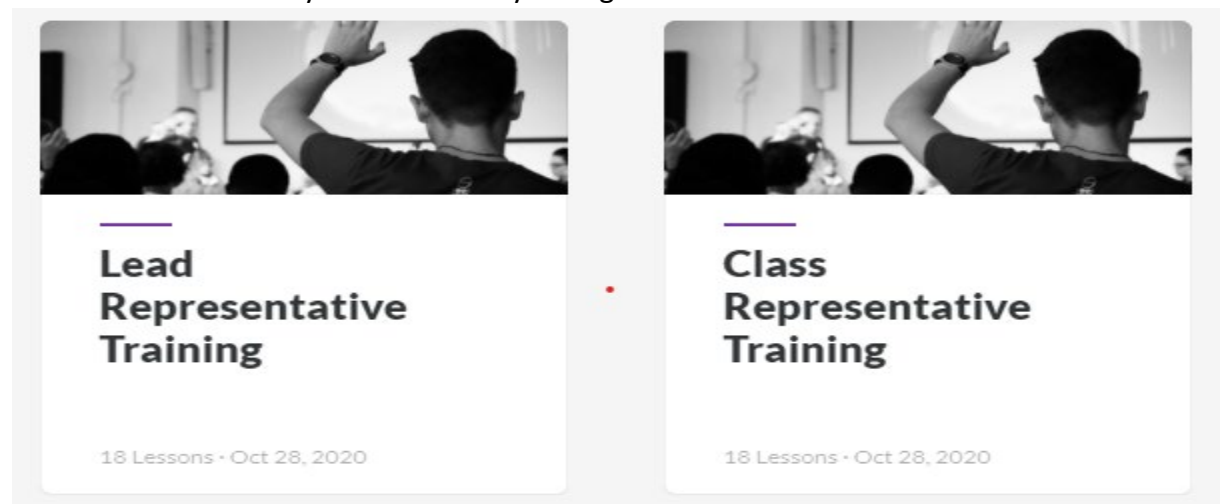
As previously mentioned, we are also carrying out representative training workshops that will support and interact with the Rise Course that is available. The workshops are a mixture of Teams meetings and Miro Boards that will allow our students to fully interact with the materials and allow them to try things out for themselves. This will also allow students to ask questions during the workshops to gain a better understand of what is expected of them. As with everything that we do, we will be gaining feedback from the students who have used both the Rise Course and the Miro Workshops to allow us to continually improve our services.

3. **Students' Association Teams Page**

With remote learning and delivery becoming the way of life for College students for the foreseeable future we decided that we would require another way of ensuring that we are connecting to all the students across the College. We understood that not all students have access to social media or wish to do so, therefore we embarked on creating a new Students'

Association Teams page where all students from across the whole College would be added to it with the option for them to remove themselves should they not wish to be included. We decided that this would allow us to gain access and provide information to a wider range of students from across the College and hopefully allow us to connect with students that we have previously not been able to engage with the Students' Association, such as part-time students, evening classes and apprentices.

We are in the final stages of the construction of this page, as we did not want to add all students and for there to nothing on the pages for them to engage and interact with. We have populated the Teams Page with useful links to services within the College, as well as created individual closed channels for Class and Lead Representatives in order to convey information and gain feedback in one central place. In addition, the creation of the Teams Page has allowed us to use the opportunity to virtually run some clubs and groups through locked channels on the page. There is currently a survey out to students to gain an understanding of the clubs and groups that they would like to see in a virtual platform, and we will use this to continue to provide social opportunities for our students across the College and cross campuses. As always this will be an ongoing process for the SA, and we will continue to develop and increase these opportunities through working in partnership with our students.

4. **Cross College:**

The SA have been working to promote the COVID 19 guidance through interactive means, we have created several Tiktok videos to support students understanding of the current mitigations put in place by the College to allow for their safe return to campus. These were used in student communications across the College as well as our social media.

The SA also took part in EduJam to promote the use of Service Design in education, we created a virtual exhibition that allowed individuals and groups from across the world to interact and engage with our presentations about our utilisation of Service Design within the Students' Association. This was a fantastic opportunity to showcase the amount of services and work that we have carried out as a result of working with our students as co-designers to provide the right things for them. The whole team enjoyed taking part in these sessions and taking the time to celebrate our achievements through using Service Design.

Our Live Q&A's resulted in a number of questions being asked by the students who attended, and it was suggested that we post the answers on our social media so that other students had access to the information that was passed on. We added these as "You Asked, They Said" posts on our Facebook and Twitter accounts. These have been popular with student and have answered many questions that they may have had but did not know where to ask. We have

also been asked to carry out a few more of the Live Q&A sessions as an ongoing event for the students to take part in.

5. Newsletter:

We continue to publish the monthly Students' Association Newsletter. The Newsletter gives us the opportunity to collate all the recent Students' Association activities, campaigns, partnerships and up to date information directly to students via their group tutors and we will be adding new Class Reps and Lead Reps to the recipients list in November. And now, as requested, the newsletter is uploaded to the Board of Management Microsoft Teams page to share with all members. As always, we like the keep the content, uplifting and positive as well as factual. The popular #moresuccessfulstudents feature will be returning in the October edition to highlight positive student stories.

The Lead Rep of the Month is celebrated again this Month with Childcare student Bethany Knight receiving the accolade. Bethany has shown dedication to the Students' Association across the summer and into the new academic year by continuing to be engaged with feedback, communication and took part in the campus Empathy Walks prior to the college fully re-opening to all students. She always is one of the first to respond to any contact or emails from the Students' Association and is a valuable part of the wider SA team. The September edition took the opportunity to re-enforce the new COVID Campus guidelines and signage with the backing from Billy Grace.

Going forward, we are working as a team to build the Newsletter audience in any way we can each month and will also encourage staff and students to inspire the content to celebrate all our successes.

6. Support Network:

Teams/Facebook Video Calls:

The SA Team have continued to spend time on calls and video calls, often late into the night, with students for a mix of reasons. Often those who are feeling isolated, lonely or a little bit

lost throughout this time. These are often just a cuppy and a chat to catch up on how they are doing and feeling. This is often the only form of human or adult contact that they have as part of their day and has proved to be a positive and welcome addition. We have prided ourselves on continuing to grow the D&A Family and provide the human element to our remote and digital lives.

Our social media Wellbeing Hub on Facebook is also encouraging students to join in and engage with virtual "Cuppy" meetings on Teams with Crianne and Lee. The Wellbeing Hub will take a positive approach to student wellbeing and promote positive mental health, strategies and tools for approaching student finances and other useful hints and tips. We are looking forward to this group growing from strength to strength.

#MEETMEMONDAY

Hi everyone! My name is Simon Hewitt and I am the Principal at D&A. I have worked in the College for 12 years now, starting off as a Lecturer in Computing.
Over the past 12 years I have been extremely lucky to work with (and be inspired by) so many amazing students and staff. Colleges are special places, they turn kids into adults and adults back into kids. They change lives daily, weekly, monthly and yearly.
Our College is particularly special, we are a family, the D&A family, and I am proud of the impact we have on people's lives.   We do everything we can to give our students the best experience possible and we are consistently one of the best Colleges for overall performance and student satisfaction, so we must be doing something right!
Outside of college I am married with 3 young kids. Twin girls, Jessica & Amelia are 6 and our son, Joshua, is 2. All three keep us on our toes, in fact it is like herding cats at times, but they are the centre of our world and I am glad I work in a place that can make a difference to theirs, and so many other people's futures.

In addition, Meet Me Monday's have started again on our social media to allow our students to become more familiar with different staff from around the College and to continue the understanding of the human element to staff. This was popular last academic session with both staff and students and allowed our students to see the human side of our staff at the College and promote the respect message.

Virtual Class Visits:

The SA Team have been in and out of Teams calls with several different classes across the College to promote student representation and the roles of Class and Lead Reps, however, we have also taken this as an opportunity to promote the family and human element to the SA. The classes that we have visited have allowed us to talk about the SA being a safe space that we would normally welcome them into, however due to the current situation we would not be able to invite them into the offices for a chat. We do stress though that we are available for an online chat and virtual cuppy should they wish to do so. This has seen several students reaching out to us to gain support throughout this time, we have referred students onto Student Services where we think that the individual student would benefit from these services. Other students have just reached out for a cuppy and a chat like they would if the offices had been open, we welcome this social aspect to continue as it allows the students to continually engage with the SA.

7. **Community Engagement:**

In conjunction with the Hair, Beauty and Complementary Therapies department we are running a Halloween make up competition, this is also going to be opened out to the public to continue our community engagement. The competition will also go towards supporting students in the department to carry out work that is relevant to their courses and therefore strengthening the links between the Students' Association and departments from across the College. Students are submitting their photographs to the SA and we will be posting them on social media, the person with the most likes on a post will be crowned the winner of the competition. The winner will receive a special Halloween Sweet Treat!!!!

To continue with the Halloween theme, we are also running a pumpkin carving competition and the winner of this competition will be decided by the College Principal, although he does not know this yet (Sorry Simon!) The winner of this competition will receive a £20 Domino's Pizza voucher to spend in their local Domino's. We are looking forward to seeing the results and creativity of our students and local community.

Going forward we are also in the beginning stages of creating "DASA's Big Night In" which is going to be a surprise for December, so we are not letting you know any more! Shhhh it is a secret. We will let you know that the fund raising from this will be put towards to Kindness Fund and will be used to give a huge boost to students or staff from across the College in January.

BOARD OF MANAGEMENT

Tuesday 15 December 2020

PRINCIPAL'S REPORT   PAPER H

BOARD OF MANAGEMENT

Tuesday 15 December 2020
Principal's Report

Paper for information

1. Introduction

Whilst dealing with the impact of the COVID-19 pandemic has occupied a significant amount of time and energy, the Executive and Senior Leadership Team have tried, where possible, to ensure 'Business as Usual' in regards to the planning and implementation of a range of projects which will benefit our learners and region. The following paper summarises key projects and recent activities currently being progressed and have been aligned to the three core pillars of the new 2025 More Successful Students strategy (*Effective Partnerships, Future Focused & Thriving Community*).

2. Recommendation

Members are asked to note the contents of this paper.

3. Effective Partnerships

3.1. <u>Discover Work Service Employability Strategy</u> – As reported at the September board meeting, the College has been heavily involved in the development of the new Dundee Discover Work Service Employability Strategy. The Service Design Academy led a workshop on 25th November with all key stakeholders who deliver employability services within Dundee. This session explored the current challenges and potential opportunities with Scottish Government initiatives such as No One Left Behind and the Young Persons Guarantee. The output of this session with be used by consultants, Rocket Science, to form the basis of the new strategy and action plan.

3.2. <u>Angus Employability Service</u> – The College has also been involved in recent discussions to support the re-establishment of employability services within Angus. Working in partnership with other key stakeholders throughout Angus, the College is playing a key role in shaping this new offer which also has the potential of delivering elements of the provision/offer.

3.3. <u>eSports</u> – The partnership with Abertay University on eSports continues to gather pace and a number of meetings have now taken place at curriculum level to explore the course frameworks and progression pathways. Partnerships have also been established with NESCol, Glasgow Clyde College, the British eSports Association and Amazon Web Services (AWS) to support the development of a centre of excellence for eSports in Dundee. The College also took part in the inaugural eSports Scottish College Cup on the weekend of 28th and 29th November. Unfortunately, we didn't win but we are now on the eSports map!

3.4. <u>Workers Educational Association (WEA) Scotland</u> – Early discussions have been held with the WEA Scotland to explore a range of potential ways to work in partnership in order to enhance the student experience. Potential areas of

collaboration include extending the WEA offer to our learners that need additional academic support, as well as exploring ways in which the WEA staff may support the delivery of initiatives such as the Flexible Workforce Development Fund where the College has limited capacity.

3.5. SQA – We continue to play a key role, in partnership with colleagues from across the sector, in shaping the direction and subsequent guidance for both National Qualifications and HN/VQ qualifications for the 20/21 and 21/22 academic years. Discussions have been protracted and, at times, challenging but we are hopeful that key decisions will be announced soon that are in the best interests of students and staff, but also maintain the integrity of the qualification.

3.6. Eden Project – Following the announcement in May of the Eden Project undertaking a feasibility study into a potential new project in Dundee, the College has been in early discussions on what our role could and should look like, and how we can become a strategic partner. Early discussions have identified potential partnerships/collaborations with areas such as Creative & Digital, Horticulture, Business and Hospitality.

3.7. Helm Training – The College has had a longstanding relationship with the Helm Training in Dundee and, following the appointment of their new Chief Executive, Ally Calder, we are discussing ways in which we can grow that partnership and support more learners to transition into College from this route.

3.8. Energy Skills Partnership (ESP) – The College chairs both the ESP Management Group and its Steering Group, with recent conversations centred around maximising the opportunities highlighted within the Programme for Government agenda, in particular the Green Jobs Fund and the Energy Transition Fund. Other key priorities are around supporting the sector in the development of both digital resources and digital assessment to ensure best use of time and resource throughout the sector

4. Future Focused

4.1. 20/21 Retention – We remain cautiously optimistic on both retention and engagement for the current academic year with current withdrawal rates looking slightly lower than the week 11 equivalent last year:

2019/20		2020/21	
Early (all)	2.6%	Early (all)	2.4%
Early (FT)	5.2%	Early (FT)	4.4%
Further (all)	4.7%	Further (all)	4.5%
Further (FT)	7.3%	Further (FT)	7.2%

We continue to monitor and prioritise student engagement and attendance.

4.2. Tay Cities – Digital Skills – A sub group of the Tay Cities skills group has been formed to look at how the project can support the enhancement of digital skills throughout the region. Two workshops have been held to date, the first one on the 26th November looked at demand within the region and the second one on the 7th December looked at provision available and any potential gaps. The output from both of these sessions will be collated into the wider Tay Cities Skills action plan.

4.3. Economic Recovery Seminar – The College hosted a virtual Economic Recovery Seminar on the 27th November, in partnership with Perth College UHI. The seminar

involved key stakeholders from all over the Tay Cities region such as SDS, Angus Council, Dundee City Council, Perth & Kinross Council and Business Gateway. Supporting us with the facilitation of the seminar was Ross Martin (Chair of Forth Valley College's Board) and Paul Smart, ex Scottish Government lead for College policy who are tasked by the national College Chairs Group to develop a snap-shot of the role of colleges in their regional economies. The seminar was extremely engaging with participants completing a survey prior to the event which allowed a much more detailed and constructive discussion. Both Colleges will now meet to discuss the next steps and how we collectively support regional growth.

4.4. <u>Pathways to Apprenticeships Success</u> – SDS recently released a new initiative, <u>Pathways to Apprenticeships</u>, to tackle youth unemployment and support more young people in preparing for an apprenticeship. Following the Colleges bid for places we have successfully gained £332,960 if we hit all of the outputs, this is based on 96 starts and £172,960 of that is start payments if we hit 96 starts. These are in the areas of Business Skills, Engineering, IT Hardware, IT Software and Social Sciences.

4.5. <u>HN Next Generation Update</u> – The College chairs the SQA HN Next Generation implementation group. The Next Gen project has been established to re-evaluate and redesign the key HN qualification. Significant progress has been made in the past 3 months and the project is now moving towards a pilot stage which the College are hoping to be involved in. This pilot is a significant first step in reimagining HNC/D qualifications and making them more future focused.

4.6. <u>Key Staff Recruitment</u> – The College is pleased to have concluded the recruitment process for two key roles in shaping the future of the College. Julie Grace has been appointed as the new VP Curriculum & Attainment and has already started in her new role. Caryn Gibson, current Depute Operations Manager at Tayside Business Gateway, will also join the college in January as our new Economic Partnerships Manager.

5. Thriving Community

5.1. <u>Period Poverty</u> – Tatiana Zorina started a new role as Period Poverty Project Officer from 1 September 2020 following a service design project which ran over the summer months through MS Teams. As part of the project, Tatiana has developed a package of period education sessions with over 320 students already engaging in period education so far. As part of the project Tatiana also runs sewing classes where students learn how to sew their own reusable period pads and, so far, around 50 students have attended these sewing sessions. On the back of the sewing classes, she has launched the #PadPals project, where Tatiana has made contact with a charity in Kenya and is hoping to provide 20 girls at the Computing Community College in Balonzi, Kenya with 5 reusable pads each sewn by our own D&A students.

5.2. <u>Student Satisfaction Survey</u> – The Learner Survey ran over the past few weeks and closed on Friday with just over 3200 responses, some really positive star ratings, and some 7000 text responses across all of the questions. The Quality team are working hard to pull together all of the feedback and to present this in our usual format. However, in the meantime – here are the "scores" at whole college level:

- Average across all responses/all questions: **4.3 stars (out of 5)**
- Feeling welcome and valued: **4.36 stars**
- Learning experience so far: **4.12 stars**

- Our staff: **4.57 stars**
- Platforms and places for learning: **4.04 stars**

5.3. <u>Student & Staff Q&A</u> - On Thursday 22nd October, Gary Robinson interviewed me, asking specific questions that were submitted by staff before the October break. The interviews were broken into 2 x 25 minute videos and covered various questions such as wellbeing, Tay Cities, the future of learning and teaching and how the College was planning to take advantage of all of the opportunities within the region. You can see the videos here: <u>video 1</u> & <u>video 2</u>. The Executive Team also met with the Student Association representatives (16th November) and the Lead and Class Reps (25th November) to field a number of questions regarding COVID concerns, progression, attainment and additional support. These sessions were extremely positive and made us all really proud of our students and staff.

5.4. <u>Additional Support for Staff</u> - Following the recent staff pulse survey results and through various forms of feedback from staff and teams, the SLT had recognised the impact that the current challenges were having on the workload of all staff throughout the College and we wanted to do more to help support staff, and ultimately students, through this period. Over the past few weeks the SLT have worked on a package of support for staff to assist with ongoing workload challenges and, through a range of savings and budget adjustments, the following has been made possible for Semester 2 and through to the end of this academic session:
- HN Guidance hour added to timetables
- No reduction in hours for HN courses where graded units have been waived
- Fund of around 2,000 additional hours to support L&T demand in semester 2
- Use of the Government's Kickstart scheme for Support areas

The above steps will add around £190,000 of additional staff input during semester 2 and will hopefully alleviate the pressure on staff throughout the College.

National:

5.5. <u>VP Curriculum Network</u> - The College chairs the newly formed VP Curriculum Group with a specific remit for collectively supporting the sector in the delivery of the curriculum in the academic year 20/21. This group has already worked collaboratively with Education Scotland, SQA, SFC, SAAS and other key agencies to provide support and advice for key approaches to supporting the sector throughout 20/21.

5.6. <u>Investable Propositions</u> - The College has played a leading role in providing a selection of Investable Propositions which were presented to Scottish Government in a bid to inject additional funding into the sector. At the request of Colleges Scotland, I presented these propositions on behalf of the sector to the Scottish Parliament Cross Party Group on Skills on the 8th December.

5.7. <u>CDN Awards</u> – Following the Colleges nomination for two awards in the annual CDN Awards on the 3rd December, we are pleased to announce that we won the Inclusive College award for the 'Find your Future' Child Poverty Project and received a commended award for the Essential Skills Award for the Escape Rooms, a Good to Great funded project.

Author & Executive Sponsor: Simon Hewitt,
Principal

BOARD OF MANAGEMENT

Tuesday 15 December 2020

FINANCE & ESTATES

Estates Development Update   PAPER I

Board of Management Committee
Tuesday 15 December 2020

Kingsway Campus: Hair, Beauty and Complementary Therapies Update

For approval

1. INTRODUCTION

In September, Board members were updated on the situation with regards to the alternative options for the Hair, Beauty and Complementary Therapies (HBCT) facility. As advised to the Board, options were to be presented to the Finance & Property Committee for consideration. At the meeting of 8th December the Finance & Property Committee approved the recommended Option 2.

This paper presents Option 2 and asks that the Board approve approaching Dundee and Angus Foundation for an additional £500k to support the development.

2. RECOMMENDATION

Board members are asked to note:
a) Approval of Option 2 by the Finance & Property Committee
b) Approval for the use of 2021/22 SFC Capital Backlog Maintenance Grant
c) An update on the option being progressed to be advised to SFC, with a request for further financial support if this is available, albeit unlikely.
d) An update on the option being progressed to be advised to Dundee and Angus Foundation and seek to confirm funds being held.

Board members are asked to approve:
e) Subject to the funds being held by the Foundation, a further approach to be made to Dundee and Angus Foundation to seek an additional £500k, on top of the already approved £3.3m

3. EXECUTIVE SUMMARY

Phase 1 of the Kingsway Campus Tower Block Redevelopment Project commenced in June this year with the intention of creating the HBCT facility and the initial stage of the student frontline services and student social space.

The student frontline services and social space areas were successfully completed, however a significant structural defect in the roof slab was discovered in the location identified for the HBCT facility which will result in the demolition of the entire structure.

The College is still committed to creating the state-of-the-art facilities for HBCT facility and an options appraisal paper was presented to the Finance & Property Committee proposing 4 different options for providing high quality learning and teaching in a modern, fit for purpose environment -

- Option 1 – Do nothing
- Option 2 – New build on the site of the demolished library block on the Kingsway Campus.
- Option 3 – New build on an alternative location site within the Kingsway Campus
- Option 4 – Re-locate the Hair, Beauty and Complimentary Therapies facility on another campus – Gardyne or Arbroath

The recommendation to the Finance & Property Committee was to proceed Option 2 and this was unanimously supported by Board members.

The College has already secured funding support from the Scottish Funding Council for the demolition of the existing structure and the design fees for the new build.

