

BOARD OF MANAGEMENT



Tuesday 12 December 2023 **at 10.00am, Seminar Room 5, Arbroath Campus (followed by Board Christmas lunch)**

AGENDA

1. **WELCOME**
2. **APOLOGIES**
3. **DECLARATIONS OF INTEREST OR CONNECTION**
4. **MINUTE OF LAST MEETING – 28 SEPTEMBER 2023** Paper A for approval LO
5. **MATTERS ARISING** Paper B for approval LO
6. **PRESENTATION ON CURRICULUM/EMPLOYER PARTNERSHIPS** Presentation CG
7. **NATIONAL ACTIVITY UPDATE** Verbal update LO
8. **STRATEGIC ITEMS**
 - 8.1 Strategic Projects Update Paper C for Information JG
 - 8.2 D&A Outcome Agreement 2023-2024 and Self-Evaluation Report 2022-2023 Paper D for information ST
9. **STUDENTS' ASSOCIATION REPORT** Presentation CO/FK
10. **NATIONAL BARGAINING UPDATE** Paper E for information ST
11. **PRINCIPAL'S REPORT** Paper F for information SH
12. **FINANCE & INFRASTRUCTURE ITEMS**
 - 12.1 Financial Sustainability & Sector Reform Verbal update SH
 - 12.2 Annual Report from Audit & Risk Committee Paper G for information HH
 - 12.3 Mazars Annual Report Paper H for approval BF
 - 12.4 Financial Statements for the year ended 31 July 2023 Paper I for approval BF
 - 12.5 Finance & Property Committee Management Accounts (for information only) Paper J for noting
13. **GOVERNANCE ITEMS**
 - 13.1 Membership Update Paper K for approval ST
 - 13.2 Board Metrics Paper L for information ST
14. **MINUTES OF COMMITTEE MEETINGS** Paper M for information LO
 - 14.1 Learning, Teaching & Quality – 1 Nov 2023
 - 14.2 Human Resource & Development – 9 Nov 2023
 - 14.3 Audit & Risk – 5 Dec 2023 (verbal update)
 - 14.4 Joint Audit & Risk and Finance & Property – 5 Dec 2023 (verbal update)
 - 14.5 Finance & Property – 5 Dec 2023 (verbal update)
15. **CORRESPONDENCE** Paper N for information
16. **DATE OF NEXT MEETING**

Tuesday 12 March 2024 at 5.00pm, in room A605, Kingsway campus and hybrid on MS Teams.

BOARD OF MANAGEMENT

Tuesday 12 December 2023



**MINUTE OF LAST MEETING–
28 SEPTEMBER 2023**

PAPER A

BOARD OF MANAGEMENT



Minute of the Meeting held on Thursday 28 September 2023 at 5.00pm in Seminar Room 5, Arbroath Campus, and Microsoft Teams

Draft

PRESENT:

L O'Donnell (Chair)	S Middleton
D Smith	J Buchanan
N Lowden	C Cusick
S Stirling	D Fordyce
B Lawrie	C Ogilvie
R McLellan	

IN ATTENDANCE:

J Grace (Vice Principal)
S Taylor (Vice Principal/Secretary to the Board)

1. WELCOME

L O'Donnell welcomed everyone to the Board Meeting and apologised for the need to change the meeting date to accommodate the Colleges Scotland Parliamentary reception.

2. APOLOGIES

Apologies were noted from M Williamson, H Honeyman, D Rosie, D Mackenzie, F Khan, and J Carnegie.

3. DECLARATIONS OF INTEREST OR CONNECTION

There were no declarations of interest.

4. MINUTE OF LAST MEETING – 14 MARCH 2023

The Minute of the Board of Management meeting held on 20 June 2023 was approved as an accurate record.

5. MATTERS ARISING

Matters arising had been closed out with the exception of the arrangements for a Board strategy session.

6. NATIONAL AND NATIONAL BARGAINING UPDATE

L O'Donnell stated all colleges were going through difficult times financially; however, we are now in a stronger position at D&A as a result of the actions taken over the last year. He noted the on-going national disputes and asked S Taylor to provide a summary.

S Taylor noted the continuing disputes around salary awards for 2022/23 and 2023/24 for both academic and support staff. These had resulted in strike action by EIS/FELA and Unison on 7 and 21 September 2023. This action had been undertaken by c20% of staff and further targeted action was scheduled on 2, 3 and 4 October 2023 as the College operated in the constituency of the Minister for HE and FE.

S Taylor noted that there had been discussions around the potential of a three year deal (incorporating 2024/25) as a way of breaking the deadlock, but there had been no real progress on this yet.

S Hewitt stated that discussions with the Minister by both colleges and unions had been 100% clear that there was no additional funding available to support an increased offer.

S Hewitt noted that there had been discussions with the Minister around the range of reforms proposed for the skills sector, with the formal government response to the Withers, Hayward and Purpose & Principles reviews expected around the turn of the year.

L O'Donnell noted the recent Audit Scotland report on Colleges and highlighted the key risks and challenges facing the sector outlined in the document. Each of these had been recognised and acted upon by the College and L O'Donnell noted that, whilst the future was challenging, it was good to note that the College was aware of these challenges and was seeking to control its own destiny in respect of them.

C Cusick welcomed the report as a clear outline of the challenges being faced.

7. STRATEGIC ITEMS

7.1 Strategic Project Updates

J Grace summarised the paper for information and noted the arrangements for the formal launch of the MSIP Skills Academy and marketing of the course offers under the 'Advance' branding.

Developments as part of the Tay Cities TCEP project and the creation of the EPIC centre had been the subject of a site visit by Board members in advance of the meeting and members noted that it was positive to see the development.

J Grace noted that development of other Tay Cities projects was positive, but slow. R McLellan asked about the decision to appoint skills advisors in advance of final sign off of the SME project. J Grace noted that this had been decided to allow the project to commence immediately on sign off (which was imminent) and avoid the risk of funding being reprofiled into year 10 of the city deal.

J Grace noted that the esports developments were now normal curriculum so would disappear from future reports. S Hewitt stated that STV would be in the College on 29 September to see the facility and attend the launch of the latest version of the FIFA football game.

The update was welcomed.

7.2 Regional Outcome Agreement Timeline

S Taylor summarised the steps and timeline required in respect of creation of the 2023/24 Outcome Agreement. It was noted that these were determined by the Scottish Funding Council (SFC) timeline so had little College input.

The timeline and arrangements were noted.

8. STUDENTS' ASSOCIATION PRESENTATION

C Ogilvie introduced the report presentation to the Board.

The 2023 Student elections closed at the end of the month with over 300 votes cast, which is the highest number in recent years. Colin Ogilive has been elected as the new Student President and Fatima Khan as the new Vice President for Gardyne Campus. Unfortunately, there were no candidates in Arbroath and Kingsway that made it to the voting stage and arrangements were being progressed to hold elections in October.

Planning and training had progressed well over the summer, with the new team now actively supporting student induction and class rep training. Over 60 reps had been trained on the first training days, with further training scheduled for the remainder of that week and the following week. It was hoped that the majority of the 300 class reps would be trained by the start of the October break.

On-going support for the Thrive project was noted, with breakfast clubs up and running again and the Thrive shops also open. A number of new clubs were also now meeting and engagement in Freshers had been fantastic – back to pre-COVID levels.

Work to support 'Feedback Fridays' was noted and S Hewitt stated that this had provided excellent and rapid feedback on a number of areas over the past few weeks.

D Fordyce welcomed the update and noted the clear enthusiasm and determination from the team.

9. PRINCIPAL'S REPORT

S Hewitt summarised his report highlighting that he wanted to focus on some aspects of College activity that are not always shown. This included the excellent links between the construction team and employers.