Option 2 - New build on the site of the demolished library block on the Kingsway Campus

Progressing Option 2 will enable the College to create a brand new learning and teaching environment that aligns with the original intentions in the location with easy access to first-class front-line services. There are also a number of elements which support the college's preference to proceed with Option 2 -

- Achieves the objectives of the Estates Strategy
- Supports the gender balance of the Kingsway Campus
- SFC has offered to fund the design + survey works
- Some of the original survey and preliminary works do not require to be repeated
- Utilities services are already in place.
- Mechanical and Electrical infrastructure for new facility has already been installed.
- A new Hair, Beauty and Complementary facility is a key element in creating a new 'heart' of the campus

Following the approval form the Finance & Property Committee to proceed with Option 2, work on the full design of the new build will commence – full funding for this has already been secured via the Scottish Funding Council.

The demolition of the existing will begin at the start of January 2021. Full funding for this has also already been secured via the Scottish Funding Council.

The high level costs for the new build have been provided with costs estimated at - £1.56m (incl VAT) The costs to complete Phase 1 and Phase 2 of the original project would be £3.34m (incl VAT) which are in line with the original submitted tender prices.

SFC also confirmed that using future Capital Backlog Maintenance Grant funding for the new build would meet the required criteria.

The table below details the projected costs for the completion of the project –

Project Element	Projected Costs (£)
Demolition of existing building	268,000
Design Fees for New Build	211,000
Cost of New Build	1,560,000
Completion of Phase 1	1,991,000
Cost of Phase 2	1,346,096
Project Contingencies	354,000
Project Preliminaries	687,600
SCAPE Fee	225,600
Total	**6,642,696**

The table below details the funding already in place for the proposed project –

	Funding Source	Amount
Demolition Costs	SFC	268,000
New Build Design Fees	SFC	211,000
Balance of 2020/21 Capital Backlog and Lifecycle Grant Funding	SFC	327,000
Additional Capital Backlog Maintenance Funding (2020/21)	SFC	515,000
Foundation Grant	DAF	3,300,000
	Total	**4,621,000**

This means that the level of funding required to complete the proposed new build and to complete Phase 1 and 2 of the original project would be approximately **£2m.**

The College would utilise the 2021-22 Capital Backlog Maintenance Grant allocation to part fund the £2m required. The intention will be to make a further approach to SFC to advise that if further capital funds were available we would obviously gratefully receive them. We are also now in a better position to update Dundee and Angus Foundation on the way forward and we would intend to approach the Foundation for an additional £500K. The Finance & Property Committee were keen to ensure that the Foundation's funds did not fall below £1m so we will seek to confirm the level of funds being held.

As part of the 2020/21 FFR assumptions Colleges were asked to assume the same levels of Capital Backlog Maintenance Grant funding in 2021/22 as in 2020/21, which was £2.476m

The intention would be to make a further bid to the Dundee and Angus Foundation for up to £0.5m contribution to the new build and to complete the other phases as per the original proposal with the remaining balance coming from the Capital Backlog Maintenance Grant for 2021/22.

Author: Billy Grace, Head of Estates
Executive Sponsor: Jaki Carnegie, Vice Principal – Corporate Services

BOARD OF MANAGEMENT

Tuesday 15 December 2020

FINANCE & ESTATES

Annual Report from Audit & Risk Committee   PAPER J

BOARD OF MANAGEMENT

Tuesday 15 December 2019

Annual Report from the Audit and Risk Committee

Paper for approval

1. **Introduction**

   The Audit & Risk Committee is required to report annually to the full Board on its activities, and on the reports presented to the Committee by the College's internal and external auditors.

2. **Recommendation**

   Members are asked to discuss and agree the contents of this report for submission to the Board of Management in December 2019.

3. **Background**

   In accordance with the Scottish Government Audit and Assurance Committee Handbook ("the Handbook") the Audit & Risk Committee is required to provide the Board with a written annual report, timed to support the finalisation of the accounts and the governance statement, summarising its conclusions from the work it has done during the year.

   This report is intended to be presented to the Board by the Chair, on behalf of the Audit & Risk Committee to cover the period of its operations in relation to the financial year 2019/20, including the Audit & Risk Committee meeting held on 22nd September 2020.

   This is the draft report, which following discussion and agreement on its content by this Audit and Risk Committee will be submitted to the full Board at its meeting of 15th December 2020.

4. **Overview**

   4.1. The period of this Annual Report includes the consideration of the statutory accounts for 2019/20, together with the associated 2019/20 Annual Audit Report from Audit Scotland, the College's External Auditors for the period.

   4.2. The Committee continues to have an oversight of the work of the College's Internal Auditors, Henderson Loggie, and considers reports issued by them.

   4.3. 2019/20 has been a turbulent and unexpected year for the College. At the end of January 2020 the College experienced a significant cyber-attack which paralysed our IT systems and data, followed in March 2020 by the COVID-19 pandemic, which has and continues to affect how the world operates. Both these major events have shaped how the College has operated in 2019/20 as well as how the College has engaged with audit, risk, processes, systems, management, leadership and governance.

4.4. The Committee met three times over the period covered by this report. As the emerging impact of COVID-19 was becoming evident the Committee meeting that was due to take place in March 2020 was cancelled.

4.5. In addition to the reports provided by the College's Internal and External Auditors the Committee considered the following during the course of the year:

- College's Strategic and COVID-19 Risk Registers and the oversight and review of specific risks by committees
- Updates on progress towards implementing audit recommendations; including significantly those recommended as a result of an independent Jisc report into the cyber-attack.
- Procuring the new Internal Audit contract and subsequent reappointment of Henderson Loggie
- Revisions to Policies;
  - Business Continuity
  - Gifts and Hospitality
  - Fraud, Bribery & Corruption
- Agreement of the 2020/21 Annual Internal Audit Plan

5. Committee Membership

The Audit & Risk Committee Membership in the 2019/20 year was as follows:

George Robertson (Chair); Trisha Pirie (Vice Chair); Margo Williamson; Pamela Milne; Kirsty Keay; Helen Honeyman; Michael F Thomson (Co-Opted August 2018).

College staff members – Jaki Carnegie, Vice Principal Corporate Services, and Steve Taylor, Vice Principal People & Performance/Secretary to the Board were also in regular attendance at meetings.

Representatives from Henderson Loggie (Internal Auditor) and Audit Scotland (External Auditor) regularly attend the Audit & Risk Committee.

6. Meetings and Discussions

The Audit & Risk Committee met during the year on the following dates:
- 26th November 2019
- 12th May 2020
- 22nd September 2020

7. Internal Audit

The Internal Auditor's 2019/20 Annual Plan was presented and approved at the Audit & Risk Committee meeting in September 2019. The reports considered by the Audit & Risk Committee under this plan include:

Report	Grading [1]	Committee (2020)	Number of Priority Action Grades [2]		
			1	2	3
Staff Recruitment & Retention	Satisfactory	May	-	1	4
IT Network Arrangements / IT	Satisfactory	May	-	-	6

Report	Grading [1]	Committee (2020)	Number of Priority Action Grades [2]		
Strategy					
Payroll & HR	Good	May	-	-	1
Procurement & Creditors / Purchasing	Good	May	-	-	2
Health, Safety & Wellbeing	Good	September	-	-	-
Follow-Up Reviews	N/A	September	-	-	3
Student Activity Data	Audit opinion unqualified	November	-	-	-
Student Support Funds	Audit opinion unqualified	November	-	-	-

[1] Good - System meets control objectives
Satisfactory - System meets control objectives with some weaknesses present
Requires improvement - System has weaknesses that could prevent it achieving control objectives,
Unacceptable - System cannot meet control objectives.

[2] Priority 1 = Issue subjecting the College to material risk and which requires to be brought to the attention of management and the Audit and Risk Committee.
Priority 2 = Issue subjecting the College to significant risk and which should be addressed management.
Priority 3 = Matters subjecting the College to minor risk or which, if addressed, will enhance efficiency and effectiveness.

The Board and Senior Leadership Team are pleased that our Internal auditors were able to accommodate a timely audit of the College's COVID-19 Health, Safety and Wellbeing arrangements in advance of the official start of the new academic year, providing reassurance that the College's arrangements were good.

The College has made some progress in implementing the recommendations followed-up as part of this review with six of the 13 recommendations followed up being classified as 'Fully implemented'. Three recommendations were assessed as 'partially implemented' and these will be subject to formal follow-up as part of the equivalent review in 2020/21.

In the Annual Report for 2019/20 the Internal Auditor concluded that "the College has adequate and effective arrangements for risk management, control and governance. Proper arrangements are in place to promote and secure Value for Money."

The work of Internal Audit is carried out primarily for the benefit of the Board/Executive of the College and is the single most significant resource used by the committee in discharging its responsibilities to be assured of the overall adequacy and effectiveness of the organisation's governance, risk management and control processes. The relationship between Henderson Loggie and the Committee and College staff continues to be professional, proactive, positive and effective.

The Committee are pleased that all Internal Audits of systems are reported as being satisfactory or good and that there were no Priority 1 issues identified.

The Committee also considers at each meeting a management report on progress made in respect of recommendations made in previous audits. As of September 2020 from the Internal audits undertake in 2019/20 there were 14 outstanding actions, nine of which were "Complete" by September, one of which is not due for completion yet and are "On Track" and three were in progress and within 3 months of the deadline and one which is "Behind Schedule".

Audit Area	Report Grades	Number of Actions Outstanding (& Priority Grades)		
		1	2	3
Staff Recruitment and Retention	Satisfactory		1	4
HR / Payroll	Good			1
Procurement and Creditors/ Purchasing	Good			2
IT Network Arrangement / IT Strategy	Satisfactory			3 3
	Total		1	13

Complete or on target to complete within original deadline
Behind schedule by < 3 months from original deadline
Behind schedule by > 3 months, or in danger of not being delivered

Of the 16 outstanding actions, since the last Audit & Risk Committee, good progress has been made:
- 10 are "Complete"
- 1 is "On Track", in line with the deadline
- 3 are "In Progress" by < 3 months from the deadline
- 2 are "Behind Schedule" by > 3 months from the deadline

As well as the work of Henderson Loggie, good progress is being made in relation to responding to the Jisc report of the cyber-attack.

Of the original 12 recommendations since the report in May 2020:
- 8 have been completed
- 1 is paused due to other related work that will enable progress
- an alternative is being progressed to 1 previously advised as being on hold for further consideration
- 1 is on track
- 1 will not be implemented due to other detrimental impacts

The Committee are satisfied with the progress being made on closing out outstanding actions.

The internal audit contract was awarded to Henderson Loggie in 2015, with an initial contract period to 31 July 2018. During 2017/18 the contract was extended for a further 12 months and in March 2019 the Audit & Risk Committee approved a further 12 months extension. The fee for internal audit activities in 2018/19 was £11k.

The Committee were pleased to award the contract for the provision of Internal Audit services for 2020/21 – 2023/24 to Henderson Loggie. The contract allows for two

extensions of one year after the initial three year period, subject to satisfactory performance.

8. **External Audit of Year End Financial Statements**

The external audit of the Financial Statements to 31 July 2020 was undertaken by Audit Scotland, who were appointed by the Auditor General for a 5-year term from 2016/17 to 2020/21 inclusive.

The fee for the 2019/20 is reported in the Financial Statements to 31 July 2020 as £26k.

The external auditor's Annual Audit Plan was considered by the Committee at its May 2020 meeting and was subsequently published on the Audit Scotland website.

At a joint meeting with the Finance and Property Committee on 8 December 2020, the Audit & Risk Committee received the Annual Accounts for 2019/20, together with the external auditor's Annual Audit Report and the internal auditor's Annual Report to the Board of Management.

The external auditor provided an unqualified report relating to the financial statements and reported that the financial statements of Dundee and Angus College:

- give a true and fair view in accordance with the Further and Higher Education (Scotland) Act 1992 and directions made thereunder by the Scottish Funding Council of the state of the affairs of the college and its group as at 31 July 2020 and of the deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Further and Higher Education (Scotland) Act 1992 and directions made thereunder by the Scottish Funding Council, the Charities and Trustee Investment (Scotland) Act 2005, and regulation 14 of The Charities Accounts (Scotland) Regulations 2006 (as amended).

The Committee reviewed the Annual Audit Report and related work and expressed satisfaction with the assessment provided. In terms of the contribution from the External Auditor, the Committee were pleased with the organisation of the external audit process and the performance and effectiveness of the External Audit team throughout the financial year.

The Committee were delighted to note that all recommendations made in Audit Scotland's Scotland's colleges 2019 report had been actioned.

The Committee were particularly satisfied to note that Audit Scotland reported that the Audit and Risk Committee provide a good level of scrutiny and challenge.

A professional, positive and effective relationship between the external auditor and College staff was reported.

9. **Discussions Between The Audit & Risk Committee And The External And Internal Auditors**

These discussions confirmed that:

- External and internal auditors have been provided with all necessary help and information.
- College staff and managers are operating effective systems of internal control and maintaining accurate and reliable financial records.
- College managers and staff have responded positively and timeously to implement suggested changes for improvement.

10. Risk Management

A Strategic Risk Register has been compiled and this is passed for discussion to the full Board of Management.

Risks are monitored and reported (including reporting to the Board of Management where necessary) at each meeting of the Audit & Risk Committee. Risks (including both pre- and post-mitigation risk ratings) are amended/added/deleted as appropriate through on-going analysis and approval at each Audit & Risk Committee meeting.

During the latter part of 2018/19 the Board agreed that appropriate risks be allocated to each Committee for their regular review and consideration, with feedback on these discussions and considerations being fed back into the Audit & Risk Committee. This process has worked well over the last year and following a review by the Chair of the Audit & Risk Committee and reported to the September Committee it was agreed to continue this process.

As a response to COVID-19 pandemic a specific risk register was created and is monitored by the various Committees and Board using the same process as for the Strategic Risk Register.

11. National Fraud Initiative

The Committee welcomes the College's involvement in the National Fraud Initiative, which is a data-matching exercise led by Audit Scotland to aid the detection of fraudulent payments.

The next cycle of data-matching commences during 2020/21. The Internal Audit Plan includes a review of the College's progress.

12. Opinion

In accordance with the Audit and Assurance Committee Handbook, this Annual Report should summarise the committee's work for the year past, and present its opinion about:
- the effectiveness of governance, risk management and control;
- the comprehensiveness of assurances in meeting the Board's needs;
- the reliability and integrity of these assurances;
- whether the assurance available is sufficient to support the Board in their decision taking and their obligations;
- the implications of these assurances for the overall management of risk;
- any issues the committee considers pertinent to the Governance Statement and any long term issues the committee thinks the Board should give attention to;
- financial reporting for the year;

- the quality of both Internal and External Audit and their approach to their responsibilities; and
- the committee's view of its own effectiveness, including advice on ways in which it considers it needs to be strengthened or developed.

The Audit & Risk committee considers that it has been successful in progressing the Board's governance and internal control priorities during the period covered by this annual report.

The Committee welcomed the success in finalising the annual accounts and the improvement in the efficiency in completing the external audit process. The Committee recognised the significant efforts of the College's Finance team, led by Brian Ferguson and Rhonda Bissett and the supportive, flexible and pragmatic way that the External Audit team led by Andrew Kerr and Richard Smith managed the audit.

Based on the assessment and reports provided by External and Internal Auditors, the Audit & Risk Committee is satisfied as to the adequacy and soundness of the College's system of internal control and financial management, and the arrangements to deliver value for money from public funds, ensuring economy, efficiency and effectiveness in the use of resources.

The Audit & Risk Committee believes that the governance of the College is compliant with the principles of the:
- Code of Good Governance for Scotland's Colleges, which was revised in September 2016, and
- Scottish Government Audit and Assurance Committee Handbook, which was revised in April 2018, and

that the College has been compliant for the period from 1 August 2018 to 31 July 2019.

13. Link to Strategic Risk Register

The preparation and consideration of this Audit & Risk Committee Annual Report alongside the topics covered within the report, by its very nature, support the mitigation of all the risks included within the Strategic Risk Register.

Author: George Robertson, Chair Audit & Risk Committee

BOARD OF MANAGEMENT

Tuesday 15 December 2020

FINANCE & ESTATES

Audit Scotland Report   PAPER K

# Dundee and Angus College

Proposed 2019/20 Annual Audit Report

AUDIT SCOTLAND

Who we are

The Auditor General, the Accounts Commission and Audit Scotland work together to deliver public audit in Scotland:

- The Auditor General is an independent crown appointment, made on the recommendation of the Scottish Parliament, to audit the Scottish Government, NHS and other bodies and report to Parliament on their financial health and performance.

- The Accounts Commission is an independent public body appointed by Scottish ministers to hold local government to account. The Controller of Audit is an independent post established by statute, with powers to report directly to the Commission on the audit of local government.

- Audit Scotland is governed by a board, consisting of the Auditor General, the chair of the Accounts Commission, a non-executive board chair, and two non-executive members appointed by the Scottish Commission for Public Audit, a commission of the Scottish Parliament.
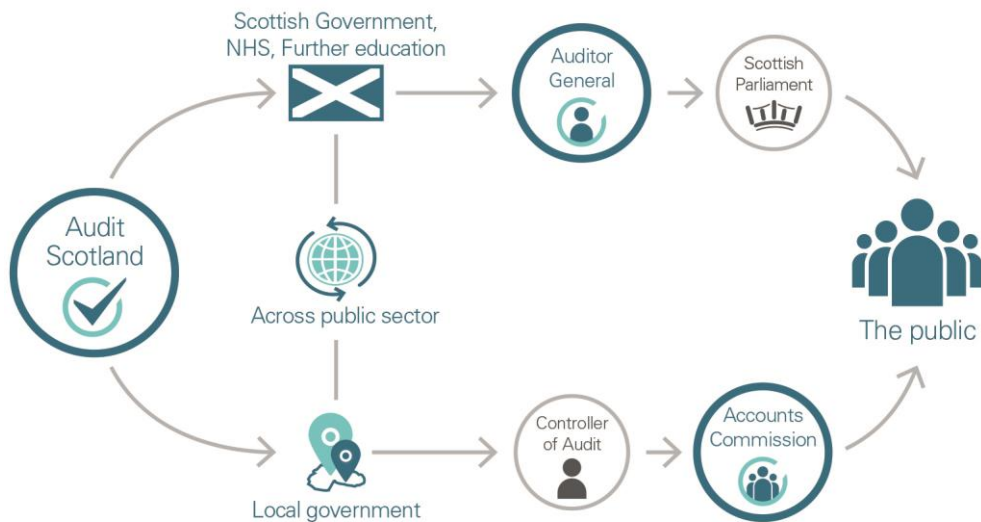
About us

Our vision is to be a world-class audit organisation that improves the use of public money.

Through our work for the Auditor General and the Accounts Commission, we provide independent assurance to the people of Scotland that public money is spent properly and provides value. We aim to achieve this by:

- carrying out relevant and timely audits of the way the public sector manages and spends money

- reporting our findings and conclusions in public

- identifying risks, making clear and relevant recommendations.

Contents

Key messages

2019/20 annual report and financial statements

1 The financial statements of Dundee and Angus College give a true and fair view of the state of affairs of the College and its group as at 31 July 2020 and of the deficit for the year then ended.

2 The audited part of the Performance Report, Governance Statement and the Remuneration and Staff Report were all consistent with the financial statements and properly prepared in accordance with applicable legislation and directions made by the Scottish Funding Council.

3 Despite the impact of Covid-19, the audited annual report and financial statements were signed off by the 31 December deadline.

Financial management

4 The College has well developed budget monitoring and reporting arrangements. It managed its budget effectively during 2019/20 and adapted well to the difficult circumstances faced during the year. This enabled it to report an underlying operating surplus of £1.014 million for the year to 31 July 2020.

5 The College had to implement a number of changes to its systems of internal control during 2019/20 due to the impact of the cyber-attack and Covid-19. However, high level systems of internal control continued to operate effectively during the year.

6 The College has adequate arrangements for the prevention and detection of fraud and other regularities. These include arrangements to prevent fraud and corruption related to procurement activity.

Financial sustainability

7 Additional income from the Scottish Funding Council to support economic recovery has enabled the College to budget to achieve a cash-backed surplus of £0.020 million for 2020/21.

8 Covid-19 will continue to have a significant impact on the College's financial health going forward. The College should produce a revised five-year financial strategy once there is sufficient certainty around the longer-term financial impact of Covid-19.

9 The College should review its five-year estate strategy to ensure that the existing plans represent the best approach to supporting an excellent, future-focussed curriculum, in a post-Covid world. This should include consideration of the next steps for the Kingsway Tower redevelopment and new build STEM centre.

10 The College will play an important role in the delivery of the Tay Cities Region Deal projects by contributing to the objectives of the Skills Investment Plan to boost fair work, inclusive growth and productivity across the region.

Governance and transparency

11 Effective governance and decision-making arrangements were in place during 2019/20 and the College took effective action to adjust its governance arrangements to respond to the challenges presented by Covid-19.

12 The College conducts its business in an open and transparent manner.

13 The College fell victim to a major cyber-attack in January 2020. Since this incident, good progress has been made in implementing the recommendations of the independent JISC Computer Security Incident Response Team review.

14 The external evaluation of the Board of Management undertaken during 2020 confirmed that it is operating effectively and has a robust self-evaluation process in place.

Value for money

15 The College has proper arrangements in place to promote and secure value for money.

16 A new five-year strategic plan, 2025 Strategy More Successful Students, was approved by the Board in December 2019. The College also created Project 2020 to support a coordinated and inclusive approach to reopening the College's campuses and returning to face-to-face learning and services in September 2020.

17 The College reported on a range of positive outcomes from its Good to Great strategy. It also continues to report strong performance against the National Measurement Framework, including student satisfaction results above the national average. As in prior years, the College exceeded its student activity credits target for 2019/20.