The recent input to the Learning, Teaching and Quality Committee on employer curriculum partnerships by Caryn Gibson was noted and it was agreed that Caryn would be invited to speak to the whole Board on developments in this area. **S Taylor to progress.**

S Hewitt noted the whole College focus on early student retention and stated that he was pleased to see the number of full-time students withdrawn at week 5 had reduced from 177 in 2022 to only 44 so far in 2023. This improvement was welcomed.

Employer links in the care sector and within the non-care functions of NHS Tayside were welcomed and J Buchanan stated that similar developments could be considered with local authorities. His was recognised.

L O'Donnell noted that the wider future focus on business needs and activities was a critical one for the College.

10. FINANCE ITEMS

10.1 Financial Sustainability

S Hewitt noted the Audit Scotland discussion and noted the importance of creating a stable financial platform for the College to work from. This had been achieved and the savings made in 2022 and 2023 had delivered a breakeven budget. The two savings plans had reduced College expenditure by c£4.5 million (10%) although it was recognised that this had only allowed the College to stand still.

S Hewitt stated that this included provision for the current levels of pay award, but that anything further was not included, neither was the impact of any potential clawback of SFC funds.

S Hewitt stated that there remained significant uncertainty around funds such as the Flexible Workforce Development Fund and even for the usual HE Discretionary funds to support our most vulnerable HE students.

The focus on stability for the current year was noted and S Hewitt stated that this was important given the wide range of course and staffing changes that had taken place.

J Grace noted that it was positive to see that the number of full-time students had remained at 2022/23 levels, despite the removal of 26 course streams. This had resulted in greater efficiency, with limited impact of student opportunities or choice. This was welcomed.

The Board welcomed the update and the achievement of the savings target without the need to consider compulsory redundancy.

10.2 Financial Forecast Return (FFR)

S Hewitt summarised the FFR paper, noting that this had been approved and submitted to SFC over the summer. It was noted that this showed the potential impact of current financial modelling should no steps be taken to reduce costs or increase income.

S Hewitt noted that this was a model rather than a specific forecast and noted that the underpinning assumptions given by the SFC differed in some cases from those used by the College. That said, it was noted that the FFR did highlight the continuing financial challenges facing the sector and D&A.

C Cusick asked at what point it would be considered that a college was no longer a going concern. S Taylor advised that SFC had various 'levers' it could use to avoid this, but noted that each of these would result in the college losing some or all control over much of its operations.

D Fordyce stated that it was important for the Board to recognise that they had a duty to maintain financial sustainability and that documents like the FFR were important in anticipating the future and encouraging a focus on the type of financial and savings plans that had been needed over the past two years. This was recognised.

J Buchanan noted the impact of demographic change on College recruitment and asked about steps being taken to address this. J Grace highlighted that this was an important part of the curriculum review process and underpinned the need for curriculum change to focus on economic and business needs. L O'Donnell noted that this also reflected a change in government policy, shifting the emphasis from 16-19 year olds onto wider age bands.

10.3 Finance & Committee Update

S Taylor highlighted these papers were for information only.

11. GOVERNANCE ITEMS

11.1 Audit Assurance Response

S Taylor summarised the paper, noting that this was a new requirement from the College auditors as part of their audit activities. S Taylor noted that the document had been discussed and approved by the Audit and Risk Committee and was presented for final approval by the Board as there were some elements of the document where assurance would be provided to other Committees and not the Audit and Risk Committee.

S Taylor stated that the auditors, Mazars, were content with the response received.

Following discussion the paper was approved.

11.2 Membership Update

S Taylor summarised the update, noting the range of approvals to be confirmed.

Following the expiry of their tenure as Students' Association President and Vice President, the Board membership of Amy Monks and Lenka Strukanova will expire on 31 July 2023. The new Students' Association President, Colin Ogilvie, had joined the Board in August 2023 alongside Fatima Khan as the second DASA nominee.