Introduction

1. This report summarises the findings arising from our 2019/20 audit of Dundee and Angus College (the College).

2. We aim to add value to the College through the audit by:

- identifying and providing insight on significant risks, and making clear and relevant recommendations for improvements that have been accepted by management

- reporting our findings and conclusions in public

- sharing intelligence and good practice through our national reports, Appendix 3,and good practice guides, and

- providing clear and focused conclusions on the appropriateness, effectiveness and impact of corporate governance, performance management arrangements and financial sustainability.

Scope of our audit

3. The scope of our 2019/20 audit was set out in our Annual Audit Plan presented to the 12 May 2020 meeting of the Audit and Risk Committee. This report comprises the findings from:

- the audit of Dundee and Angus College's annual report and financial statements, including the issue of an independent auditor's report setting out our opinions,

- a review of the College's key financial systems, and

- our consideration of the wider audit dimensions of public sector audit, exhibit 1, as set out in the *Code of Audit Practice 2016*.

Exhibit 1
Audit dimensions

Source: Code of Audit Practice 2016

Impact of Covid-19

4. The College has had to respond to the disruption caused by Covid-19. This impacted on the final five months of the financial year and will continue to have a significant impact during 2020/21. We reviewed our assessment of audit risks and the planned audit work in October 2020 and concluded that the risks identified and reported in the annual audit plan remained relevant.

Ethical considerations

5. We can confirm that we comply with the Financial Reporting Council's Ethical Standards. We can also confirm that we have not undertaken any non-audit related services and the 2019/20 audit fee of £24,370, as set out in our Annual Audit Plan, remains unchanged. We are not aware of any relationships that could compromise our objectivity and independence.

Responsibilities and reporting

6. Dundee and Angus College is responsible for preparing an annual report and financial statements in accordance with the accounts direction issued by the Scottish Funding Council (SFC) and for establishing effective arrangements for governance, propriety and regularity that enable them to successfully deliver their objectives.

7. Our responsibilities as independent auditors are outlined in the Public Finance and Accountability (Scotland) Act 2000 and the *Code of Audit Practice 2016* and supplementary guidance, and International Standards on Auditing in the UK.

8. As public sector auditors we give independent opinions on the annual report and financial statements. We also review and provide conclusions on the effectiveness of the College's performance management arrangements, suitability and effectiveness of corporate governance arrangements, and financial position and arrangements for securing financial sustainability, and best value arrangements.

9. Further details of the respective responsibilities of management and the auditor can be found in the *Code of Audit Practice 2016*.

10. This report raises matters from the audit of the annual report and financial statements and consideration of the audit dimensions. Weaknesses or risks identified are only those which have come to our attention during our normal audit work and may not be all that exist. Communicating these does not absolve management from its responsibility to address the issues we raise and to maintain adequate systems of control.

11. An agreed action plan is included at appendix 1 setting out specific recommendations, responsible officers and dates for implementation. It also includes any outstanding actions from last year and progress against these.

12. This report is addressed to both the Board of Management and the Auditor General for Scotland and will be published on Audit Scotland's website: www.audit-scotland.gov.uk

Extension of audit appointment

13. Auditors appointed under statute by the Auditor General for Scotland are engaged for a five-year period. The current audit engagement was due to end after the conclusion of the 2020/21 audit. Normally at the end of each five-year period a new auditor is appointed, either Audit Scotland or a private sector accountancy firm.

14. Covid-19 will have audit implications beyond the immediate challenge of this year's final accounts. As some of this year's audits will be reported later than normal, planning for and potentially reporting of, next year's annual audit work will

also be affected. As such, the Auditor General for Scotland approved the extension of current audit appointments for a year to include the 2021/22 audit year. This decision reflects the need for stability and continuity given the longer-term impact of Covid-19 on audited bodies and the difficulty of running the necessary procurement exercise during the pandemic.

Acknowledgement

15. We would like to thank all management and staff for their cooperation and assistance during the audit.

Part 1

Audit of 2019/20 annual report and financial statements

Main judgements

The financial statements of Dundee and Angus College give a true and fair view of the state of affairs of the College and its group as at 31 July 2020 and of the deficit for the year then ended.

The audited part of the Performance Report, Governance Statement and the Remuneration and Staff Report were all consistent with the financial statements and properly prepared in accordance with applicable legislation and directions made by the Scottish Funding Council.

Despite the impact of Covid-19, the audited annual report and financial statements were signed off by the 31 December deadline.

Our audit opinions on the annual report and financial statements are unmodified

16. The annual report and accounts for the year ended 31 July 2020 were approved by the Board of Management on 15 December 2020. We reported, within our independent auditor's report:

- the financial statements give a true and fair view and were properly prepared in accordance with the financial reporting framework,

- expenditure and income were incurred or applies in accordance with applicable enactments and guidance issued by Scottish Ministers, and

- the audited part of the Performance Report, Governance Statement and the Remuneration and Staff Report were all consistent with the financial statements and properly prepared in accordance with the relevant legislation and directions made by the Scottish Funding Council.

Despite the impact of Covid-19, the audited annual report and financial statements were signed off by the 31 December deadline

17. The proposed schedule for completing the audit of the College's annual report and financial statements was adversely affected by the impact of Covid-19. We received the unaudited financial statements on 1 October. The Performance Report and Governance Statement were subsequently presented for audit on 20 October. This was later than the planned date per the original audit timetable, 28 September. The physical limitations on access to records and systems meant that our staff had to conduct the audit remotely and College finance staff also faced similar constraints.

18. The unaudited annual report and financial statements and the working papers provided for audit were of a reasonable standard and finance staff provided good support to the audit team which helped ensure the final accounts process ran

The College's annual report and financial statements are the principal means by which it accounts for the stewardship of resources and its performance in the use of those resources.

smoothly. Despite the impact of Covid-19, the audited annual report and financial statements were signed off by the 31 December deadline.

Our audit testing reflected the calculated materiality levels

19. Materiality can be defined as the maximum amount by which auditors believe the financial statements could be misstated and still not be expected to affect the perceptions and decisions of users of the financial statements. The assessment of what is material is a matter of professional judgement. A misstatement or omission, which would not normally be regarded as material by value, may be important for other reasons (for example, an item contrary to law). In forming our opinion on the financial statements, we assess the materiality of uncorrected misstatements, both individually and collectively.

20. Our initial assessment of materiality for the financial statements is undertaken during the planning phase of the audit and was based on the gross expenditure reported in the 2018/19 audited annual report and financial statements. These levels were reported in our Annual Audit Plan presented to the Audit and Risk Committee on 12 May 2020.

21. On receipt of the unaudited annual report and financial statements we recalculated our materiality levels based on the actual gross expenditure for the year ended 31 July 2020. Our final materiality levels are summarised at exhibit 2.

Exhibit 2
Materiality levels

Materiality level	Amount
Overall materiality – This is the calculated figure used in assessing the potential effect of errors in the financial statements. It was set at 1.5% of gross expenditure for the year ended 31 July 2020.	£0.730 million
Performance materiality – This acts as a trigger point. If the aggregate of errors identified during the financial statements audit exceeds performance materiality this would indicate that further audit procedures should be considered. Using our professional judgement, we have calculated performance materiality at 65% of overall materiality	£0.475 million
Reporting threshold – We are required to report to those charged with governance on all unadjusted misstatements in excess of the 'reporting threshold' amount. This has been calculated at 5% of overall materiality.	£0.035 million

Source: Audit Scotland

Our audit identified and addressed the risks of material misstatement

22. The concept of audit risk is of central importance to our audit approach. During the planning stage of our audit we identified some key audit risks which involved the highest level of judgement and potential impact on the financial statements. These risks influenced our overall audit strategy, the allocation of staff resources to the audit and indicated how the efforts of the audit team would be directed. We set out in our annual audit plan the audit work we proposed to undertake to secure appropriate levels of assurance.

23. We have no issues to report from our work on the risks of material misstatement highlighted in our 2019/20 Annual Audit Plan. Appendix 2 explains how we addressed the key audit risks identified at the planning stage, in arriving at our opinion on the annual report and financial statements.

We have reported the significant findings from the audit to those charged with governance

24. International Standard on Auditing (ISA) 260 requires us to communicate significant findings from the audit to "those charged with governance", including our view about the qualitative aspects of the body's accounting practices including accounting policies, accounting estimates and financial statements disclosures.

25. The significant findings are summarised at exhibit 3. Where a finding has resulted in a recommendation to management, a cross reference to the action plan at appendix 1 has been included.

26. Our audit also identified some presentational and disclosure issues which were discussed with management. These were all adjusted and reflected in the audited annual report and financial statements and none were significant enough to require to be separately reported under ISA 260.

Exhibit 3
Significant findings from the audit of annual report and financial statements

Issue	Resolution
1. Post balance sheet event In September 2020 an issue was identified as part of the Kingsway campus re-development works. Further details of this can be found in paragraphs 109-116. As a result of these issues the Digital and Learner Resources (Library) annex requires demolition along with the Lecture Theatre roof. The College's professional valuer, Graham and Sibbald, has confirmed that the total value of the impairment is £0.815 million.	Management has adjusted for this in the audited financial statements. This resulted in the College's Property, Plant and Equipment balance at 31 July 2020 decreasing by £0.815 million. The College has made appropriate disclosure of the issue in the annual report and financial statements.
2. Approval and evidencing of exit package We identified that one exit package had a payback period exceeding 1 year. Per the College's guidance, in these circumstances additional approval from the Scottish Funding Council (SFC) is required. At the time of our audit, this had not been requested by the College. In addition to this, the SFC guidance also states that all severance decisions should be fully documented and a clear audit trail supporting these decisions retained. For example, a business case that includes justification and details of the full expected costs. As a result of the cyber-attack, documented evidence in respect of decision making on this package was not available for review by audit.	The College has received retrospective approval from the SFC for this exit package. Recommendation 1 (Appendix 1 - Action Plan)
3. Valuation of Fairlie House During the year the College identified that it had ownership of an unoccupied outreach facility in Kirriemuir, Fairlie House. This was subject to a separate revaluation on a market value basis as at 31 July 2020.	The audited financial statements include the valuation of Fairlie House. This resulted in the College's Property, Plant and Equipment balance at 31 July 2020 increasing by £0.060 million. The valuation is not material to the financial statements. As such, we do not consider that the "*material valuation uncertainty*" requires disclosure

Management advised that this revaluation would not complete in time to be included in the unaudited financial statements.

The property was valued at £0.060 million by J&E Shepherd.

In the valuation of Fairlie House, the valuer has declared a "*material valuation uncertainty*". This is due to market uncertainties caused by Covid-19. Royal Institute of Chartered Surveyors (RICS) guidance is clear that an inclusion of a material valuation uncertainty means that less certainty can be attached to a valuation than would normally be the case. However, this does not mean that the valuation cannot be relied upon or that there is a misstatement.

The valuation completed by Graham & Sibbald for all of the College's other land and buildings did not include a material valuation uncertainty.

in the College's audited annual report and financial statements.

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4. Grant income

In accordance with the accrual model permitted under the Financial Reporting Standard (FRS) 102, the College recognises government grants as income in the same period as the related costs for which the grant is expected to compensate.

In the unaudited financial statements, the College erroneously recognised £0.040 million of grant income when the related costs had not been incurred by the year-end.

As a consequence, income was overstated by £0.040 million.

Management has adjusted for this in the audited financial statements. This resulted in the College's grant income for the year ended 31 July 2020 reducing by £0.040 million.

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5. Annual leave accrual

The accrual was calculated correctly. However, an error in processing this figure resulted in the unaudited financial statements being understated by £0.100 million.

Management has adjusted for this in the audited financial statements. This resulted in the College's net current liabilities at 31 July 2020 increasing by £0.100 million.

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6. Fixed asset register - Fully depreciated assets

Our review of the asset register identified that there were 153 assets with a nil carrying value. These had a total cost of £29.774 million and had been fully depreciated down to zero by 31 July 2020.

Assets no longer in use should be removed from the asset register to ensure that the cost and accumulated depreciation balances for Property, Plant and Equipment in the financial statements accurately reflect the operational assets of the organisation.

Management should undertake a regular review of the asset register to identify fully depreciated assets. Appropriate adjustments should be made determined by whether these assets are continuing in use.

Recommendation 2 (Appendix 1 - Action Plan)

Source: Audit Scotland

Identified adjustments of £1.015 million were made to the financial statements, these were above our performance materiality and as such we revised our audit approach

27. It is our responsibility to request that all misstatements above our reporting threshold (£0.035 million) are corrected. The final decision on this lies with those charged with governance considering advice from management and materiality.

28. We identified two misstatements in the unaudited financial statements (items 4 and 5 in exhibit 3) with a gross value of £0.140 million. In addition to this, there was a post balance sheet adjustment required for the asset impairment of £0.815 million (item 1 in exhibit 3) and a late property valuation amounting to £0.060 million (item 3 in exhibit 3). Management has processed adjustments in the audited report and financial statements in respect of all these issues.

29. These adjustments resulted in the deficit for the year ended 31 July 2020 in the statement of comprehensive income increasing by £0.895 million, with a corresponding decrease in the total reserves held by the College at 31 July 2020.

The College's application of the going concern basis of accounting remains appropriate

30. ISA 700 requires auditors to report in accordance with ISA 570 in respect of going concern. ISA 570 requires auditors to conclude:

- on the appropriateness of the body's use of the going concern basis of accounting, and

- whether a material uncertainty exists about the body's ability to continue to adopt the going concern basis of accounting.

31. The Financial Reporting Council's *Practice Note 10: Audit of financial statements of public sector bodies in the United Kingdom* indicates that a going concern basis of accounting is appropriate in a public sector organisation unless there is a known intention to abolish, transfer or privatise activities. Even then, if the transfer of operations is within the public sector, a going concern basis of accounting may still be appropriate. The Financial Reporting Manual (FReM) also interprets going concern for the public sector context in a similar way.

32. Dundee and Angus College prepared its 2019/20 financial statements on the going concern basis but due to the major impact of the Covid-19 pandemic on the operation of the College, we sought assurances from management of the arrangements in place to ensure that the organisation could continue to operate as a going concern. In evaluating management's assessment of the College's ability to continue as a going concern we have taken into consideration the following:

- As at 31 July 2020 the College's Statement of Financial Position discloses £3.712 million held as cash and cash equivalents,

- As part of its sector funding announcement, the SFC has allocated the College funding for 2020/21,

- The College has set a balanced budget for 2020/21, with a cash-backed surplus of £0.020 million projected together with a forecast year-end cash position of circa £3 million, and

- There has been no communication from the SFC that the College's functions could be ceased or be privatised.

33. We recognise that the College, like many public sector bodies, is facing financial sustainability issues, described further in Part 3 of this report. However, based on the arrangements in place and the assurances provided we do not

consider there to be a material uncertainty regarding the ability of Dundee and Angus College to continue to operate for the next 12 months. We therefore believe that the use of the going concern basis of accounting remains appropriate.

The College's five-yearly valuation was completed during 2019/20 and resulted in a revaluation gain of £3.638 million

34. Non-current assets are those assets which are used over a number of years for the delivery of services. The recognition and measurement of non-current assets in the college's Statement of Financial Position provides stakeholders with a valuation of the assets held by the college. Making depreciation charges to the Statement of Comprehensive Income reflects a charge to services for the benefits derived from using those assets during the year.

35. Accounting for non-current assets is governed by Financial Reporting Standard (FRS) 102, with specific requirements set out in the *Statement of Recommended Practice: Accounting for Further and Higher Education (SORP)*.

36. The fair value of non-current assets, specifically land and buildings, is usually determined from market-based evidence by appraisal undertaken by a professionally qualified valuer. The SORP requires such revaluations to be sufficiently regular so that the carrying value of an asset at 31 July each year is not materially different from its fair value.

37. The College operates a quinquennial valuation programme with a full valuation conducted every five years, and an interim valuation conducted in the third year following the full valuation. As the last full valuation was conducted in 2014/15, with an interim valuation in 2017/18, the College required to have a full valuation completed during 2019/20.

38. The 2019/20 valuation was completed by Graham and Sibbald, a Royal Institute of Chartered Surveyor (RICS) qualified valuer. As part of our financial statements audit we reviewed the work of the Valuer, in accordance with the requirements of ISA 620 – Using the Work of An Expert, to confirm that they had appropriate qualifications, knowledge and experience to conduct such a valuation programme and were free to complete their work without undue influence from the audited body. Our review did not identify any issues that would impact upon the reliability of the information provided by the Valuer.

39. The valuation programme completed by Graham and Sibbald during the year is reflected in the 2019/20 audited annual report and financial statements. This resulted in the fair value of the assets at 31 July 2020 increasing by £3.638 million from the interim valuation in 2017/18.

40. We have concluded that the College's land and buildings were valued on an appropriate basis using information provided by professional valuers.

Market instability towards the end of the financial year resulted in the College's funded pension liability increasing to £22.5 million at 31 July 2020

41. This section is included for information as we consider that the large year-on-year movements in the funded and unfunded pension liabilities figures requires explanation and comment. We are satisfied that the College's disclosure of its pension liabilities complies with required accounting practices.

42. Dundee and Angus College participates in two pension schemes for its staff: The Local Government Pension Scheme (LGPS) and the Scottish Teachers' Superannuation Scheme (STSS). Notes 16 and 17 to the financial statements provided the disclosures for these schemes in accordance with applicable guidance.

43. As required by Financial Reporting Standard 102 the College has recognised pension liabilities in the Statement of Financial Position in respect of its membership of Tayside Pension Fund which is a defined benefit LGPS.

44. The valuation of Tayside Pension Fund's assets and liabilities is assessed by professional actuaries (Barnett Waddingham) each year and is dependent on a range of external variables, including projected rates of return on assets, interest rates and mortality estimates.

45. We have reviewed the actuarial assumptions used for the valuation and are satisfied that they appear reasonable and in line with assumptions used by other public sector actuaries over the same period.

46. The funded pension liability in the Statement of Financial Position represents the difference between the college's liabilities (i.e. expected future payments to pensioners) and its share of the underlying value of the pension fund assets available to meet these costs. The unfunded pension liability in the Statement of Financial Position represents the additional future pension liability arising from staff who have taken early retirement.

47. As at 31 July 2020, the college's funded pension liability stood at £22.509 million and the unfunded liability stood at £4.195 million. These balances compare to a funded pension liability of £9.370 million and an unfunded pension liability of £4.271 million at 31 July 2019. This is also reflected in the Consolidated Statement of Financial Position.

48. FRS102 requires liabilities to be valued using a discount rate assumption set with reference to yields on "high quality" corporate bonds. For this purpose, a high-quality corporate bond is taken to mean a bond that has been rated at the level of AA or equivalent. There was market instability towards the end of the College's financial year due to fears over the second wave of Covid-19 infections and the political uncertainty caused by the upcoming elections in the United States. The increase in the funded pension liability is mainly attributable to the increase in scheme obligations, primarily arising from the decrease in this discount rate.

49. Exhibit 4 sets out the movement in the College's funded and unfunded pension liabilities over the last five years. Historically there has been considerable volatility year-on-year in the valuation of pension fund assets and liabilities across the public sector. Small changes in actuarial assumptions can have a significant impact on the calculation of the closing position and this is reflected in the movements in the college's funded pension liability over the last five years.

Exhibit 4
Movement in funded and unfunded pension liability 2015/16-2019/20

Source: Dundee and Angus College Annual Report and Financial Statements 2015/16 to 2019/20
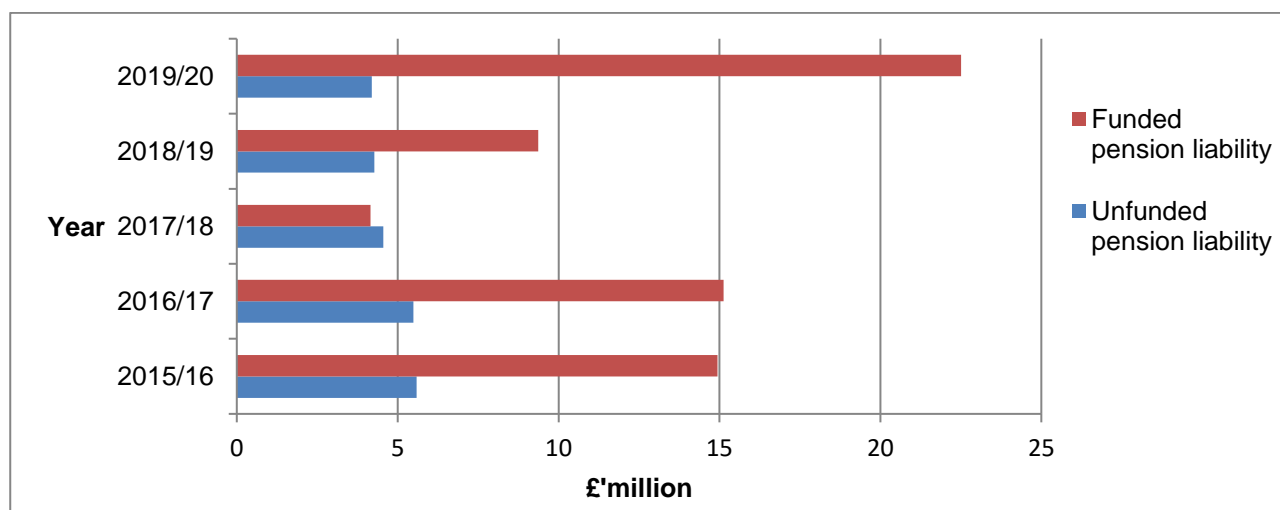
The College's 2019/20 Performance Report provides a good picture of its performance and operational activity for the year although there is still scope for further improvement

50. The Government Financial Reporting Manual (FReM) requires colleges to include a performance report in their annual report and financial statements. In addition to the opinion covered in paragraph 16 of this report, we also consider the qualitative aspects of the performance report. The purpose of a performance report is to provide information on the college, its main objectives and strategies, and the principal risks that it faces. It is required to provide a fair, balanced and reasonable analysis of a body's performance and is essential in helping stakeholders understand the financial statements.

51. We concluded that the College's 2019/20 Performance Report is consistent with our knowledge of the organisation and provides a good picture of its performance and operational activity for the year. However, as reported in prior years, we feel further improvements could still be made to include details of actual performance levels against targets, including trend analysis over time, and to make greater use of infographics.

The annual governance statement includes appropriate disclosure of the cyber-attack, and the impact of Covid-19 on governance arrangements since March 2020

52. As detailed at paragraphs 137-143, the College was the victim of a major cyber-attack at the start of 2020. In its annual governance statement, the College has made appropriate disclosure of the control weaknesses that enabled it to fall victim to such an attack, and the actions taken to address these and reduce the risk of a similar incident occurring in the future.

53. Public bodies have had to quickly change how they deliver services in response to Covid-19 outbreak and the related restrictions introduced. The widespread use of virtual working and the rapid introduction of new programmes and services to support businesses and individuals, create a range of potential financial risks and challenges to internal controls. In its annual governance statement, the College has made appropriate disclosure of the impact that Covid-19 has had on its governance arrangements in 2019/20 and the continued risk this represents to it for 2020/21.

The audited part of the remuneration and staff report was consistent with the financial statements and has been prepared in accordance with applicable guidance

54. The College is required to include a remuneration and staff report within its annual report and financial statements that includes details of:

- the College's remuneration policy,
- details of the remuneration of senior officers, including pension entitlements, for the financial year (and prior year comparator); and accrued pension benefits figures at 31 July of that year,
- the number and cost of exit packages approved during the financial year, and
- a median pay disclosure and a range of other information on staff costs, numbers and related activity, including time spent on trade union activity.

55. Other than point 2 raised in exhibit 3, we have no issues to report in relation to the information included within the remuneration and staff report in the College's 2019/20 annual report and financial statements.

Our prior year recommendations have been addressed

56. As noted in appendix 1 the College implemented both of our prior year audit recommendations during 2019/20.

Part 2
Financial management

Main judgements

The College has well developed budget monitoring and reporting arrangements. It managed its budget effectively during 2019/20 and adapted well to the difficult circumstances faced during the year. This enabled it to report an underlying operating surplus of £1.014 million for the year to 31 July 2020.

The College had to implement a number of changes to its systems of internal control during 2019/20 due to the impact of the cyber-attack and Covid-19. However, high level systems of internal control continued to operate effectively during the year.

The College has adequate arrangements for the prevention and detection of fraud and other regularities. These include arrangements to prevent fraud and corruption related to procurement activity.

The College has well developed budget monitoring and reporting arrangements

57. The tight cash balances held, and projected to be held, by the College means there is a greater need to ensure budgets are effectively managed and monitored.

58. Control over income and expenditure is closely monitored by the Senior Leadership Team. Some of the control measures include:

- The production of monthly management accounts that compare actual to budgeted income and expenditure for the period to date and an updated year end forecast.

- Expenditure controls to ensure non-pay spend is only incurred where there is budget cover.

59. The College monitors its budget position through the budget monitoring reports presented to each meeting of the Finance and Property Committee. The budget monitoring reports provide an overall picture of spend against budget and include a good level of detail in the narrative to explain the main budget variances.

60. From our review of budget monitoring reports, review of committee papers and attendance at committees, we confirmed that members and senior management receive regular, timely and up-to-date information on the College's financial position. This allows both members and senior management to carry out effective scrutiny of the College's finances.

The College managed its budget effectively during 2019/20 and adapted well to the difficult circumstances faced during the year

61. The College Board of Management approved its 2019/20 budget in June 2019. This projected a cash-backed surplus for the year of £0.637 million. The budget

Financial management is about financial capacity, sound budgetary processes and whether the control environment and internal controls are operating effectively

was prepared within the context that some key elements were uncertain, due to issues such as the ongoing national pay bargaining negotiations and the College's academic restructure being in progress at the time. Once there was more certainty around these elements the College's Finance and Property Committee approved a revised budget in November 2019. This projected a cash-backed surplus for the year of £0.604 million

62. The Covid-19 pandemic had a significant impact on the College's financial management arrangements in 2019/20. Following the closure of the College to all staff on 21 March 2020, the College took urgent steps to mitigate the immediate financial risks. This included the use of the Coronavirus Job Retention Scheme (CJRS) with a claim of £0.702 million made to HMRC in 2019/20 in respect of around 280 employees furloughed between March and July 2020.

63. The College's income streams have been adversely affected by the impact of the pandemic. Catering income and income from commercial and leisure activities, such as the Gardyne Gym and Swim, was significantly lower than initially budgeted for the final months of the financial year. However, the use of the CJRS and reduction of costs associated with these activities helped mitigate the impact of this loss of income on the College's overall financial performance.

64. At the Finance and Property Committee in September 2020, members received a report entitled *"2019/20 draft outturn"*. This indicated a likely cash-backed surplus for the year of £1.265 million. This was is in line with the projected budget outturn reported to the committee during the course of 2019/20, and the final underlying operating position of £1.014 million reported in the annual report and financial statements.

65. The achievement of the above budget cash-backed surplus during the year was attributable to a range of factors with the most significant being the provision of an additional £0.747 million of funding from the SFC to fund the increase in employer contributions to the Scottish Teachers' Superannuation Scheme.

66. We are satisfied the College managed its budget effectively during 2019/20 and adapted well to the difficult circumstances faced during the year.

The College reported an operating deficit of £3.776 million and an underlying operating surplus of £1.014 million for the year to 31 July 2020

67. The College reported an operating deficit for the year to 31 July 2020 of £3.776 million (£2.344 million in 2018/19) in the Statement of Comprehensive Income (SOCI).

68. The position reported in the SOCI includes the impact of non-cash charges such as depreciation and pension adjustments, and capital grants recognised as income. It also excludes other commitments funded from revenue including the allocation of revenue funding for loan repayments. To enable an assessment of the underlying financial strength of an institution, and allow comparison across institutions, the Scottish Funding Council requires colleges to also report the underlying operating position for the year by adjusting for these items and any one-off exceptional items impacting on the annual position reported in the SOCI.

69. The underlying operating position of the College reported within the Performance Report shows an underlying operating surplus of £1.014 million for the year to 31 July 2020 (£2.249 million in 2018/19).

The College had to implement a number of changes to its systems of internal control during 2019/20 due to the impact of the cyber-attack and Covid-19

70. As part of our interim audit work, we reviewed the high-level controls in the systems fundamental to the preparation of the financial statements. Our objective was to obtain assurance over these controls to support our opinion on the College's financial statements.

71. During the course of 2019/20, the College had to implement a number of changes to its systems of internal control due to the impact of the cyber-attack, paragraphs 137-143, and Covid-19.

72. A number of changes to internal controls were implemented in the wake of the cyber-attack in January 2020 due to core ICT systems being unavailable. The most significant of these changes was the adoption of a temporary manual ordering and approval system to ensure delegated authority limits were maintained while the College's P2P ordering system was rebuilt.

73. On 21 March 2020 College staff moved to home working in response to the Covid-19 pandemic. This required some changes to the internal controls set out in the College's financial procedures. For example, the approval process for reconciliations and journals required approval by signature but alternative controls such as email approvals have been put in place, and guidance on the new arrangements has been provided to all staff. The College should keep this under review to ensure internal financial controls remain appropriate and effective going forward.

High level systems of internal control operated effectively during 2019/20

74. Taking account of the revised control arrangements introduced in response to the cyber-attack and Covid-19, we carried out some additional testing to gain the assurance we required for the audit of the College's 2019/20 accounts. Our testing identified control weaknesses in relation to the approval of debt write-offs and completion of leavers forms during the year. However, we did not identify any significant control weaknesses that could impact to the extent that they would result in a material misstatement in the financial statements.

Internal audit reported that the College had adequate risk management, control and governance arrangements in place during 2019/20

75. The College's internal audit function has been carried out by Henderson Loggie since 2013/14 and during 2019/20 they were re-appointed as the College's internal auditors for 2020/21 to 2022/23. The internal audit service, in any organisation, is an important element of internal control. It provides members and management with independent assurance on risk management, internal control and corporate governance processes as well as providing a deterrent effect to potential fraud.

76. Auditing standards require internal and external auditors to work closely together to make best use of available audit resources. We seek to rely on the work of internal audit wherever possible and as part of our 2019/20 audit we carried out an assessment of the internal audit function. This confirmed that the internal auditors have adequate documentation standards and reporting procedures in place and comply with the requirements of the Public Sector Internal Audit Standards (PSIAS).

77. During 2019/20 we placed reliance on aspects of internal audit's work as part of our wider dimension work. This included the reviews of the College's procurement practices (paragraph 84), health, safety and wellbeing arrangements

in relation to Covid-19 (paragraph 133), and the IT network arrangements and IT strategy in the wake of the cyber-attack (paragraph 142).

78. We also considered internal audit's Annual Report as part of our review of the Governance Statement included within the Accountability Report in the 2019/20 report and financial statements. This provided Internal audit's opinion that the College had adequate and effective arrangements for risk management, control and governance in place during 2019/20.

The College has adequate arrangements for the prevention and detection of fraud and other regularities. These include arrangements to prevent fraud and corruption related to procurement activity.

79. Our consideration of financial management includes evaluating the arrangements in place for preventing and detecting fraud, error and corruption. The board is responsible for establishing arrangements for the prevention and detection of fraud, error and corruption and ensuring that its affairs are managed in accordance with proper standards of conduct.

80. We have reviewed the arrangements in place to maintain standards of conduct including the College's code of conduct for members of the Board of Management, public interest disclosure policy (this includes details of the College's whistleblowing arrangements), and the recently revised gift and hospitality policy (May 2020) and fraud, bribery and corruption policy (September 2020).

81. The College also participates in the National Fraud Initiative, a counter-fraud exercise coordinated by Audit Scotland that uses computerised techniques to compare information about individuals held by different public bodies, and on different financial systems, to identify 'matches' that might suggest the existence of fraud or irregularity.

82. Instances of fraud and corruption can be particularly prevalent in procurement functions with illicit rebates, kickbacks and false invoicing potential risks across the public sector.

83. The Board has a range of activities in place designed to prevent and detect fraud and corruption in its procurement function. These include:

- Financial regulations with delegated budget authority thresholds which apply to all non-pay expenditure.

- A procurement policy updated annually focussing on the sustained integrity of the procurement process

- Participation in the Scottish Government's procurement and commercial improvement programme (PCIP). The latest biennial PCIP assessment was undertaken in November 2019 with the College achieving a score that placed it in the silver band (61-75 per cent). This is an improvement on the January 2018 assessment which placed the College in the bronze band (51-60 per cent).

84. In 2019/20 internal audit undertook a review of the College's procurement arrangements focussing on the system of internal controls in place for the ordering of goods and services and the procedures in place to support the delivery of best value purchasing. This review provided a good level of assurance concluding that the College's procurement policy, strategy and procedures are in line with the Procurement Reform (Scotland) Act 2014 and the Procurement (Scotland) Regulations 2016.

85. We have concluded that adequate arrangements are in place for the prevention and detection of fraud and other irregularities. These include arrangements to prevent fraud and corruption related to procurement activity. We are not aware of any specific issues that we need to bring to your attention.

Part 3
Financial sustainability

Main judgement(s)

Additional income from the Scottish Funding Council to support economic recovery has enabled the College to budget to achieve a cash-backed surplus of £0.020 million for 2020/21.

Covid-19 will continue to have a significant impact on the College's financial health going forward. The College should produce a revised five-year financial strategy once there is sufficient certainty around the longer-term financial impact of Covid-19.

The College should review its five-year estate strategy to ensure that the existing plans represent the best approach to supporting an excellent, future-focussed curriculum, in a post-Covid world. This should include consideration of the next steps for the Kingsway Tower redevelopment and new build STEM centre.

The College will play an important role in the delivery of the Tay Cities Region Deal projects by contributing to the objectives of the Skills Investment Plan to boost fair work, inclusive growth and productivity across the region.

Covid-19 will continue to have a significant impact on the College's financial health going forward

86. The Covid-19 pandemic is placing additional pressure on a college sector that already faced significant financial pressures and uncertainties. The external auditors of the Scottish Funding Council (SFC) highlighted in their 2019/20 Annual Audit Report that the SFC estimated, in April 2020, that due to the impact of Covid-19 the 2019/20 adjusted operating positions for colleges would move from a near break-even position to a deficit of £25 million for the year ended 31 July 2020.

87. Covid-19 will have an even greater impact on the College's financial performance during 2020/21. There remains a great deal of uncertainty what level of additional financial support will be available going forward but the whole college sector is likely to be operating within significant financial constraints for the foreseeable future.

Additional income from the SFC to support economic recovery has enabled the College to budget to achieve a cash-backed surplus of £0.020 million for 2020/21

88. The College did not approve a budget in June 2020 as it was not possible at that point to present a balanced budget to the Board due to the uncertainty caused by Covid-19. Instead, the Finance and Property Committee agreed that the June meeting of the Board would be presented with an update on the potential financial impact of Covid-19 with a view to the budget being presented when there was sufficient clarity to reliably project income and expenditure for 2020/21.

Financial sustainability looks forward to the medium and long term to consider whether a body is planning effectively to continue to deliver its services or the way in which they should be delivered.

89. The paper presented to the June board meeting included pre and post pandemic budget figures for 2020/21 to highlight the potential impact that Covid-19 could have on the financial position of the College. The post Covid-19 budget showed a projected 2020/21 cash deficit for the year of £1.56 million, compared to the pre Covid-19 break-even projection. It also highlighted that a deficit of this size would fully exhaust the College's cash reserves by the end of the financial year.

90. The draft 2020/21 budget was presented to the Finance and Property Committee meeting in September 2020. This projected a cash-backed surplus of £0.020 million for the year to 31 July 2021, based on total income of £44.202 million and total expenditure of £44.182 million (including £32.674 million for total pay costs). This represented a significantly improved position from the financial projections reported to the Board in June.

91. The improved budget projections were mainly attributable to additional income from the SFC to support economic recovery, and other sources of income including amounts to be reclaimed through the Coronavirus Job Retention Scheme (CJRS) from July and the related Job Retention Bonus payments (i.e. the College will be entitled to a payment of £1,000 per employee for each member of staff who has been furloughed and is still employed at 31 January 2021). The budget also reflected the additional costs and income associated with the Kingsway Tower development which is being partly funded by the Dundee and Angus Foundation.

92. While the College were able to set a balanced budget for 2020/21, it should be noted that the projected cash-backed surplus of £0.020 million for the year is a significant reduction on the underlying operating surpluses achieved in prior years of £2.249 million for 2018/19, and £1.014 million for 2019/20. This reflects the additional costs to the College related to the Covid-19 pandemic and the continuing impact on income streams, for example the College is projecting that catering and other income will be £1.173 million during 2020/21 compared to £2.108 million in 2019/20.

93. The budget paper was supported by extensive narrative on key assumptions and included a risk assessment assessing the likelihood and impact of any potential adverse and / or favourable movements. The College should maintain its strong budgetary review processes, paragraphs 57-60, to ensure it can respond effectively to the challenging forecasting demands that will continue during 2020/21.

The College has secured a repayment holiday for the Gardyne Campus long-term loan for 2020/21 but this debt will still require to be repaid in full by June 2027

94. The College makes annual payments in August each year towards the repayment of the Gardyne Campus long-term loan. For 2020/21, the College has secured a loan repayment holiday at no additional cost with no loan repayment made in August 2020. This has helped the College set a balanced budget for 2020/21, paragraphs 88-93. However, the terms of the current loan agreement will require the College to make an additional payment in 2026/27 to ensure the full debt is repaid by 30 June 2027. The College should ensure that future financial plans reflect this obligation.

The College should produce a revised five-year financial strategy once there is sufficient certainty around the longer-term financial impact of Covid-19

95. Dundee and Angus College's five-year financial strategy covering 2019/20-2023/24 was approved by the Board in March 2019. This included income and expenditure projections for the next five years based on anticipated increases in income and the delivery of planned non-pay savings.

96. As discussed above, the College faces a loss of income from sources including tuition fees, catering and other commercial activities, as well as additional costs to

support the move to online teaching and learning, due to Covid-19. A number of the assumptions that underpinned the five-year financial strategy will therefore be challenging to deliver in the current economic climate. These include the anticipated 2 per cent increase in the volume of commercial income and an increase of 1.5 per cent in the price levels for all non-core income.

97. It is recommended that the College produce a revised five-year financial strategy once there is sufficient certainty around the longer-term financial impact of Covid-19.

Recommendation 3 (Appendix 1 - Action Plan)

The College's three-year Financial Forecast Return shows the cash position being maintained at around £1 million over the three years to 31 July 2023, but this is predicated upon the delivery of savings from staff reductions over the same period

98. In previous years, the SFC has required colleges to annually submit five-year financial forecast returns (FFRs). The returns require standard information for all colleges and contribute to the SFC financial health monitoring framework. The 2019/20 FFR followed a similar format to prior years with a range of common planning assumptions to be used, however the SFC reduced the forecast period from five to three years. Reducing the forecast period to 2022/23 aligned the college and university reporting timescales.

99. At the start of June 2020, the College were advised of the format and the assumptions to be used for the 2019/20 FFR and the deadline for submission to the SFC of the 30 June 2020. Colleges are required to present a balanced budget for 2020/21 and / or a deliverable plan to reach a balanced budget over the forecast period. The College prepared its three-year financial forecasts through to 2023 and submitted these to the SFC by the June deadline as required.

100. The FFR submitted by the College to the SFC in June showed underlying operating deficits for future years that would result in a negative cash position by 31 July 2022. Following this submission, the SFC asked the College to resubmit its FFR showing a balanced position by 2022/23. To achieve this the College adjusted the FFR to reflect the potential costs and savings of a targeted reduction in staffing, in the region of 30 full-time equivalent staff, over the next three years. The revised FFR was submitted to the SFC on 16 July 2020.

101. The revised FFR shows a projected underlying deficit for 2020/21 with underlying surpluses for both 2021/22 and 2022/23. The underlying operating and closing cash positions for 2020/21-2022/23 are shown in Exhibit 5.

Exhibit 5
Projected underlying operating and closing cash balance positions

Description	2020/21 £' million	2021/22 £' million	2022/23 £' million
Underlying operating surplus / (deficit)	(0.807)	0.718	0.381
Closing cash position	1.006	1.120	1.097

Source: Dundee and Angus College 2019/20 Financial Forecast Return

102. The FFR was presented to the September meeting of the Board. The accompanying paper explained the format and content of the return, including the assumptions used and the proposed actions to further mitigate the impact of the serious financial challenges facing the College. The paper also provided additional

context for Board members on the national and local impact of Covid-19 on future financial projections.

The College should review its five-year estate strategy to ensure that the existing plans represent the best approach to supporting an excellent, future-focussed curriculum, in a post-Covid world

103. In June 2019, Audit Scotland published the *Scotland's colleges 2019* report. This report provided an overview of the college sector, and amongst other things, gave an update on the financial health of colleges. The report highlighted that colleges are working in an increasingly tight financial environment with Scottish Government capital funding falling short of what is needed to meet the estimated costs of maintaining the college estate.

104. The Gardiner & Theobald (GT) *College Estate Condition Survey*, issued in December 2017, estimated that the total value of Dundee and Angus College's backlog maintenance was £19.718 million. In 2019/20, the College received total capital funding of £1.646 million (including £1.109 million for high priority backlog maintenance) to address these needs.

105. For 2020/21 the College's capital funding has increased to a total of £3.142 million. This includes additional grants awarded by the SFC in response to the impact of Covid-19 with the College awarded £0.514 million to support economic recovery and £0.152 million ringfenced to provide learners with equipment in support of remote learning.

106. The College has in place a five-year estate strategy covering the period 2019/20 to 2023/24. The strategy sets out the College's estate ambitions which includes the redevelopment of the Kingsway campus and creation of a new STEM centre. The funding to deliver the strategy is estimated in the region of £90-£100 million. The College's progress with the delivery of these projects is discussed in more detail at paragraphs 109-120.

107. Despite the increase in capital funding, the Scottish Government's current levels of capital funding remains insufficient to fully meet the College's estate ambitions. There is a risk that this lack of funding may impact upon the College's ability to address the condition of its estate. However, the College has engaged proactively with the SFC to discuss alternative funding options and, despite significant challenges, clear progress has been made during the year in the delivery of the estate strategy.

108. Due to the impact of Covid-19, there is an overarching risk for the whole college sector that future plans and investment in estate improvements may be affected by the increase in remote learning. The College should review its five-year estate strategy in this context to ensure that the existing plans represent the best approach to supporting an excellent, future-focussed curriculum, in a post-Covid world. This should include consideration of the next steps for the Kingsway Tower redevelopment, paragraphs 109-117, and new build STEM centre, paragraphs 118-120.

Recommendation 4 (Appendix 1 - Action Plan)

Phase 1 of the Kingsway Tower redevelopment commenced in June 2020 but issues have been encountered that could affect the delivery and costs of the overall project

109. The College's estate strategy notes that the Kingsway campus is no longer a fit for purpose learning environment establishing that the learning spaces require significant redevelopment and investment in order to meet the needs of the curriculum. Redevelopment of the Kingsway Tower is the first of the major works planned for the campus. Following approval by the Finance and Property Committee, the redevelopment plans were approved by the Board in May 2020.

110. This development is being progressed over two phases – phase 1 in 2020 and phase 2 in 2021. The total cost of the project is projected to be £4.500 million and is being funded through both the SFC capital backlog maintenance grant and a funding bid approved by the Dundee and Angus Foundation, Exhibit 6.