Arrangements would progress for the election of a new Support Staff member of the Board following the expiry of the period of office of Sam Stirling. L O'Donnell thanked S Stirling for her service to the Board over the past 4 years.

Arrangements and timescales for the appointment of union nominated board members were approved.

11.3 Strategic Risk Register

S Taylor summarised the Strategic Risk Register and the update papers considered by the Audit and Risk Committee in June and September 2023. The Risk Register was discussed and it was agreed that reference to Reinforced Autoclaved Aerated Concrete (RAAC) be included within the text for the Disaster Recovery Risk (4.1).

11.4 Board Metrics

The Board metrics were noted. B Lawrie asked about completion of internal audits and S Taylor noted that one audit had been delayed due to staff absence and two were the mandatory activity and student funding audits completed in August/September each year. All were on target and would be closed out at the next meeting.

12. MINUTES OF COMMITTEE MEETINGS

Updates from the Committees were noted. D Fordyce summarised key points approved at the most recent meeting.

13. CORRESPONDENCE

The list of recent correspondence was noted.

14. OTHER BUSINESS

S Taylor noted that a procurement approval request had been highlighted that would require Finance and Property and Board level sign off. Given that this has arisen between meetings delegated authority was sought for this to be remitted to the Chair of Finance and Property and the Chair of the Board to consider. This was approved. **S Taylor to progress.**

15. DATE OF NEXT MEETING

Tuesday 12 December 2023 **at 10.00am** in the **Isla Building, Seminar Room 5, Arbroath Campus.**

The change of venue/time was noted and arrangements for a Board Christmas lunch would be circulated on the same basis as last year with a cost of £18 per head, with the value of this being donated to the Thrive project.

Action Point Summary

Action	Responsibility	Date
C Gibson to update the Board on curriculum/employer partnership developments	S Taylor	12 December 2023
Procurement approval to be delegated to Board and FPC Chairs	S Taylor	6 October 2023

BOARD OF MANAGEMENT

Tuesday 12 December 2023



MATTERS ARISING

PAPER B

BOARD OF MANAGEMENT

Thursday 12 December 2023



Matters Arising

Paper B for information

The following actions were noted from Thursday 28 September 2023 Board of Management Meeting:

Agenda Item No	Action	Current Status	Open/Closed
9.0	C Gibson to update the Board on curriculum/employer partnership developments S Taylor	Update on meeting agenda	Closed
14.0	Procurement approval to be delegated to Board and FPC Chairs S Taylor	NCA approval progressed.	Closed

The following actions were noted from Tuesday 20 June 2023 Board of Management Meeting:

Agenda Item No	Action	Current Status	Open/Closed
5.0	Board development update on Risk management to be scheduled as part of next board day. S Taylor	Scheduled for November 2023, Board development day scheduled for January 2024	Open
8.2	Board strategy day to be organised/confirmed. L O'Donnell	Scheduled for November 2023 Board development day scheduled for January 2024	Closed

Author & Executive Sponsor: Steve Taylor, Vice Principal

BOARD OF MANAGEMENT

Tuesday 12 December 2023



STRATEGIC ITEMS

PAPER C

8.1- STRATEGIC PROJECTS UPDATE

BOARD OF MANAGEMENT

Tuesday 12 December 2023



Strategic Items Strategic Projects Update

Paper C for information

1. The Skills Academy

The College Skills Academy Project Board continues to meet regularly to support delivery readiness but with that phase of the project ending, the final meeting of the Board will take place in January 2024. A newly convened operational group will be meeting from February onwards to oversee delivery of The Skills Academy as it transitions from a strategic project into business-as-usual activity.

The official launch of The Skills Academy took place on the evening of the 24th October, with nearly 200 people in attendance. The launch was an opportunity to give local business and future collaborators an insight into the training offer at The Skills Academy and feedback was universally positive.

The rescheduled Regional STEM Expo took place in The Skills Academy on 28th and 29th November with 973 S2 pupils from 27 schools attending over the two days and around 50 people attending the evening community event. This annual event aims to engage learners with a range of activities from regional STEM partners and businesses and is designed to build their confidence and awareness around a future career in STEM.





2. Tay City Region Deal (TCRD) Projects

2.1 Tay Cities Engineering Partnership (TCEP)

The partnership board is meeting regularly to oversee progress of the project and negotiations on the partnership agreement covering governance and financial arrangements for the project are nearing conclusion.

Some project budget has been reprofiled to support the development of a comms and promotional plan for the project and that work is underway with an external agency.

Procurement plans have been agreed with beneficiary partners and procurement is underway by the College for the TCEP facilities at Angus Training Group and UHI Perth.

2.2 Supporting SME Skills

The Full Business Case was approved by Scottish Government and the TCRD Management Group in November and will go forward for final approval to the TCRD Joint Committee on the 8th December.

As we await final approval, the project began with a soft launch on the 4th September and the 2 Training Needs Advisors funded by the project are in post and undertaking delivery readiness activities ahead of a hard launch of the project in January 2024.

2.3 Life Sciences, Biotechnology and Medical Technology: Growing the Tayside Biotech, Biomedical and Agritech Sectors

The Business Justification Case was approved by Scottish Government and the TCRD Management Group in November and will go forward for final approval to the TCRD Joint Committee on the 8th December.

As we await final approval, the project began with a soft launch on the 1st October with the implementation of the 2023/24 equipment procurement plan and the development of the project staffing plan ahead of a hard launch of the project in January 2024.

A project partners' workshop took place on 9th November to discuss high-level governance and operational aspects of project delivery.

3 Approvals

The Board is asked to:

- (i) Note progress being made in respect of strategic projects.

4 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.

- 1.1** Failure of College strategy to meet the needs of the D&A Region and/or national priorities (eg Employability, DYW, attainment, articulation)
- 1.4** Difficulties or over commitment arising within large scale/national College led initiatives or projects impact negatively on:
 - Ability of the College to meet key regional strategies/objectives
 - Financial loss or unmanageable financial risk
 - Reputational loss
- 3.5** Reputational Risk – Loss of reputation with key stakeholders

Authors Steph Toms, Director of Curriculum and Partnerships & Caroline Crichton, Senior Project Manager

Executive Sponsor: Julie Grace, Vice Principal

BOARD OF MANAGEMENT

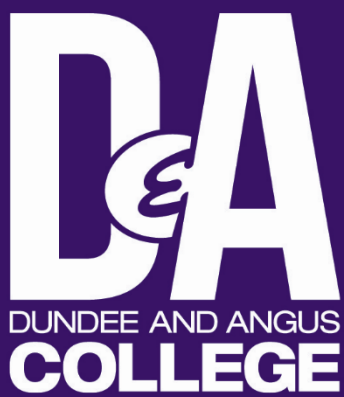
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STRATEGIC ITEMS

PAPER D

**8.2- D&A OUTCOME AGREEMENT 2023-24
AND SELF- EVALUTAION REPORT
2022-23**



**Regional
Outcome
Agreement
2023/2024**

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1. Dundee and Angus College/SFC Outcome Agreement 2023-2024

College Region - Dundee and Angus

College region Tayside (Dundee and Angus College) will receive £32,047,111 core teaching funding, and £2,587,725 capital maintenance funding and £183,157 digital poverty funding from the Scottish Funding Council (SFC) for academic year 2023/24 to plan and deliver **98,307** credits worth of further and higher education. This is inclusive of designated activity for Foundation Apprenticeships.

Core Student Support funding for 2023/24 is £9,374,327

This funding is on the condition that the college board / regional body signs and commits to deliver the outcomes detailed below.