Exhibit 6
Funding for Kingsway Tower redevelopment

Source of funding	Phase 1 projects £' million	Phase 2 projects £' million	Total £' million
SFC capital backlog maintenance grant	1.203	0.548	**1.751**
Dundee and Angus Foundation	2.175	0.574	**2.749**
Total	**3.378**	**1.122**	**4.500**

Source: Dundee and Angus College 2019/20 annual report and financial statements

111. The work associated with phase 1 of the redevelopment commenced in June 2020. Refurbishments to the reception area, frontline services and social space were all completed in advance of the delayed College restart date in September.

112. The creation of a Hair, Beauty and Complimentary Therapies facility in the vacated Digital and Learner Resources (Library) annex is also due to be completed as part of phase 1. However, an issue has arisen that has impacted on this work and could affect the delivery and costs of the overall project.

113. The issues identified was the discovery that the existing concrete slab roof was showing signs of defection which was outwith acceptable tolerance levels. Subsequent extensive investigation identified that the construction of the existing concrete slab did not comply with the code of practice required at the time of the original build, back in the 1960s. As there are no suitable, and cost effective, options to make the building structurally safe, the existing annex will require to be demolished.

114. Following the identification of the defects in the Digital and Learner Resources (Library) annex, similar issues were also identified with the roof of the Lecture Theatre. As a result, this building will also now require to be demolished.

115. In both cases, professional fees such as architects, mechanical and electrical services, and structural and civil engineer services, as well as preliminary costs, had already been incurred to progress the initial development based on refurbishment of the existing buildings. Therefore, these sunk costs will still require to be funded as part of the overall project.

116. The College is currently exploring the consequences of these issues for the overall project with support from the SFC and Dundee and Angus Foundation. We will continue to monitor and report on the progress with the Kingsway Tower redevelopment as part of our 2020/21 audit.

The College should ensure that its capital budget from 2020/21 will be sufficient to cover the additional annual costs associated with the capital works at the Kingsway Campus

117. Colleges are provided with a limited capital budget each year to fund the annual costs associated with existing assets, i.e. depreciation charges and any impairment costs. Given the extent of the capital works planned for the Kingsway Campus during 2020/21, the College should discuss with the SFC its plans to finance future depreciation costs. This may include the availability of additional

capital budget in future years, or the option to vire funds from the College's annual revenue budget to its capital budget, to cover these costs.

Recommendation 5 (Appendix 1 - Action Plan)

There is a risk that the College's plans for a new build STEM centre on the Kingsway Campus, funded through a Mutual Investment Model, are impacted by the current pressure on public finances

118. As part of the overall Estates Strategy for the Kingsway Campus the SFC funded the College to develop an Outline Business Case for a new build Science, Technology, Engineering and Maths (STEM) centre on the Kingsway Campus, funded by the Scottish Government through a Mutual Investment Model (MIM).

119. Work on these proposals initially progressed well during the early part of 2019/20 but was impacted by the cyber-attack and Covid-19, both of which required senior staff to reprioritise their workload.

120. The original estimated timeframe for the development of the MIM project could have seen construction start at the College as soon as 2022. However, there is a risk these plans are impacted by the current pressure on public finances. We will continue to monitor and report on progress with the STEM centre project as part of our 2020/21 audit.

Dundee and Angus College has been asked to be the lead partner in the Skills Academy at the Michelin Scotland Innovation Parc. This will provide additional opportunities for the College to deliver teaching and training for local businesses.

121. In November 2018 Michelin announced its intention to close its plant at Baldovie in Dundee, with the loss of all 845 jobs. At that point Michelin had no plans for further activity at the site beyond that date.

122. Since the original announcement Dundee City Council and Scottish Enterprise have worked closely with Michelin to create an ambitious joint venture called the Michelin Scotland Innovation Parc. This will be based on the same site and aims to create a world class innovation centre in Dundee to drive growth and diversity in the Scottish economy while addressing the global climate emergency.

123. Covering a 32-hectare site in Dundee it is intended to drive global research while influencing and supporting breakthroughs in sustainable mobility and low carbon energy. It will provide industrial spaces and facilities to a wide variety of organisations, research institutions and industry leaders and attempt to address the global challenges facing the community, country and planet.

124. The Parc should create sustainable jobs across a variety of skillsets providing local and national opportunities both now and in the future. It will also incorporate a Skills Academy and Engineering School which will facilitate a range of training opportunities in partnership with Dundee and Angus College, Abertay University and the University of Dundee. Dundee and Angus College has been asked to be the lead partner in the Skills Academy. This will provide additional opportunities for the College to deliver teaching and training for local businesses.

The College will play an important role in the delivery of the Tay Cities Region Deal projects by contributing to the objectives of the Skills Investment Plan to boost fair work, inclusive growth and productivity across the region

125. In January 2020 the Auditor General for Scotland and Accounts Commission published a joint report titled *Scotland's City Region and Growth Deals*. This looked at the eight Scottish City Region deals, both those signed and proposed, including

the Tay Cities Deal which includes projects across the Dundee City, Angus, Perth and Kinross, and Fife council areas.

126. The Tay Cities Deal was developed after the Scottish Government's Enterprise and Skills Review was published in 2017. This allowed the deal to build on good practice from other city region deals. The £700 million deal is to be funded by both the Scottish and UK Governments with the partner councils, other public sector bodies, and private sources contributing additional funding.

127. A key element of the Tay Cities Deal is the Skills Investment Plan which focuses on the skills needs of people and businesses across the region. This was developed by Skills Development Scotland (SDS) alongside a range of partners including local authorities, colleges and universities. The plan informs the delivery of a range of projects, which are supported by up to £20 million of Scottish Government funding towards skills and employability. These projects are intended to create up to 6,000 job opportunities across the tourism, food and drink, creative industries, eco innovation, digital, decommissioning, engineering, biomedical and health and care sectors.

128. The Skills Investment Plan focuses on ensuring more people have the skills to access high-quality jobs in the key and growth sectors that drive the region's economy and features a broad range of measures including:

- enhancing the of careers information, advice and guidance available to young people and the existing workforce to promote careers in key sectors across the region,

- mounting an effective regional effort around Foundation Apprenticeships to ensure year-on-year growth across each part of the region, with opportunities in all schools and with employers involved at every stage,

- creating an integrated regional approach to reducing gender inequality in specific occupations, targeting young people and people at all stages of their working lives,

- creating a regional workforce development fund, open to employers in the key and growth sectors, and

- enhancing mentoring and e-learning support for owner-managers in micro-businesses and third sector organisations, focusing on key and growth sectors and their supply chains.

129. Dundee and Angus College will play an important role in the Tay Cities Region Deal by contributing to the objectives of the Skills Investment Plan to boost fair work, inclusive growth and productivity across the region.

Good Practice – The College is offering 340 Foundation Apprenticeship opportunities for the 2020/21 academic year

The College leads on the development of the school / college curriculum and infrastructure to deliver on the Developing the Young Workforce strategy for the region and has continued to grow the senior phase and Foundation Apprenticeship activity with local schools. Foundation Apprenticeship opportunities offered by the College have increased year-on-year from 40 in 2018/19, to 260 in 2019/20, and 340 for the 2020/21 academic year. This growth reflects the close and productive collaboration between the College and Dundee City and Angus councils. It also demonstrates the College's ability to deliver increased opportunities and outcomes for young people in the region.

Part 4
Governance and transparency

Main judgements

Effective governance and decision-making arrangements were in place during 2019/20 and the College took effective action to adjust its governance arrangements to respond to the challenges presented by Covid-19.

The College conducts its business in an open and transparent manner.

The College fell victim to a major cyber-attack in January 2020. Since this incident, good progress has been made in implementing the recommendations of the independent JISC Computer Security Incident Response Team review.

The external evaluation of the Board of Management undertaken during 2020 confirmed that it is operating effectively and has a robust self-evaluation process in place.

Effective governance and decision-making arrangements were in place during 2019/20

130. Our review of the governance and transparency arrangements of an organisation includes consideration of:

- Board and committee structure and conduct.

- Overall arrangements and standards of conduct including those for the prevention and detection of fraud, error, bribery and corruption. This includes action in response to the National Fraud Initiative.

- Openness of board and committees.

- Reporting of performance and whether this is fair, balanced and understandable.

131. We have concluded that our previous year's conclusion is still relevant, i.e. that "the College has effective governance and decision-making arrangements", as there has been no significant change to these arrangements during 2019/20, except for the specific comments below on the response to the Covid-19 outbreak since March 2020.

The College took effective action to adjust its governance arrangements to respond to the challenges presented by Covid-19

132. The impact of Covid-19 since March 2020 has been set out in the Governance Statement in the College's annual report and accounts. We note the following adjustments were made to the College's governance arrangements in response to the challenges faced due to Covid-19:

- All recent board and committee meetings have been conducted virtually through Microsoft Teams. There has been a re-focus of work priorities on

Governance and transparency is concerned with the effectiveness of scrutiny and governance arrangements, leadership and decision making and transparent reporting of financial and performance information.

business continuity and finances with three additional meetings of the Chairs Committee (comprising the Chair and Vice-Chair of the Board and Chairs of the other four committees) taking place

- An additional temporary Covid-19 Strategic Risk Register has been developed to record the additional risks, and the mitigating actions and monitoring activity associated with the impact of the pandemic on the College's operations. This was approved at the May 2020 Audit and Risk Committee and has been included within the risk reporting arrangements of each individual board committee.

133. We have concluded that the College took effective action to adjust its governance arrangements to respond to the challenges associated with Covid-19.

The College conducts its business in an open and transparent manner

134. There is an increasing focus on how public money is used and what is achieved. Transparency means that the public have access to understandable, relevant and timely information about how the Board is taking decisions and how it is using resources such as money, people and assets.

135. As reported in 2018/19, there is evidence from several sources which demonstrate the College's commitment to openness and transparency:

- The agendas, papers and minutes of the Board of Management and other committees are published on the College's website on a timely basis.

- The College makes its annual report and financial statements available on its website. These include a performance report which adequately explains the College's financial performance for the year.

- The website also provides the public with access to a wide range of corporate information including details of the College's strategy, performance information, and equality and diversity reporting.

136. We remain of the view that the College conducts its business in an open and transparent manner.

The College fell victim to a major cyber-attack in January 2020. Since this incident, good progress has been made in implementing the recommendations of the independent JISC Computer Security Incident Response Team review.

137. As part of our work in 2018/19, we reported that the College was making good progress in implementing the key actions set out in the Scottish Government's *Cyber resilience: public sector action plan*.

138. The College achieved Cyber Essentials Basic Accreditation in 2018 and we are pleased to note the College achieved the Plus Accreditation in December 2019. The Plus certification requires independent verification of cyber security carried out independently by a certification body. This is in addition to the self-assessment exercise required for basic accreditation.

139. Cyber-attacks are becoming more sophisticated and prevalent in the public sector and the College fell victim to a major cyber-attack in January 2020. This was a ransomware attack which encrypted desktops, share drives and backups Personal data was not impacted; however, a number of IT systems were compromised, and data held in share drives, including student coursework, was lost. The College was also closed to all students for three days as it took steps to respond to the incident.

140. The College immediately enacted its business continuity and major incident arrangements to respond to the attack. It also received support from a range of public sector bodies to assist with the process of cleansing all the computers affected by the attack.

141. At the Board meeting in March 2020, a confidential report was presented to members detailing the events that led to the cyber incident. The report was supported by evidence and guidance from the Joint Academic Support Network (JANET) and the JISC Computer Security Incident Response Team (CSIRT). This report made a total of eight recommendations specific to the cyber-attack with a further four recommendations made to the Board following the initial report.

142. In addition to this report, Internal Audit also carried out a review of the College's IT network arrangements and IT strategy. This provided a satisfactory level of assurance concluding that: *"…despite the recent cyber-attack, we have concluded that, overall, the College ICT team has a high awareness of the risks of information / cyber security, and that the control environment demonstrates good practice with the expected cyber security controls in place, for an organisation of this size, found to be in place in most areas".*

143. Since the cyber-attack, the College has made good progress in implementing the recommendations. This includes the creation of a Cyber Incident Response Plan and the development of cyber security training for staff and students. While cyber security risks cannot be fully eliminated, staff awareness is a key defence against these attacks. We will continue to monitor the College's progress in improving its cyber resilience arrangements as part of our work in 2020/21.

The external evaluation of the Board of Management undertaken during 2020 confirmed that it is operating effectively and has a robust self-evaluation process in place

144. The Code of Good Governance for Scotland's Colleges prescribes that the College Board must keep its effectiveness under annual review and have in place a robust self-evaluation process. The Board are also expected to facilitate an external evaluation of its effectiveness at least every three years.

145. An external evaluation was undertaken during 2020 and reported to the December meeting of the Board of Management. The evaluation involved the:

- review of the self-evaluation completed by the Board of Management,

- review of Board and Committee papers and minutes for academic session 2019-2020,

- observing four committee meetings during September 2020,

- observing the Board of Management meeting on 29 September 2020,

- one-to-one interviews with nine Board Members including the Chair, the Principal, staff, student and other members, and

- an interview with the Board Secretary.

146. The review concluded that:

- Dundee and Angus College has a skilled and experienced Board which works well with its senior leadership team and its student body. The Board, led by a very experienced and enthusiastic Chair, works collectively in formulating the College's strategic direction and in ensuring its effective delivery for its students and wider partners. There is evidence of strong processes and effective governance arrangements that adhere fully to the Code of Good Governance for Scotland's Colleges.

- The evaluation was undertaken during the Covid-19 pandemic which had, and continues to have, a significant impact on the way the College delivers its services. The Board's strong governance arrangements supports the senior leadership team in managing these challenges and maintaining a continuity of service to its users.

- The Board has a robust self-evaluation process in respect of its overall effectiveness which identifies actions through which the Board can continuously develop.

A number of changes in the membership of the Board of Management are anticipated during 2020/21

147. Under the terms of the Post-16 Education (Scotland) Act 2013, and the ministerial guidance on the recruitment of board members, the Board of Management must make appropriate arrangements for the recruitment of members of the Board. To operate within the terms of the legislation the Board of Management must include a minimum of 15 members and a maximum of 18 members (up to 12 of whom are classified as "ordinary members" recruited under the board arrangements). The College Board cannot operate legally with fewer than 15 members.

148. The Board commenced 2019/20 with the maximum 18 members, including 12 ordinary members. During the year one ordinary member resigned and a further ordinary member signalled their intention to step down at the end of June 2020. The Board approved that an existing co-opted member would be appointed as a full member and recruitment would be undertaken to appoint another new member. However, due to Covid-19 the recruitment process has been delayed. As a result, the member who intended to step down at the end of June has agreed to continue on the Board until the end of 2020, or the conclusion of the recruitment process.

149. The current appointments of a further five ordinary members are due to end during 2020/21 (two on 30 April 2021 and three on 31 May 2021). The Board of Management will need to put in place arrangements to either re-appoint these members or recruit new members to replace them.

150. Management should ensure that a comprehensive induction programme, and additional support, is provided for all new members to ensure that the Board of Management continues to operate effectively going forward.

The College is participating in a University of Stirling Economic and Social Research Council funded research project looking at how governing boards realise the strategic aims of their organisation

151. During 2019 and 2020, Dundee and Angus College was selected as one of a number of colleges participating in a University of Stirling Economic and Social Research Council funded research project titled: *"Processes and practices of governing in further education colleges in the UK: How do governing boards realise the strategic aims of the organisation?"*

152. The main fieldwork for the study involved the observation and videoing of meetings of college's Boards of Management held between January and December 2019. This work was completed as planned, with additional follow up work identified to investigate the approach of Boards in determining strategy, and how Boards are operating on a remote / online basis.

Part 5
Value for money

Main judgements

The College has proper arrangements in place to promote and secure value for money.

A new five-year strategic plan, 2025 Strategy More Successful Students, was approved by the Board in December 2019. The College also created Project 2020 to support a coordinated and inclusive approach to reopening the College's campuses and returning to face-to-face learning and services in September 2020.

The College reported on a range of positive outcomes from its Good to Great strategy. It also continues to report strong performance against the National Measurement Framework, including student satisfaction results above the national average. As in prior years, the College exceeded its student activity credits target for 2019/20.

The College has proper arrangements in place to promote and secure value for money

153. The Financial Memorandum between the Scottish Funding Council and fundable bodies in the college sector requires the College to:

- have a strategy for reviewing systematically management's arrangements for securing value for money, and

- as part of internal audit arrangements, to obtain a comprehensive appraisal of management's arrangements for achieving value for money.

154. Securing the economical and effective management of the College's resources and expenditure is the responsibility of the Board of Management.

155. One way the College seeks to ensure value for money is through good procurement practice. This is achieved by optimising the use of national, sectoral, local or regional collaborative-based contracts and frameworks to deliver savings. The most recent figures published showed that over half of College procurement spend in 2018/19 went through collaborative agreements.

156. Internal audit does not consider value for money as a standalone review; however, they consider this within all audits. Internal audit did not raise any concerns over value for money in 2019/20 and their Annual Report for 2019/20 provided their opinion that *'…proper arrangements are in place to promote and secure Value for Money'*. This opinion was arrived at taking into consideration the work they had undertaken during 2019/20 and in each of the previous years since they were first appointed by the College in 2013/14.

157. Our review of expenditure during the audit did not highlight any issues with the regularity of the College's expenditure, or any instances of business decisions being taken that did not appear to reflect value for money.

Value for money is concerned with using resources effectively and continually improving services.

The College reported on a range of positive outcomes from its Good to Great strategy

158. Key to delivering Value for Money is a clear focus on driving continuous improvement across all areas of the College's activities.

159. The College's Good to Great Strategy was a two-year transformation project that concluded in early 2020. Its aim was to ensure that: "From 2020 onwards, Dundee & Angus College will be the outstanding model of how regional colleges in Scotland operate and how they impact on their local economy".

160. The final Good to Great progress report taken to the December 2019 Board of Management Committee stated that the project has created a can-do attitude amongst staff across the College, encouraged creative thinking and innovative approaches to working practices. The report also highlighted the following key outcomes which have been delivered as a result of the project:

- Delivery of financial savings of £1.51 million and a 10 per cent reduction in expenditure on wider administration costs.

- An improvement in learner retention from 84.6 per cent in June 2017 to 87 per cent in December 2017.

- An increase in the full-time recruitment of students from 5,225 in June 2017 to 5,557 in December 2019.

- The creation of help points situated in each of the three college campuses.

- The modernisation of 90 per cent of the College's course portfolio

161. An independent evaluation of the Good to Great project will be undertaken and reported to the Board of Management in 2021. We will consider the results of this evaluation as part of our 2020/21 audit.

The College has approved a new five-year strategic plan, 2025 Strategy More Successful Students

162. A new five-year strategic plan, *2025 Strategy – More Successful Students*, was approved by the Board of Management in December 2019.The strategy is designed to build upon rather than replace the Good to Great transformation plan.

163. The strategy set out the College's vision to: "to create more successful students through effective partnerships that change lives and create thriving communities". A range of high-level metrics have been created which are designed to form the framework for assessing progress against the overall vision of the plan. Each metric falls under one of three strategic pledges:

- Effective Partnerships: to establish and enhance deeper, more meaningful partnerships both internally and externally to drive sustainability and ensure the best possible outcomes for students, employers and the wider region

- Future Focussed: to deliver curriculum and services in new and innovative ways that drive success and are engaging, flexible, streamlined and designed in partnership with learners, staff, partners and wider stakeholders

- Thriving Communities: to foster trusted, supportive, inclusive and resilient communities that puts partnerships, engagement and the health, wellbeing and success of students, staff, stakeholders and communities at the core of how the College operates.

164. Each of these pledges are aligned to the Colleges' core values, Exhibit 7.

Good Practice – The College has embarked on a project to reduce barriers, improve skills and facilitate access to training and qualifications

The College has secured funding through the Scottish Government's Child Poverty Fund to help increase engagement with the most vulnerable members of society. This initiative aims to break the long-term cycle disadvantaged young people can face by providing intensive support to reduce barriers, improve skills and facilitate access to training and qualifications.

Source: Dundee and Angus College website

Exhibit 7
Strategy 2015 – More Successful Students pledges

Source: Future Strategy report to Board of Management (December 2019)

The College created Project 2020 to support a coordinated and inclusive approach to reopening the College's campuses and returning to face-to-face learning and services in September 2020

165. Since March 2020, the College's immediate operational priorities have focussed on Covid-19 business continuity and recovery. This included the creation of 'Project 2020' which pulled together a wide range of activities and plans to make the infrastructure, educational and operational changes necessary to support the safe and effective reopening of the College's campuses and the return to face-to-face learning and services.

166. Project 2020 included the following five workstreams set up to support and inform the work needed to reopen the College safely and effectively:

- **Estates and Infrastructure:** Led by the Head of Estates and focussed on making the health and safety changes needed on the College's campuses to support social distancing, hygiene and safe working. This included changes needed to support increased ICT access and usage.

- **Delivery of Learning and Teaching:** Led by the Directors of Curriculum and Attainment to support the changes to curriculum planning and delivery.

- **Student Engagement & Service Delivery:** Led by the Head of Administrative Operations to support the changes to support services and the induction and engagement of students.

- **Leadership, Communication and Ways of Working:** led by the Head of People and Organisational Development and focussed on supporting and developing changes in the way in which the College works and delivers learning and other services within the 'new normal. This includes planning and delivering CPD activities and oversight of key staff communications on outcomes / plans from all workstreams.

- **Finance and Governance:** Led by the Head of Finance to support ongoing financial security and planning for additional costs and requirements to deliver on workstream outcomes and changes to the curriculum, delivery and services.

167. Each workstream included a union representative and the involvement of the Student Association, particularly within the Delivery of Learning and Teaching and Student Engagement workstreams, was also a key aspect of the College's joined up approach.

168. The College reopened to students on 21 September 2020, but Project 2020 will continue to run throughout the remainder of the current calendar year, and longer if needed. This will support and inform the steps required in response to Scottish Government guidance and restrictions.

Good Practice – The College has responded well to the increased health, safety and wellbeing challenges presented by Covid-19

An Internal Audit report into Health, Safety and Wellbeing focussed on the work undertaken to allow the College to continue to operate during the Covid-19 pandemic. It also reviewed the preparations made for the reopening of the College campuses from August 2020. This provided a good level of assurance, identifying many strengths in the College's response including its enhanced support for vulnerable students, contingency planning arrangements and remote working capacity. Internal Audit also found that the College's arrangements reflected best practice and guidance issued by the Scottish Government, World Health Organisation, and Health and Safety Executive (HSE).

Performance against the National Measurement Framework is regularly reported to the Board of Management

169. The Regional Outcome is a formal signed agreement between the Dundee and Angus College Board of Management and the Scottish Funding Council which commits the College to deliver a number of outcomes and outputs as a condition of the funding received.

170. The agreement also sets a number of targets which the College has agreed to achieve in relation to the National Measurement Framework. This is a set of measures for the College that are monitored and reported on by the Scottish Funding Council. The College's funding is closely linked to its performance against the Framework and therefore these measures are a key area of focus for the Board of Management.

171. To ensure that there is clear visibility of data and progress at each Board meeting, a series of standard metrics is presented to members for their consideration and review. These metrics link together a number of data sources into a single high-level Board report to provide high level indications of the College's performance and include details of performance against the National Measurement Framework. The College's committees are responsible for more detailed consideration of these performance measures.

The College continues to report strong performance against the National Measurement Framework, including student satisfaction results above the national average

172. As part of our audit we reviewed the College's performance against the National Measurement Framework and the standard metrics reported to the Board. This showed that:

- **76.5 per cent of students successfully completed their courses in 2019/20**
  This showed an increase on the completion rate reported for 2018/19, although it was slighter lower than the completion rates reported for 2016/17 and 2017/18.

- **96.1 per cent of students were satisfied with their overall college experience**
  This was based on the 2018/19 Student Satisfaction and Engagement Survey (SSES) survey and compares favourably with the national college average of 93.0 per cent for Further Education students and 86.8 per cent for Higher Education students. This continues the trend of the College achieving above average satisfaction rates in the annual SSES survey.

- **18.2 per cent of credits were delivered to students from the 10 per cent most deprived post code areas during 2018/19**
  This has increased year-on-year since 2015/16 when the comparative figure was 15.9 per cent. The College has also committed to further increasing performance in this area as part of its 2019/20 Outcome Agreement.

173. The College's funding is closely linked to student success, retainment and recruitment rates. Student recruitment has been impacted by Covid-19 with course applications and interviews completed fully online. While college applications were down, full time recruitment has remained consistent with the prior year. Maintaining student recruitment, retention and attainment will be important if the College is to meet its 2020/21 credit target.

As in prior years, the College exceeded its student activity credits target for 2019/20

174. One of the priority measures contained within the National Measurement Framework is the student activity credits target. The SFC set a credits target for each college region every year and where these targets are not achieved the SFC can decide to recover funding.

175. The College has a strong track record of meeting and exceeding its credits targets, Exhibit 8. During 2019/20 the College successfully delivered its student activity target of 108,068 credits, following an in-year distribution of an additional 333 credits, with actual credits exceeding this at 108,331.

Exhibit 8
Delivery of student activity credits target 2015/16 to 2019/20

Year	Core activity target	Activity delivered	Difference
2019/20	108,068*	108,331	+ 263 credits
2018/19	109,308*	109,345	+ 37 credits
2017/18	108,962	109,360	+ 398 credits
2016/17	108,333	108,501	+ 168 credits
2015/16	105,225	108,350	+ 3,125 credits

* The 2018/19 and 2019/20 credit targets shown include an additional 1,500 credits for 2018/19 and 333 credits for 2019/20 that the SFC transferred to the College during the year.

Source: SFC Infact database and Dundee and Angus College Regional Agreements

The Cumberford-Little report highlighted the importance of 21st century colleges being agile, flexible and adaptable if they are to maximise their contribution to delivering Scotland's national priorities

176. In February 2020 the principals of Scotland's two largest colleges, Edinburgh College and City of Glasgow College, published the *Cumberford-Little Report, One Tertiary System: Agile, Collaborative, Inclusive*. The report was commissioned by the Scottish Government to consider what more Scottish colleges can do to help improve businesses' performance and productivity.

177. The findings of the report identified the significant economic impact colleges already have and identified how colleges support a wide range of Scottish Government national priorities, highlighting examples of best practice across Scotland. The authors also made a series of recommendations aimed at allowing colleges to make an even greater contribution to business growth, particularly among Scotland's huge small and medium-sized enterprise, and micro-business communities.

178. The recommendations in the report were directed to Scottish Ministers and the Scottish Funding Council. However, the report also highlighted the key principle that 21st century colleges require to be agile, flexible and adaptable if they are to maximise their contribution to delivering Scotland's national priorities. Although the report was published prior to the Covid-19 outbreak, this overarching principle will be even more important in a post-Covid world.

Appropriate arrangements are in place for consideration of Audit Scotland national reports

179. Audit Scotland carries out a national performance audit programme on behalf of the Accounts Commission and the Auditor General for Scotland. Appendix 3 details reports which may be of interest to the College. During 2019/20, we also published a range of documents aimed at assisting public bodies in addressing some of the potential issues presented by Covid-19. These have all been published on Audit Scotland's website and can be accessed via the dedicated Covid-19 hub.

180. During our audit appointment we have noted that relevant national reports are taken to the Audit and Risk Committee for consideration. During 2019/20 this included the *Covid-19: Guide for audit and risk committees* which was accompanied by the completed self-assessment checklist, and other supplementary information explaining how the findings and recommendations relate to the specific circumstances of the College. We welcome this positive response to our national reports.

Appendix 1
Action plan

No.	Issue/risk	Recommendation	Agreed management action/timing

2019/20 recommendations for improvement

No.	Issue/risk	Recommendation	Agreed management action/timing
1	**Approval and evidencing of exit package** We identified that one exit package had not been authorised in accordance with the College's policy. As a result of the cyber-attack evidence supporting this decision was not available for review by audit. *There is a risk that the College does not comply with SFC guidance to obtain clearance on exit packages or retain appropriate evidence of settlement agreement decisions.*	Management should ensure that all exit packages are authorised in accordance with the applicable guidance and are supported by an appropriate business case. Exhibit 3 – Point 2	Agreed. This was a single omission where the mandatory pension costs incurred marginally exceeded the one-year payback period resulting in payback of 1 year and 14 days. This was notified to SFC when identified who are content with the position. Final VS cost reporting arrangements will be updated to ensure that an omission of this type does not recur. Revised working arrangements implemented post cyber-attack will mitigate against any future large-scale loss of required audit trail data. **Responsible officer:** Vice Principal People & Performance **Agreed date:** 31 January 2021
2	**Fixed asset register - fully depreciated assets** Our review of the asset register identified that there were 153 assets with a nil carrying value. These had a total cost of £29.774 million and had been fully depreciated down to zero by 31 July 2020. *There is a risk that the cost and accumulated depreciation balances for Property, Plant and Equipment in the financial statements do not accurately reflect the operational assets of the organisation.*	Management should undertake a regular review of the asset register to identify fully depreciated assets. Appropriate adjustments should be made determined by whether these assets are continuing in use. Exhibit 3 – Point 6	Agreed. Prevailing circumstances frustrated plans for a comprehensive review this year but this will be conducted in advance of the current year-end. **Responsible officer:** Head of Finance **Agreed date:** 31 July 2021

No.	Issue/risk	Recommendation	Agreed management action/timing
3	**Revised financial plans to reflect Covid-19** Dundee and Angus College's five-year financial strategy covering 2019/20-2023/24 was approved by the Board in March 2019. ***The longer-term financial impact of Covid-19 may make the financial strategy undeliverable.***	The College should produce a revised five-year financial strategy once there is sufficient certainty around the longer-term financial impact of Covid-19. Paragraphs **95**-**97**	Agreed. When there is more stability and certainty surrounding the longer-term impact of Covid-19 a longer terms financial strategy will be produced **Responsible officer:** Vice Principal Corporate Services **Agreed date:** Potentially 2021/22
4	**Five-year estate strategy** The College has in place a five-year estate strategy covering the period 2019/20 to 2023/24. ***Due to the impact of Covid-19, there is an overarching risk for the whole college sector that future plans and investment in estate improvements may be affected by the increase in remote learning.***	The College should review its five-year estate strategy to ensure that the existing plans represent the best approach to supporting an excellent, future-focussed curriculum, in a post-Covid world. Paragraphs **103**-**108**	Agreed. The impact of Covid-19 on capital funding models alongside the Tayside Region opportunities including Tay Cities Deal, MSIP, e-Sport will necessitate a review of the Estates strategy. **Responsible officer:** Head of Estates **Agreed date:** During 2021
5	**Annual capital budget** Colleges are provided with a limited capital budget each year to fund the annual costs associated with existing assets, i.e. depreciation charges and any impairment costs. ***There is a risk that the College's annual capital budget from 2020/21 will be insufficient to cover the additional annual costs associated with the capital works at the Kingsway Campus.***	The College should discuss with the SFC its plans to finance future depreciation costs. Paragraph **117**	The College is conscious of the need to make SFC aware of this and potential future increases were highlighted when submitting this year's AME Return. The dialogue with SFC will continue **Responsible officer:** Head of Finance **Agreed date:** During 2021

Follow up of prior year recommendations

| PY1 | **External evaluation of the effectiveness of the Board**

A three-yearly external evaluation of the effectiveness of the Board was due to be undertaken during 2019 but has been deferred to 2020. | The College should ensure that the planned external evaluation of the Board's effectiveness is undertaken during 2020 and reported to the Board of Management prior to the end of the financial year (i.e. 31 July 2020). | **Action complete**

The review was completed in October 2020 and presented to the Board in December 2020. It concluded that:

"The Board has a robust self-evaluation process in respect of its overall effectiveness which identifies actions through which |

No.	Issue/risk	Recommendation	Agreed management action/timing
	There is a risk that the Board is not operating effectively		*the Board can continuously develop."*
PY2	**NFI** Investigation of the College's NFI matches identified two instances of duplicate payment of invoices. *There is a risk of further duplicate payments in the future*	The College should review the controls in place to prevent future duplicate payments occurring. It should also consider the outcome of the investigation of the remaining matches to identify whether other improvements can be made to the internal control environment to further reduce the risk of fraud and misappropriation.	**Action complete** All matches have been investigated. The next data-matching exercise will take place in 2020/21 and the College has provided all data within the requisite timelines. The 2020/21 Internal Audit Plan includes a review of the College's response to the National Fraud Initiative.

Appendix 2
Significant audit risks identified during planning

The table below sets out the audit risks we identified during our planning of the audit and how we addressed each risk in arriving at our conclusion. The risks are categorised between those where there is a risk of material misstatement in the annual report and financial statements and those relating our wider responsibility under the *Code of Audit Practice 2016*.

Audit Risk	Assurance Procedure	Results and Conclusions
Risks of material misstatement in the financial statements		
1 **Risk of material misstatement caused by management override of controls** ISA 240 requires that audit work is planned to consider the risk of fraud, which is presumed to be a significant risk in any audit. This includes consideration of the risk of management override of controls to change the position disclosed in the financial statements	• Detailed testing of journal entries. • Review of accounting estimates. • Focused testing of accruals and prepayments. • Evaluation of significant transactions that are outside the normal course of business. • Review of the Annual Governance Statement and the assurances obtained in support of the statement.	**Results:** • Journal adjustments were tested, and no indications of management override of controls were found. • Judgements and estimations applied were tested to confirm they were appropriate and reasonable. • We tested accruals and prepayments and confirmed that income and expenditure was properly accounted for in the financial year. • We reviewed transactions during the year – no issues highlighted of significant transactions outside the normal course of business. • We reviewed the Annual Governance Statement and the assurances in support of this. No issues were identified. **Conclusion: Satisfactory**
2 **Risk of material misstatement caused by fraud in income recognition** ISA 240 requires auditors to presume a risk of fraud where income streams are significant. The College recorded income of £44million in 2018/19, of which £35million was provided by the Scottish Funding Council (SFC) and £9million was received from other sources. SFC funding is reliant on accurate recording of student numbers and courses provided. In addition, the level of income received from other sources is material. The extent and complexity of income means that, in accordance	• Review of budget monitoring reports focussing on significant budget variances. • Detailed testing of income transactions. • Analytical procedures on income streams.	**Results:** • Satisfactory results obtained from our testing of income transactions. • We obtained satisfactory explanations for any significant increases or decreases in income. **Conclusion: Satisfactory**

with ISA 240, there is an inherent risk of fraud.

3	**Risk of material misstatement caused by fraud in expenditure**		

Risk of material misstatement caused by fraud in expenditure

The Code of Audit Practice expands the consideration of fraud under ISA 240 to include the risk of fraud over expenditure. This applies to the College due to the variety and extent of expenditure incurred.

- Audit work on the National Fraud Initiative matches.
- Review of budget monitoring reports focussing on significant budget variances.
- Consideration of the findings from internal audit's review of procurement.
- Detailed testing of expenditure transactions focusing on the areas of greatest risk
- Analytical procedures on expenditure streams.

Results:

- We concluded that the College is proactive in following up NFI matches.
- Satisfactory results obtained from our testing of expenditure transactions.
- We obtained satisfactory explanations for any significant increases or decreases in expenditure.

Conclusion: Satisfactory

4	**Estimation and judgments**		

There is a significant degree of subjectivity in the measurement and valuation of some significant balance sheet assets/liabilities.

- Valuations on non-current assets rely on expert valuations and management assumptions. A full valuation of non-current assets is due in 2019/20.
- The value of the College's pension liability is an estimate based on information provided by management and actuarial assumptions.

Risk: Valuations of assets/liabilities are materially misstated.

- Review of the work of the valuer and actuary.
- Focused substantive testing of classification and valuation of assets.
- Review appropriateness of actuarial assumptions.
- Confirm pension valuations in actuarial report are correctly reflected within the 2019/20 accounts.

Results:

- Our review of the work of the College's valuer confirmed the appropriateness of the methodology and assumptions used.
- We assessed the reliability of the actuary and reviewed their work. No issues were noted.
- Pension disclosures agreed in full to information from actuaries, or to financial records where applicable.
- Judgements and estimations applied were tested to confirm they were appropriate and reasonable. No issues were highlighted with the judgements and estimates applied.
- We obtained assurances from HR in relation to provisions. This supported the information included in the financial statements.

Conclusion: Satisfactory

Risks identified from the auditor's wider responsibility under the Code of Audit Practice

5	**Financial Sustainability**		

The College approved its Financial Forecast Return (FFR) for 2019/20-2023/24 projected an underlying operating deficit from 2021/22 onwards resulting in a negative cash position by 31 July 2024.

To address this, the College's financial strategy identified savings of £2.75 million are required over

- Monitor achievement of financial targets, including achievement of student credit targets.
- Ongoing assessment of the College's financial strategy, including the assumptions used.
- Review of the College's Financial Forecast

Results:

- The College managed its budget effectively during 2019/20.
- The College exceeded its student activity credits target for 2019/20.
- Additional income from the SFC to support economic recovery has enabled the College to

the next five years. Much of the savings required were expected to come from reduced head count achieved through voluntary severance.

The College has reported that the voluntary savings assumptions made in the Financial Strategy for 2019/20 are not expected to be realised due to lower than anticipated requests.

Risk: There is a risk that the College fails to achieve the planned savings and this negatively impacts on their cash balances over the next five years.

Return for 2020/21-2024/25.

budget to achieve a cash-backed surplus of £0.020 million for 2020/21.

- The College's three-year Financial Forecast Return shows the cash position being maintained at around £1 million over the three years to 31 July 2023, but this is predicated upon the delivery of savings from staff reductions over the same period.

Conclusion: Unsatisfactory – The College should produce a revised five-year financial strategy once there is sufficient certainty around the longer-term financial impact of Covid-19.

Paragraphs **95**-**97**

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6   Estates Investment

In common with other Scottish colleges, Dundee and Angus College has a significant backlog of repairs and maintenance for its estate.

The College's estates strategy covering 2019/20 to 2023/24 sets out an estates plan to be followed during the five-year period and outlines how this will be implemented. The SFC allocated the College £1.646 million of capital maintenance funding to address its high priority works in 2019/20. However, the College has recognised it will need to secure additional funding streams if it is to implement its strategy.

A business case is being developed with plans to build a new Science, Technology, Engineering and Maths (STEM) centre funded by the Scottish Government through a Mutual Investment Model (MIM). In addition, the College has planned a redevelopment of its Kingsway Tower and intends to submit a bid to the Dundee and Angus Foundation to seek financial support for this project.

Risk: Should the anticipated funding not be secured, there is a risk that it impacts on the ability of the College to address the condition if its estate and continue to deliver their core services in a safe environment. There is also a related risk that the condition of the

- Ongoing assessment of the College's five-year estate strategy.
- Monitor progress of funding applications.

Results:

- Phase 1 of the Kingsway Tower redevelopment commenced in June 2020 but issues have been encountered that could affect the delivery and costs of the overall project.
- There is a risk that the College's plans for a new build STEM centre on the Kingsway Campus, funded through a Mutual Investment Model, are impacted by the current pressure on public finances.

Conclusion: Unsatisfactory – The College should review its five-year estate strategy to ensure that the existing plans represent the best approach to supporting an excellent, future-focussed curriculum, in a post-Covid world.

Paragraphs **103**-**108**

estate impacts on the ability of the College to attract new students.

Overarching financial statements and wider dimension risks

7   Impact of cyber attack

In January 2020, the College experienced a three-day cancellation of all student classes following a significant cyber-attack. This impacted on a number of College systems and resulted in certain data and records being encrypted.

Risks: There is a risk that financial information and evidence required for the financial statements audit may not be available. There is also a risk that the encryption of other key information impacts on the day-to-day operation of the College. Furthermore, there is a risk that the College may be vulnerable to future cyber-attacks.

- We will review the financial controls introduced following the cyber-attack.
- We will select audit samples at an early stage, wherever possible, to enable the College to obtain supporting documentation from external parties where required (e.g. copy invoices from suppliers for expenditure sample testing).
- We will continue to monitor the ongoing implications from the cyber-attack, including the arrangements put in place by the College to prevent future attacks.

Results:

- The College had to implement a number of changes to its systems of internal control during 2019/20 due to the impact of the cyber-attack and Covid-19.
- Since this incident, good progress has been made in implementing the recommendations of the independent JISC Computer Security Incident Response Team review.

Conclusion: Satisfactory

8   Impact of Covid-19

In line with the tighter restrictions introduced, in response to the Coronavirus outbreak, to limit social interaction and non-essential work within the UK, the College closed to all students on 18 March, and to staff on 23 March.

Risks: The impact of Covid-19 will have a pervasive effect on all aspects of the College's operations and presents a wide range of risks for the 2019/20 audit.

- We will continue to discuss our audit approach, and timetable, with management during the course of the year to agree how we can work together to adapt and respond to the changing circumstances.

Results:

- Despite the impact of Covid-19, the audited annual report and financial statements were signed off by the 31 December deadline.
- The College created Project 2020 to support a coordinated and inclusive approach to reopening the College's campuses and returning to face-to-face learning and services in September 2020.
- The College has responded well to the increased health, safety and wellbeing challenges presented by Covid-19.

Conclusion: Satisfactory

Appendix 3
Summary of national performance reports 2019/20

2019/20 Reports

	Apr	
Social security: Implementing the devolved powers	**May**	
Scotland's colleges 2019	**Jun**	Enabling digital government
	Jul	
NHS workforce planning - part 2	**Aug**	
Finances of Scottish universities	**Sept**	
NHS in Scotland 2019	**Oct**	
	Nov	
Local government in Scotland: Financial overview 2018/19	**Dec**	
Scotland's City Region and Growth Deals	**Jan**	Privately financed infrastructure investment: The Non-Profit Distributing (NPD) and hub models
	Feb	
	Mar	Early learning and childcare: follow-up

Dundee and Angus College

2019/20 Annual Audit Report

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BOARD OF MANAGEMENT

Tuesday 15 December 2020

FINANCE & ESTATES

Financial Statement for the year ended 31 July 2020

Embargoed pending Scottish Government Approval

PAPER L

BOARD OF MANAGEMENT

Tuesday 15 December 2020

HUMAN RESOURCES ITEMS

Workforce Planning & Voluntary Severance   PAPER M

BOARD OF MANAGEMENT MEETING

Tuesday 15 December 2020

Workforce Planning and Voluntary Severance Scheme

Paper for approval

1   Background

This paper summarises work progressing in respect of workforce planning and the proposal to re-open Voluntary Severance with effect from early 2021.

2   Summary of Workforce Planning

The senior leadership team have been discussing the anticipated workforce impacts of the current COVID 19 pandemic in the short, medium and longer term.

In the **short-term phase** (through to the end of the current academic year) activity is focused on business continuity management, financial sustainability and the management of furlough arrangements (including planning for the immediate aftermath of the furlough scheme). Significant focus is also being placed on supporting the rapid change in the demands being made of staff and the new skills required to deliver learning, teaching and services on a remote and blended basis. It is noted that this short-term period will also overlap with the medium term.

In the **medium term phase** (April - December 2021) the key focus will be on sustainable workforce planning for session 2021/21 in terms of on-going approaches and needs arising from the COVID 19 pandemic and also linked to the changes emerging and support needed to underpin the College's role in regional economic and social recovery.