2. D&A Context and Priority Outcomes

The D&A region, and D&A College, is facing many significant challenges at this point in time, with the lingering impact of the COVID-19 pandemic still evident and the cost of living crisis impacting on the regional economy, learners, and College to a significant extent.

However, alongside these regional social and economic challenges, there are also some very significant opportunities, and the College remains a proactive partner delivering on the skills and vocational learning needs of emerging and growth industry sectors and technologies within the region.

Balancing these significant challenges alongside these new and emerging opportunities is difficult during a period of flat cash settlements, whilst the decline in the number of young people (and the concerning growth in the number within our community who are economically inactive) is making the attraction of individuals and the delivery of skills more difficult for regional employers and the College alike.

Despite these challenges, D&A College has taken significant steps over the past two years to focus on new skill areas through major curriculum change, whilst also making significant reductions (c£4.5million / 14%) in our cost base. These changes have placed the College well in respect of our commitment to invest in and meet the skills needs of our region, whilst remaining financially sustainable in the longer term.

Our priority outcomes encompass our commitment to the economic transformation opportunities being developed through projects such as the Michelin Scotland Innovation Parc Skills Academy, Montrose Ports, Esports and Tay Cities Deal projects. These also include our commitment to build further upon our already sector leading outcomes and learner experience, and our renewed commitment to tackle the climate emergency and become a 'net zero' College by 2030.

Our focus on both immediate and longer term challenges and opportunities is a complex balancing act and this agreement summarises some of the key elements and outcomes underpinning these developments and our [2025 Strategy](#) commitment to create more successful students.

The table below outlines the key Priority Outcomes for Dundee and Angus College for 2023/2024. These Priority Outcomes align with the [National Performance Framework for Scotland](#) and four key [SFC Strategic Priorities 2022 - 2027](#).

1. To deliver on [Scotland's National Strategy for Economic Transformation](#), operating as a key contributor to the economic growth opportunities created by the Michelin Scotland Innovation Parc, E-Sports, Eden Project Dundee, Montrose Ports, Dundee Waterfront, Tay Cities Deal and other developments. This includes establishing the College as the main skills partner for major regional economic opportunities, working as an effective partner to deliver a skilled and work ready workforce to support jobs growth in areas such as the Green Skills & Hydrogen Energy, Digital, Advanced Manufacturing, Hospitality, Cultural Tourism, and Care sectors.

2. To deliver a comprehensive, coherent, innovative, and future focused curriculum that meets learner and economic needs, improves learner attainment and progression, and embeds essential learner attributes in enterprise, career management, wellbeing, sustainability, digital and meta-skills at all levels.
3. Contribute to thriving and resilient regional communities by ensuring seamless access and inclusive learning opportunities and services, irrespective of background, for all members of our community. We will meet the national ambitions for Care Experienced and other disadvantaged/under-represented groups and contribute fully to the achievement of the recommendations contained within [A Blueprint for Fairness: The Final Report of the Commission on Widening Access](#).
4. Develop and enhance effective partnerships and regional / national collaborations that deliver on the needs of D&A strategies and deliver on the outcomes associated with key tertiary education reforms including the national responses to the [Skills Delivery Landscape Review](#), the [Independent Review of Qualifications and Assessment](#) and the [Post-school education, research and skills - purpose and principles](#)
5. Maintain a regional college that is sustainable in all its forms, delivering sound governance, wellbeing, and effective financial management, whilst directing the maximum level of resource towards learners and their learning. D&A will address the challenge of the climate emergency and actively promote the UN Sustainable Development Goals
6. Progress our ambitious infrastructure ambitions to deliver on our Net Zero ambitions and create a high quality, technologically advanced and sustainable learning environment that meets the needs of learners and delivers on the high value technology innovations of the D&A region.

3. Key Outcomes and Activities

3.1. Fair Access and Transitions

The College has been an active supporter of the ethos and targets outlined by the Commission on Widening Access and, in addition to our own higher education provision, plays a central role in supporting successful articulation links for learners from all backgrounds. The College has clear articulation agreements in place with 11 universities, providing 330 guaranteed routes into higher education study for our learners that aid fair access and support effective transitions.

Every full-time D&A course is part of a clearly mapped learning pathway that can take learners from SCQF level 4 / 5 through to an articulation route into university. The College supports the Additional Funded Places Widening Access student scheme, with this work underpinning our commitment to ensure that at least 60% of our HE graduates articulate with advanced standing.

The College continues to work closely with our partner universities in Dundee, this includes extended partnership working to deliver the education and skills outcomes associated with the Skills Academy at Michelin Scotland Innovation Parc, the Esports curriculum, and the Tay Cities SME Skills and Life Science, Bio-Tech, and Agri-Tech projects.

Longstanding partnerships between Dundee and Angus College and the SWAP (Scottish Wider Access Programme) enable c180 adult returners to access Degree level study each year. These learners benefit from fully supported transition programmes into HE routes at local and national universities and/or colleges. Work will continue throughout the period of this agreement to further promote SWAP opportunities and maximise benefits for learners available through this work.

Given the economic make up of our region, the College recruits disproportionately from SIMD20 areas for both FE and HE provision. Our learner retention, attainment and progression trends for these learners are significantly above Scottish averages, with this focus supporting more learners from this group to progress into further study or employment.

The College has effective arrangements for Care Experienced Students and has worked in partnership with Who Cares Scotland to inform the creation of our [Corporate Parenting plan and Carers Policy](#). [Support for Carers](#) is similar to that provided for looked after young people and remains as a key commitment for us. Our on-course supports wider access and encourages all learners to be successful and to progress into employment and/or further study. D&A outcomes for Care Experienced learners and Carers is consistently amongst the best in Scotland and above the national average for all learner groups.

Specialist project activity aimed at reducing and eradicating Child Poverty will continue through to March 2024. This project has engaged with over 500 disengaged young people to create better and more sustainable pathways for those that are disenfranchised by the usual routes into formal learning. It is planned that c50 young people will enter College during 2023/24 through this route.

Examples of success from this work include William, where it took D&A, SDS and Remploy to keep him on track and progressing. He has gone from a 3rd year school disengager to a successful Business & Admin student. For Sarah, it took D&A and Homestart to rebuild her confidence. She went on to achieve her level 6 in Health & Social Care, as well as completing the first year of her nursing degree at Dundee University. For Hamish, it took D&A, 16+ Youth Employability Team and SDS to fully understand his barriers, and provide him with the support & pathway he needed. He completed his level 6 in Performing Arts and is now studying Community Education at university.

Overall, our learner outcomes are positive, and this consistently positive trend is reflected across the range of protected characteristics. Feedback from learners on the transition, onboarding, induction, culture, and atmosphere of the College is also positive, with significant RESPECT campaign (including whole campus events, LGBTQi+ groups, and focused awareness training and activities for specific groups – such as consent awareness and training for predominantly male apprenticeship groups) and other work undertaken each year to ensure that our learners consistently feel valued and safe within the D&A community irrespective of characteristic or background.

The College has welcomed the essential funding for mental health counselling and related support and will continue to extend the range and depth of support available to support the mental health and wellbeing of learners.

As funding allows, all of the access, transition and on-course support summarised above will continue to progress through 2023/2024 and into future years.

3.2. Quality Learning & Teaching

The pursuit and achievement of high quality learning, teaching and wider learner experience is a major driver for the College, featuring strongly within our [More Successful Students](#) strategy.

Comprehensive systems are in place to review and enhance curriculum quality, planning, outcomes, and target setting. These systems include real-time self-evaluation by academic and support teams and audit, feedback and review arrangements involving the Board of Management, Executive, Learners, Staff, Employers, and Awarding/Certification Bodies.