Given likely areas of growth and decline in activity, short to medium term opportunities to redeploy staff into growth areas will be encouraged where skills and training opportunities allow this. More creative solutions, which see people working productively in roles across College, are also being considered. including secondments, part time and work shadowing opportunities.

Through the medium term phase we will progress arrangements to deliver and support activities arising through the range of economic and social recovery initiatives that are currently emerging. Many of these initiatives are in an embryonic stage just now and as further details emerge, work force plans will be flexed to ensure that contract or initiative requirements can be delivered.

The medium term phase will also support planning towards the longer term changes anticipated.

Longer-term planning (academic year 2021/22 and 2022/23) will focus on the sustained changes to ways of working and within our regional economy arising from the COVID 19 pandemic and other changes.

Following close monitoring of expected growth and decline areas, the shape of the workforce is likely to change more significantly over the next two years to manage the way we work.

There are some areas where growth can be predicted relatively accurately. In other areas, ongoing assessment will be needed, as the full impact of new ways of living and working is not entirely clear.

Training will be provided in the initially identified growth areas in the short term without too much additional burden, as resource and skills exist within the College to support this. The use of schemes such as Kickstart placements in ICT and LDR will be considered alongside possible redeployment of staff and short to medium term support approaches.

In the longer-term, decisions will need to be focussed on support for changes within the College portfolio and changes in the services required and the way in which these are delivered. This will include re-training, redeployment and potentially voluntary severance.

3   Voluntary Severance Scheme

The Board of Management approved the terms for a Voluntary Severance scheme at its December 2019 meeting.

Under the terms of the relevant [SFC guidance](), the terms of the scheme were also approved by SFC. This approval was sought (and granted) through until 31 December 2021. As a result, the College does not need to seek further approval for this scheme.

The terms of the scheme supported payment of a maximum of 8 months' salary with payback required within a maximum 12-month period.

Given the workforce planning activity that is progressing (and the changes likely as a result of the impact of the COVID 19 pandemic and the resulting regional economic and social recovery role of the College) it is proposed that the Voluntary Severance scheme be opened for applicants in early 2021.

Flexibility around this is sought from the Board, with the option for the scheme to remain open throughout the remainder of calendar year 2021. This would support changes on a rolling basis as requirements and as timescales become clearer.

The opening of voluntary severance will be linked to the workforce changes anticipated and recognising the potential limitations available around retraining/redeployment where there are substantive or rapid changes in service or curriculum needs. There is no set target or level of voluntary severance anticipated or planned and (as seen in recent years) it is expected that numbers accessing the scheme will be relatively low.

In line with previous arrangements, all decisions would require strict cost savings and all costs will be managed to ensure that they do not impact negatively on the in-year cash position.

4   Approval

The Board of Management is asked to note the work taking place in respect of workforce planning and to approve the proposed voluntary severance arrangements.

Author and Executive Sponsor: Steve Taylor, Vice Principal People and Performance

BOARD OF MANAGEMENT

Tuesday 15 December 2020

GOVERNANCE ITEMS

Board Membership   PAPER N

BOARD OF MANAGEMENT

Tuesday 15 December 2020

Membership Update

Paper for approval

1.   Introduction

This paper summarises arrangements and requirements in respect of the membership of the Board of Management of Dundee and Angus College as a Regional College under the terms of the Post-16 Education (Scotland) Act 2013.

2   Board of Management Membership

Under the terms of the Post-16 Education (Scotland) Act and the ministerial guidance on the recruitment of board members, the Board of Management must make appropriate arrangements for the recruitment of migrating and new members of the Board.

To operate within the terms of the legislation the Board of Management must include **a minimum of 15 members and a maximum of 18 members** (up to 12 of whom are classified as "ordinary members" recruited under the board arrangements). The College Board cannot operate legally with fewer than 15 members.

3   Board Resignation

Having signalled a desire to stand down from the Board but remaining in post until recruitment of new Board members was complete, Pam Milne has advised that she will resign from the Board with effect from March 2021.

4   New Appointments

Following arrangements agreed in December 2019, and the postponement of activities due to lockdown in March 2020, Board recruitment has now been progressed and the Nominations Committee have identified two appointments as noted below.

Angela Wilson

Angela is a former Assistant Chief Constable of Tayside Police and is Chair of the Womens Rape and Sexual Assault Centre in Dundee. Angela also supports a service providing free personal development and support programmes for students and other young people.

Appointment from December 2020 for a period of 4 years.

Kevin Ditcham

Kevin is Network & Delivery Manager for the Democratic Society International (a group that supports individual and community engagement in decision making) and was Project Manager for the Scottish Government/Young Scot Year of Young People in 2018. Kevin also has experience in community engagement and health promotion for young people.

Co-option to the Board and appointment from April 2021 for a period of 4 years.

5   Terms of Office & Board Recruitment

Several Board members will reach the end of their term of office in spring 2021. To progress with Board membership arrangements the following steps are proposed.

5.1   Extension of Board Appointments

Under the terms of the Act, Board appointments can be extended for a second term of office without the need for the full ministerial appointments process to be followed. Extension must be approved by the Scottish government based on agreement from the Board of Management and approval of the extension request by the Board Chair.

The two Board members noted below are eligible for extension and it is proposed that this extension be sought for further 4-year terms in each case, with effect from 1 May 2021.

> **Donna Fordyce**
> **Tricia Pirie**

5.2   Board Recruitment

The terms of office for the following Board members will come to an end on 31 May 2020.

> **Margo Williamson**
> **Gary Bisset**
> **Steve Mill**

Each of these members had their appointments extended in 2017 and as a result are not eligible to have them extended a second time. These members are eligible to apply for continued Board membership if they wish and to be reappointed to the Board through the normal recruitment and appointments process on an equal basis alongside the other applicants.

In line with previous arrangements it is proposed that recruitment to the three vacancies arising from the expiry of these terms of office be delegated to the Chairs Committee (excluding those Chairs noted above) in their role as Nominations Committee. It is planned that the three vacancies be advertised, and recruitment concluded in Spring 2021.

**5.3	Skills Mix**

The Board of Management has a responsibility to ensure that it has a mix of skills within its membership that is relevant to the needs of the Board and reflects the local economy. A summary of the current skills mix is enclosed as Appendix a.

In respect of this skills mix it is identified that the Board would benefit from input from members with one or more of the following areas of experience/expertise:

- Education and Education Management (HE level).
- Public Sector Management.
- Marketing & Promotions or
- Finance/Accountancy

**6	Senior Independent Member**

The role of the Senior Independent Member of the Board is outlined within the Code of Good Governance as follows.

> The board must appoint one of the non-executive members to be the senior independent member to provide a sounding board for the chair and to serve as an intermediary for the principal, other board members and the board secretary when necessary (see Annex 1 for the definition of 'non-executive'). The senior independent member should also be available where contact through the normal channels of chair, principal or secretary has failed to resolve an issue or for which such contact is inappropriate. Further information on the role of the senior independent member can be found in *The Guide for Board Members in the College Sector*.

Following a decision at the March 2017 meeting of the Board it was agreed that the role of Senior Independent Member be separated from that of Vice Chair.

The role of Senior Independent member is held by Pam Milne up until her resignation and nominations are sought for this role. Nominations should be passed to the Board Secretary in advance of the March 2021 meeting.

**7	Chair of the Human Resource and Development Committee**

In addition to the role as Senior Independent Member, the resignation of Pam Milne will leave a vacancy as Chair of the Human Resource and Development Committee and nominations are sought for a replacement.   Nominations should be passed to the Board Secretary in advance of the March 2021 meeting.

8   Approvals

In summary, approval is sought for the following:

- Appointment of two Board members as detailed above
- Approval for the extension of appointments for two Board members as detailed above
- Delegation to the Chairs Committee for recruitment to three Board vacancies.

Author and Executive Sponsor: Steve Taylor, Vice Principal People and Performance

Board of Management Membership and Skills Mix as at December 2020

		Appointment	Member Until	Profession/Specialism
1.	**Angela McCusker**	Regional Chair July 2014	Scottish Government Appointment until 31//07/2022	Business, Management, Finance
2.	**Margo Williamson**	June 2014	31/05/2021	Public Service Management, Education Management, Learning & Teaching
3.	**Gary Bissett**	June 2014	31/05/2021	HR, Management, Manufacturing
4.	**Steven Mill**	June 2014	31/05/2021	Finance, Public Service Management
5.	**Pamela Milne**	March 2015	31/03/2023	HR&OD, Management, Education
6.	**George Robertson**	March 2015	31/03/2023	Finance, Management
7.	**Donna Fordyce***	April 2017	31/04/2021	Economic Development/ Enterprise, Fisheries, Retail Management
8.	**Trisha Pirie***	April 2017	31/04/2021	Economic Development, Commercial Management, Enterprise
9.	**Kirsty Keay***	January 2019	31/12/2022	Commercial, Governance, HR, Third Sector Management
10.	**Helen Honeyman***	January 2019	31/12/2022	Risk, Governance, HR Management
11.	**Neil Lowden***	January 2019	31/12/2022	Educational Management, Learning & Teaching, Educational Policy
12.	**Donald Mackenzie***	April 2019	31/03/2023	HR & OD, Corporate Communications Management
13.	**Angela Wood***	December 2020	31/12/2024	Leadership, Management, Governance, Third Sector
14.	**Kevin Ditcham***	March 2021	31/03/2025	Community Learning & Engagement, Management, Third Sector
15.	**Simon Hewitt**	August 2020	--	Principal
16.	**Sam Stirling**	September 2019	31/09/2021	Non-Teaching Staff Member
17.	**Barry Carmichael**	April 2019	31/03/2021	Teaching Staff Member
18.	**Cher Meldrum**	August 2019	31/07/2021	Student Member
19.	**Amy Monks**	August 2019	31/07/2021	Student Member

* Eligible for reappointment

BOARD OF MANAGEMENT

Tuesday 15 December 2020

GOVERNANCE ITEMS

Board Metrics **PAPER O**

BOARD OF MANAGEMENT

Tuesday 15 December 2020

Board Metrics

Paper for information

1 Introduction

This paper outlines a series of standardised Board Metrics as discussed and agreed at previous meetings.

2 Board Metrics Report

To ensure that there is clear visibility of data and progress the following series of clear metrics is produced for consideration at each Board meeting. These metrics link together a number of data sources into a single high level Board report to provide high level indications of College performance. The further detail in each case should rest with the relevant Committee, or be part of the operational activities of the College. In this way, the metric report should supplement, rather than replace, the range of current information provided to the Board and its Committees.

3 Link to Strategic Risk Register

Information in this report is intended to provide Board members with reassurance that actions and activities are being progressed and addressed that support the mitigation of a range of risks identified within the Strategic Risk Register namely;

   1.1 – Failure of College strategy to meet the needs of the D&A Region and/or
         national priorities (eg Employability, DYW, attainment, articulation)
   2.2 – Failure to achieve institutional sustainability
   3.1 – Failure to reach aspirational standards in learning, teaching and service
          delivery
   3.3 – Legal actions; serious accident; incident or civil/criminal breach
   3.4 – failure to meet aspirational standards in respect of the health, safety,
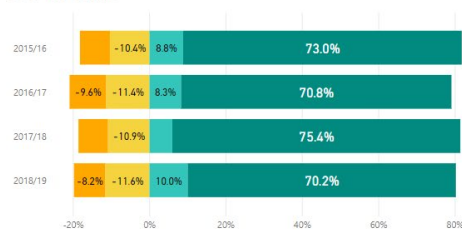   wellbeing and development of staff and students

Author Colin Lynagh, Business Intelligence Officer
Executive Sponsor: Steve Taylor, Vice Principal People and Performance
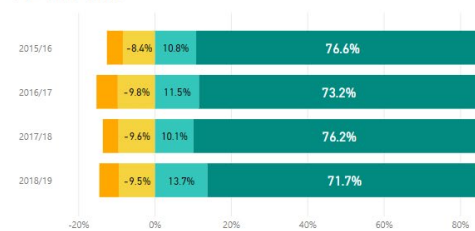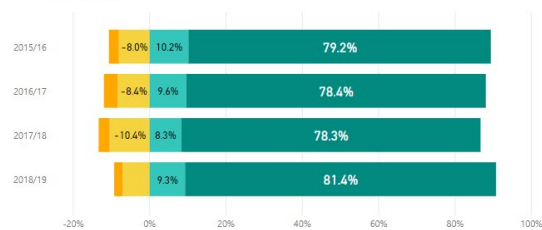
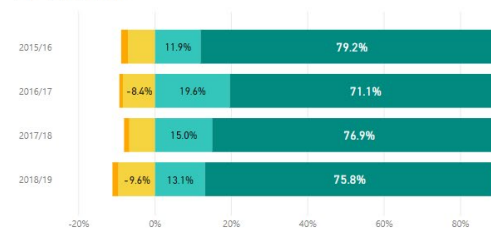# Performance Indicators

Total PI by Session
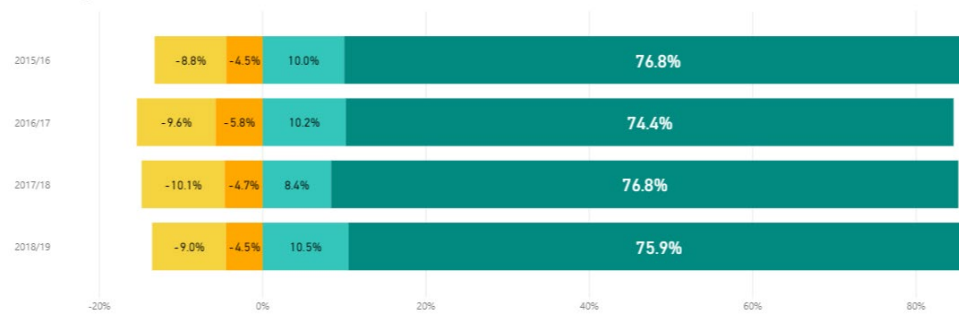
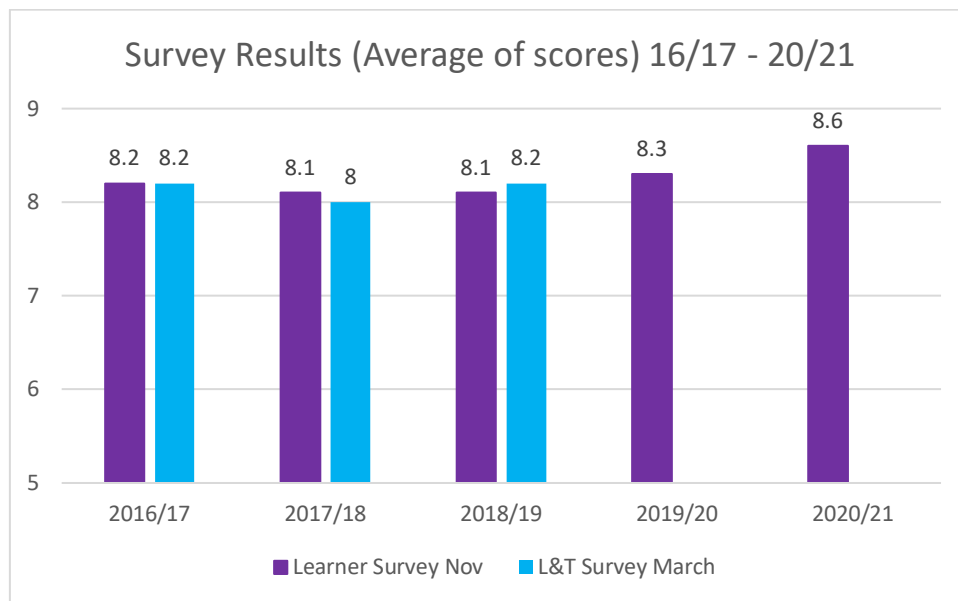FE Full Time

HE Full Time

FE Part Time

HE Part Time

Provisional PIs 2019/20

Level Mode	Successful Completion	Partial Success	All Withdrawn
All	**75.9%**	9.3%	14.8%
Full Time FE	**71.4%**	8.8%	19.8%
Full Time HE	**75.0%**	11.7%	13.3%
Part Time FE	**80.1%**	8.4%	11.5%
Part Time HE	**79.8%**	9.0%	11.0%

Student Survey Results

Survey Results (Average of scores) 16/17 - 20/21

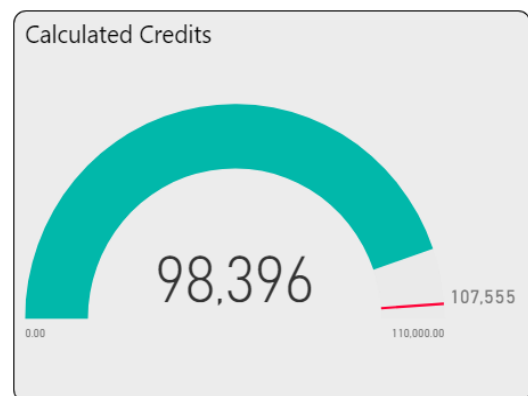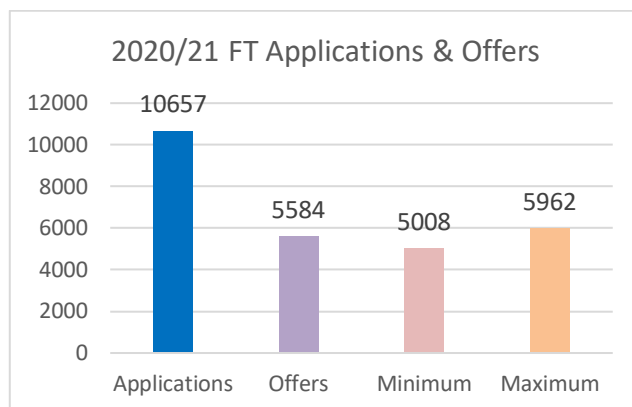Legend: ■ Learner Survey Nov ■ L&T Survey March

Note: The 2019/20 L&T Survey was not completed. The Learner Survey is now scored out of 5 but the 2020 result (4.3) scaled up to be consistent with prior years.
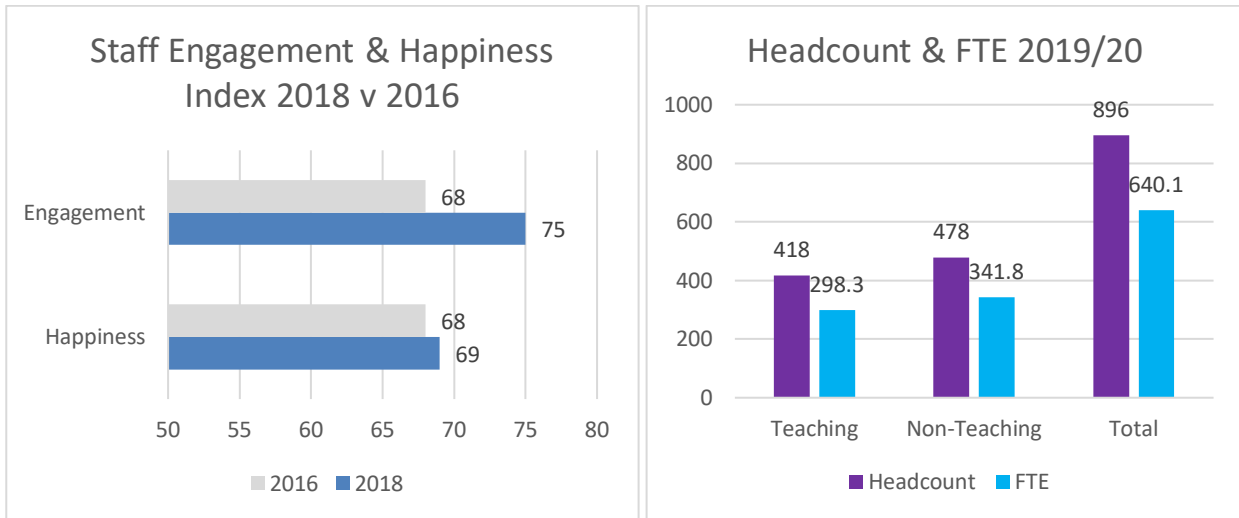
SFC Student Satisfaction & Engagement Survey – Positive response rate

	D&A	National
Overall Satisfaction 2016/17	90.6%	83.5%
Overall Satisfaction 2017/18	90.4%	83.6%
Overall Satisfaction 2018/19	91.4%	86.9%

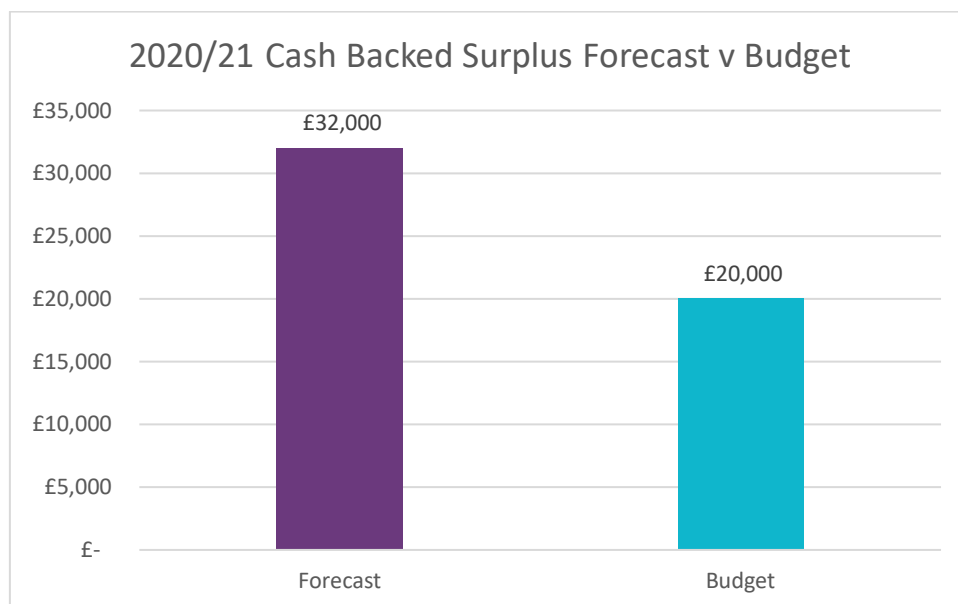Note: The 2019/20 SFC Student Satisfaction and Engagement Survey was not completed.

2020/21 FT Applications & Offers

Applications	Offers	Minimum	Maximum
10657	5584	5008	5962

Calculated Credits

98,396

0.00   107,555   110,000.00

Staff – Engagement and Happiness Index, FTE & Headcount and Absence

Staff Engagement & Happiness Index 2018 v 2016

	2016	2018
Engagement	68	75
Happiness	68	69

Headcount & FTE 2019/20

	Headcount	FTE
Teaching	418	298.3
Non-Teaching	478	341.8
Total	896	640.1

	Year to Date to 31/10/20	12 months to 31/07/20
Average working days lost per headcount	**5.67 days**	6.45 days
Working time lost	**2.18%**	2.48%
Comparison with sector/national rates UK All Sector rate (CIPD 2016) UK Public Sector rate (Unison 2016)	3.3% 3.4%	

Finance – Surplus/Deficit v Planned Budget out-turn

2020/21 Cash Backed Surplus Forecast v Budget

	Amount
Forecast	£32,000
Budget	£20,000

	2020/21	2019/20
RIDDOR – Reportable Accidents	1	1

2020/21	Completed	Planned
Audits Completed v Planned	1	7

BOARD OF MANAGEMENT

Tuesday 15 December 2020

Minutes of Committee Meetings　　　　　　　**PAPER P**

14.1　Learning, Teaching & Quality – 4 November 2020

14.2　Human Resource & Development – 12 November 2020

**14.3　Joint Audit & Risk and Finance & Property –
8 December 2020 (verbal update)**

BOARD OF MANAGEMENT

Learning, Teaching and Quality Committee Wednesday 4 November 2020

Draft Confirmed by Chair

Minute of the Learning, Teaching and Quality Committee meeting held on Wednesday 4 November 2020 at 5.00pm via Microsoft Teams.

PRESENT:	M Williamson (Chair)	G Robertson
	B Carmichael	A McCusker
	S Mill	A Monks
	H Honeyman	S Stirling
	C Meldrum	S Hewitt
	M Thomson	

IN ATTENDANCE: S Taylor (Vice Principal / Secretary to the Board)
J Carnegie (Vice Principal Corporate Services)
J Grace (Director of Curriculum)   K Murphy (Director of Curriculum)
M Sanderson (Executive Secretary)
C Calder (Academic Development Lead)

1. WELCOME

M Williamson welcomed Committee members and Christine Calder to the meeting. The committee congratulated J Grace on her recent promotion to the role of vice Principal Curriculum and Attainment.

2. APOLOGIES

Apologies were noted from N Lowden.

3. DECLARATIONS OF INTEREST

There were no declarations of interest.

4. MINUTE OF PREVIOUS MEETING

The minute of the meeting held on 2 September 2020 was approved as an accurate record.

5. MATTERS ARISING

The close out of matters arising from previous meetings was noted.

6. **COVID 19 ARRANGEMENTS FOR LEARNING, TEACHING AND ENGAGEMENT OF LEARNERS**

S Hewitt provided a verbal update to the Committee on COVID 19 arrangements and guidance.

S Hewitt noted that 5,200 full-time students had been recruited for this current academic year, 100 down on last year. This was a very positive position given the pandemic and S Hewitt noted that these had been achieved with 13 fewer streams.

S Hewitt noted that students would receive a survey during November to give feedback on how they were experiencing remote learning and to gain general feedback on how students were coping with their learning during the pandemic. J Grace added that students were receiving small weekly surveys to keep in touch with their lecturers and group tutors.

S Hewitt noted that staff had recently completed a 'pulse' survey to give their feedback on how they were coping working remotely. The response was positive and the Executive team were looking at how to support staff and their wellbeing during this time.

A McCusker asked what measures are in place to support staff. S Hewitt summarised areas being looked at and noted that there was a wide range of on-going support on remote and on-line learning (this would be covered under the next item). S Hewitt noted reference to the 'Corona Curve' which highlighted how different staff would be at different points in terms of accepting and working with the impact of the pandemic. S Hewitt noted that staff cannot go back to a normal process at the moment, whilst the pandemic is still going on and noted that discussions are taking place within the SLT to support and seek to normalise remote working.

J Carnegie noted that it was challenging to solve the anxieties of staff due to the impact the pandemic was having on everyday life and not just work life.

G Robertson asked if the guidance on the Tier system in Scotland had had an impact on the College, with Dundee and Angus being in different Tier levels. J Carnegie noted that students (and staff) could travel to campus for classes as this is classed as essential travel and the College was operating on a restricted blended basis on all campuses. As a result, it was felt that there would not be any major additional impact on the College.

M Williamson praised the team and staff for their hard work with the COVID 19 arrangements.

7. **CURRICULUM REPORT – GROUP TUTOR & ON-LINE LEARNING DEVELOPMENT SUPPORT**

C Calder provide a presentation to the Committee, around Group Tutor Role and online learning development support.

C Calder highlighted to the Committee, the changes to the Group Tutor role and the impact of remote teaching.

S Taylor noted that Academic teams were sharing good practices between teams and giving colleagues support and ideas with the delivery of remote learning.

S Hewitt noted that teams were coming together to create engagement time between teams to share best practice and share feedback from their own students.

S Taylor noted that the demand placed on teams because of the move to remote delivery and remote assessment had been significant but that SQA had cancelled almost all graded unit assessments for HNC/D qualifications, reducing some of the burden placed on students and staff. It was noted that adapted assessment arrangements were also operating, with staff redesigning closed book and other assessments to better suit remote delivery. This allowed more freedom around arrangements for assessments, but did add an additional burden for staff.

S Hewitt highlighted that Colleges across Scotland are communicating to try to share practices with each other and share materials during this time, to try to connect Colleges together.

M Williamson thanked C Calder for the presentation.

8.   **STUDENTS ASSOCIATION REPORT**

C Meldrum summarised the written report to the committee.

C Meldrum highlighted that Lead Rep training had started that week and the team had received an overwhelming response to Reps joining the online training. C Meldrum noted that they had recruited Lead Reps from all departments, including ESOL and Motor Vehicle which previously didn't have any Lead Reps.

C Meldrum highlighted the team were trying to engage with students through social media channels, such as Tik Tok to emphasis important messages such as hand sanitising, wearing face coverings and staying at home.

C Meldrum noted that the team would like to introduce Board members to students, by publishing messages from the Board on social media channels so that Students could familiarise themselves with the Board of Management.

C Meldrum and A Monks noted they were planning to arrange an event around Christmas, similar to the Summer festival for students.

M Williamson and A McCusker praised the hard work from the team during this time and praised their enthusiasm, energy and passion.

9.   **2019/20 PERFORMANCE INDICATOR REPORT**

S Hewitt provided a summary of the report and noted the PI figures were different this year due to the Cyber attack and COVID 19 pandemic.

J Grace noted that areas such as Hospitality had been hit disproportionately due to students losing their apprenticeships when lockdown started. It was noted that there were also some impacts because of students having to defer parts of their studies.

K Murphy highlighted that PIs for Engineering had improved compared to previous years. This was welcomed.

M Williamson stated that it was good to see that overall outcomes remained positive.

A McCusker welcomed the overall outcomes, but noted that a number of courses remained 'red lighted' with some areas almost 50:50 in terms of red and green/amber. S Taylor noted that these related to national average figures and noted that it was always a challenge to be above national average in all subject areas.

The impact of staff absences and other changes on some specific course areas were noted.

S Hewitt stated that the overall outcomes were at a similar high level to previous years and continued the consistent high performance of the College.

10. CURRICULUM & ATTAINMENT REPORT

S Hewitt provided a summary of the report. S Hewitt highlighted that the Executive are communicating with staff regarding COVID-19 guidance.

M Williamson asked if digital poverty remained a problem. S Hewitt noted that all staff now had laptop devices and the student allocation of laptops was keeping up with demand. There were, however, still issues for many students in terms of ICT access and having appropriate accommodation. The digital device funding had been utilised, with a small number of devices being retained to support new students in semester 2.

S Stirling noted that 250 laptops had been issued to students and COVID secure study zones had been busy every day.

11. STRATEGIC RISK REGISTER

S Taylor provided a summary of the changes made to the COVID 19 Risk Register and the Committee approved the risk register.

12. LT&Q METRICS

S Taylor provided a summary of the Metrics. These were noted

13. DATE OF NEXT MEETING

The next Learning, Teaching and Quality Committee meeting will take place on Wednesday 10 February 2021 at 5.00pm, Microsoft Teams**.**

Action Point Summary

Action	Responsibility	Date
No action points noted.		

BOARD OF MANAGEMENT

Human Resources and Development Committee
Thursday 12 November 2020

Draft confirmed by Chair

Minute of the Human Resources and Development Committee meeting held on Thursday 12 November 2020 at 5.00pm via Teams.

PRESENT:	P Milne	D Fordyce	
	D Mackenzie	K Keay	
	T Pirie	B Carmichael	
	S Stirling	S Hewitt	
IN ATTENDANCE:	S Taylor (Vice Principal)	J Grace (Vice Principal)	
	J Carnegie (Vice Principal)	A Mawhirt (Head of People & OD)	
	M Sanderson (Executive Secretary)		

1. **WELCOME**

   P Milne welcomed members to the meeting.

2. **APOLOGIES**

   Apologies received from G Bissett.

3. **DECLARATIONS OF INTEREST**

   There were no declarations of interest.

4. **MINUTE OF THE PREVIOUS MEETING – 17 September 2020**

   Minute of the previous meeting was approved as an accurate record.

5. **MATTERS ARISING**

   The matters arising were reviewed and closed.

   COVID 19 UPDATE ON HEALTH & SAFETY, LEADERSHIP, WAYS OF WORKING & COMMUNICATION

   J Carnegie provided the Committee with an update on COVD 19 guidance and arrangements that the College was following.

   J Carnegie noted that messages were being continuously reinforced for staff and students, reminding them to follow guidelines, including wearing face coverings in communal areas on campus, regular hand washing, 2 metre distance etc.

J Carnegie stated that there were regular queries that arose, including reminding students and staff advising that of the self-isolation guidance and they do not need to isolate if a member of their household is isolating – they should isolate only where they have been in contact with a positive case.

J Carnegie noted that the Health and Safety Executive would be carrying out an inspection of COVID 19 adaptions and other arrangements in the Hair and Beauty department at the end of the month. This area had been selected by HSE due to the close contact nature of courses.

J Carnegie noted that there was significant government concern around students returning home for Christmas and stated that this was mainly an issue for the university sector. J Carnegie stated that the College had only around 90 students that had a home address outwith the local area. Given this small number, the College was working in partnership with the University of Dundee and Abertay University won testing and related support for these students.

P Milne noted the hard work of the team and thanked everyone involved for their efforts.

6. **STAFF PULSE SURVEY**

A Mawhirt summarised the pulse survey outcomes.

A Mawhirt noted that the Senior Leadership Team were happy with the responses from staff, with 340 staff members completing and 140 staff members providing further comments to the survey. It was noted that the overall survey responses were very positive, but that it was recognised that there remained some significant issues and pressures for staff.

A Mawhirt highlighted the survey asked staff for feedback on health and safety practices and if they were comfortable with the COVID 19 procedures in their department.

A Mawhirt noted a high number of staff reported that they miss the social interaction of being on campus and seeing colleagues every day; some felt that home working was isolating. It was noted that this was having an impact on wellbeing in some cases, and managers were being reminded and encouraged to schedule 1-1 meetings with their staff to touch base. Staff were also being encouraged to think about the social side of work, and to plan in coffee breaks and other less formal interactions.

P Milne noted it was pleasing to see the positive responses to the survey.

S Hewitt highlighted that the Senior Leadership Team are discussing the best way to face challenges staff are experiencing and were looking at how they could focus more staff resource towards teaching and support teams to help to reduce some of the pressures staff were facing.

S Hewitt stated that he was scheduling Principal 'meet and greets' with teams over the next few months.

S Taylor noted that a detailed update had been given to the Learning, Teaching and Quality Committee on remote learning and ways staff are adapting to this.

The survey responses received, and actions being taken were welcomed by the Committee.

7. **VP PEOPLE AND PERFORMANCE REPORT**

S Taylor highlighted that national discussions on pay were continuing, with an offer to Academic staff being accepted. It was noted that an offer for support staff had been rejected and that it was likely that an improved offer would be made soon.

S Taylor noted that Furlough scheme had been extended until March 2021 and that College plans for the end of the scheme on 31 October had been reviewed. Options to continue with some staff on furlough were being considered.

S Taylor noted that discussions were progressing in terms of future workforce planning for the short and long term. It was noted that it was likely now that the current working from home restrictions would be in place until the end of the academic year and the College needed to plan on this basis. S Taylor stated that there were also changes that would be longer term in nature as ways of working had changed and were unlikely to go back to how they were pre COVID. It was noted that this would impact disproportionately on some roles and that the College needed to be planning for changes in roles and different skillsets going forward.

S Taylor stated that a part of this was likely to include utilisation of a Voluntary Severance Scheme, and that this would be discussed at the Board meeting in December 2020.

D Mackenzie asked if the impact of working from home would reduce the need for office space. S Taylor confirmed this would be something the team will look at in the future and that overall space needs, and the balance between office, teaching and specialist space would need to be part of the consideration of the redevelopment of the Kingsway Campus.

S Hewitt noted it was vital to keep the campuses open in the future for students.

P Milne asked if Students or Staff, who tested positive for coronavirus have been linked. S Taylor confirmed no cases have been linked and the College had not had any outbreak (2 or more cases)

The update was noted by the Committee.

8. **NATIONAL BARGAINING UPDATE**

S Taylor noted the update in the VP report and College is monitoring how the situation develops at a national level.

9. **STRATEGIC RISK REGISTER**

S Taylor summarised the Risk Register and was approved by the Committee. No overall change to the risk register.

D Fordyce asked if 3.11 needed to stay on the Register. S Taylor confirmed that this was in place currently as a 'one year on' survey on structural changes had not yet taken place due to COVID 19. This could, however, be reviewed at the next Audit and Risk Committee.

D Fordyce expressed concern under 3.12 that shared vending machines were only being cleaned twice a day. J Carnegie noted that there was additional cleaning in place and that students would also take responsibility to clean machines after every use - cleaning products were available to do this. S Taylor added the College were following all of the Scottish Government standards with regards to cleaning schedules. This reassurance was welcomed.

10. **HR METRICS**

HR Metrics were noted by the Committee.

11. **MEETING MINUTES / UPDATES**

The minutes of the JCF and Health, Safety and Wellbeing meetings were noted.

12. DATE OF NEXT MEETING

The next Human Resources and Development Committee will take place on Thursday 18 February 2021, via Microsoft Teams.

Action Point Summary

Action	Responsibility	Date
No specific actions noted		

BOARD OF MANAGEMENT

Tuesday 15 December 2020

SFC Correspondence

PAPER Q

BOARD OF MANAGEMENT

Tuesday 15 December 2020

Correspondence – SFC Communications

Paper for information

Reports and Publications Listing	Summary
Flexible Workforce Development Fund 2020-21 (Phase 2 SMEs) SFC/GD/26/2020 01/12/2020	Programme guidance for the 2nd phase of the Flexible Workforce Development Fund for colleges, The Open University in Scotland and Small and Medium-sized Enterprise employers in AY 2020-21, including funding allocations.
Guidance for Interim Outcome Agreements 2020-21 SFC/GD/25/2020 01/12/2020	This guidance outlines the steps required to ensure an agreement is in place between SFC and each university, college or college region during this emergency period which captures, at a high level, contributions, impact and outcomes and provides assurance on use of allocated funding in AY 2020-21.
College Leaver Destinations 2018-19 Reports and publications, Statistical SFC/ST/07/2020 10/11/2020	To inform stakeholders of the publication of the 2018-19 College Leaver Destinations measurements.
College financial statements and returns 2019-20 SFC/CI/12/2020 05/11/2020	This Call for Information requests copies of audited 2019-20 financial statements and associated supporting information.
In-year management of student support allocations 2020-21 SFC/CI/10/2020 04/11/2020	Invitation to colleges to relinquish unspent student support funds or request an increase to their student support allocations for AY 2020-21.
National Student Survey 2021 SFC/GD/24/2020 28/10/2020	Guidance on arrangements for The National Student Survey (NSS) 2021 and the action required from all participating universities and other higher education providers in Scotland.

Flexible Workforce Development Fund 2020-21 (Phase 1 Levy payer) SFC/GD/23/2020 21/10/2020	Programme guidance on the Flexible Workforce Development Fund (FWDF) for colleges and employers in AY 2020-21 (Phase 1 - Year 4).
Review of Coherent Provision and Sustainability: SFC/CP/05/2020 20/10/2020	Coherence and Sustainability: A review of Scotland's Colleges and Universities Phase One Report: Insights to Develop Further.
Education Maintenance Allowance AY 2020-21 SFC/GD/22/2020 16/10/2020	Guidance on the Education Maintenance Allowance (EMA) programme for colleges in Academic Year 2020-21.
Analysis of the 2018-19 Annual Accounts of Scotland's Colleges and Universities SFC/CP/04/2020 15/10/2020	This publication provides a summary analysis of the 2018-19 annual accounts for the college and university sectors.
Additional AY 2020-21 student number collection (college sector) SFC/CI/07/2020 24/09/2020	To request early information on student numbers at Scotland's colleges for AY 2020-21 in order to inform SFC planning and advice for Scottish Government Ministers
Funding for counsellors 2020-21 SFC/AN/16/2020 22/09/2020	Announcement of additional funding in AY 2020-21 for counsellors in colleges and universities.
College Staffing Return Guidance 2019-20 SFC/GD/19/2020 27/08/2020	Guidance notes for the completion of the aggregate Staffing Return: Academic Year 2019-20.
ESF Developing Scotland's Workforce Guidance 2020-21 SFC/GD/18/2020 25/08/2020	SFC programme guidance notes – updated for Academic Year 2020-21 - for institutions participating in the European Social Fund programme, 'Developing Scotland's Workforce' (Phase 2: 2018-23).
Additional capital funding to support digital provision in AY 2020-21 SFC/AN/12/2020 14/08/2020	Announcement of additional capital funding for colleges and universities in Academic Year 2020-21 to support digital provision for learners.

Credit Guidance for Colleges AY 2020-21 SFC/GD/17/2020 06/08/2020	Guidance for colleges on eligibility for credit funding in Academic Year 2020-21
Additional capital funding to support economic recovery in FY 2020-21 SFC/AN/11/2020 04/08/2020	Announcement of additional capital funding for colleges and universities in Financial Year 2020-21 to support economic recovery.
Tackling Child Poverty Delivery Plan Call for Proposals 2020-21 SFC/AN/10/2020 31/07/2020	To invite colleges to submit proposals for funding that support approaches to help young people who have grown up in poverty have a route to positive destinations and out of poverty.
Call for Evidence: A Review of Coherent Provision and Sustainability in Further and Higher Education SFC/CE/01/2020 20/07/2020	This publication invites all interested individuals and organisations to submit evidence to help inform the SFC review of coherent provision and sustainability in Further and Higher Education.
Student Support Fund audit guidance 2019-20 SFC/GD/16/2020 17/07/2020	This guidance document describes the Scottish Funding Council's (SFC) audit arrangements for student support funds for academic year 2019-20.
Accounts direction for Scotland's colleges 2019-20 SFC/GD/15/2020 Date: 17/07/2020	To provide SFC's 2019-20 accounts direction for Scotland's colleges and Glasgow Colleges' Regional Board.
FES Return and Audit Guidance 2019-20 SFC/GD/13/2020 16/07/2020	Guidance to colleges on the completion of their student activity data for academic year 2019-20 (FES return) and audit guidance for that year.
EMA Audit Guidance 2019-20 SFC/GD/12/2020 15/07/2020	Guidance to colleges on the audit requirements for the operation of the EMA programme for the period 1 August 2019 to 31 July 2020.
2020-21 National policy: Childcare funds for college students SFC/GD/11/2020 30/06/2020	This guidance sets out the conditions for use of childcare funds for FE/HE college students in AY 2020-21.

FE Discretionary Fund 2020-21 SFC/GD/10/2020 30/06/2020	The conditions for use by colleges of SFC's Further Education Discretionary funding for Academic Year 2020-21.
Fee Waiver policy 2020-21 SFC/GD/09/2020 30/06/2020	Describes the categories of students for which a college may use an SFC fee waiver in AY 2020-21.
National policy for further education bursaries 2020-21 SFC/GD/08/2020 30/06/2020	Explanation of the conditions for use of SFC college bursary funds in AY 2020-21.
College Performance Indicators 2019-20 Guidance SFC/GD/07/2020 29/06/2020	Guidance notes on college performance indicators derived from student FES data: Academic Year 2019-20 student cohort (inclusive of exceptional guidance to cover COVID-19 pandemic).
Education Maintenance Allowance Return 2019-20 SFC/GD/06/2020 19/06/2020	Guidance notes for completing the Education Maintenance Allowance (EMA) Return 2019-20.
College Financial Forecast Return (FFR) 2019-20 to 2022-23 SFC/CI/05/2020 09/06/2020	This Call for Information requests colleges / Regional Strategic Bodies to complete a medium-term financial forecast return for the period 2019-20 to 2022-23.

Further details on the above Communications can be accessed via:

http://www.sfc.ac.uk/publications-statistics/sector-communications.aspx

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