Whilst impacted in recent years as a result of the COVID-19 pandemic, levels of learner retention and attainment at D&A are consistently amongst the best in the sector, with significant strengths evident across almost all curricular provision. This consistent success has been achieved through effective learner recruitment/retention and through a clear focus on the development and delivery of high quality, innovative, and engaging learning, and teaching.

Learner outcomes remained positive during session 2022/23, although learner retention has been a concern, with many learners requiring extensive additional support to sustain their learning journey. This impact was reflected within the outcomes of our 2022 Education Scotland Annual Engagement Visit and clear quality improvement plans are in place for course areas where successful outcomes are below Scottish average levels.

Through this work it is clear that there are long term mental health and resilience impacts on many young people as a result of the COVID-19 pandemic. Despite this, early retention in session 2023/24 is showing signs of improvement and work will continue through group tutors, student services, learner engagement and the students' association to address the underlying issues of resilience, confidence, and socialisation that inhibit learning as well as meeting the significant on-going mental health and other support needs of many of our learners.

Levels of learner satisfaction are also strongly positive and have shown an increasing trend over recent years, with these significantly above average ([SFC student satisfaction survey outcomes](#) identify these as the highest in sector for any large regional college).

The College has invested in enhancing learner feedback and the learner voice in partnership with our D&A Students' Association (DASA), particularly to support engagement by previously under-represented groups. This work has expanded for 2023/24 with the introduction of 'Feedback Friday' learner voice opportunities that provide rolling learner feedback and 'real-time' enhancement activity across a wide range of services and provision.

The active engagement of learners (within their own learning and within the life and work of the College) is critical to the quality of our service and the outcomes we achieve. We have an enviable reputation for the depth and effectiveness of these activities, offering a very broad range of opportunities for all learners to engage (and increasingly co-create) their learning experience (for example, our recent Esports Foundation Degree was co-designed by staff, learners, industry experts and university stakeholders to ensure that it fully met the needs of all groups). These activities enhance the quality of learning, teaching, and service delivery, whilst also supporting learners to gain additional skills, qualifications and attributes that add significantly to their employability, personal and vocational development.

The College and DASA make extensive use of [Service Design](#) methodologies to engage and involve learners in the future of the College these are an embedded element of our work. To support this, our Students' Association staff and some Office Bearers have undertaken the Service Design Professional Development Award and make excellent use of these skills on a daily basis to engage and inform learners in their educational experience.

DASA Office Bearers play an influential role within the Board of Management, with the student update a standing item on Board and Committee agendas and are key contributors to board strategic and development days.

As part of our savings planning for academic year 2023/24 we were required to rationalise much of our curriculum and have further reviewed our portfolio of courses to ensure that we continue to provide relevant high quality education and training opportunities despite the need to reduce costs. This work has been undertaken to support current and future learning journeys and to meet the reduced activity target for 2023/24 in ways that are sustainable but continue to prioritise provision that clearly demonstrates the high quality of education, outcomes, and services that we expect.

In progressing these curriculum plans and changes in 2023/24 and beyond, the School/College partnership, focusing predominantly on Senior Phase learners (c1,600 learners per year), will continue to be a strategic priority. These courses introduce our future students to D&A and provide a clear and successful pathway into our full-time courses.

Apprenticeships and work-based learning will also continue to be a strategic priority, increasing career opportunities for people in employment and generating income for the College.

The changes introduced for 2023/24 will ensure that our curriculum will be delivered in the most appropriate way, based on learner needs, with the aim of developing the whole individual including the appropriate balance of technical skills, meta-skills, and personal/wellbeing development.

Given the clear needs of many of our students, the support and guidance time of 1 hour per week per group has been retained for 2023/24 for all full-time students to support the inputs and activities around student retention, engagement, and the learning experience that are summarised above.

Learner retention and outcome data has informed much of this review, ensuring that high quality learning, teaching and outcomes remained the focus as changes were implemented.

In response to the emerging cost of living crisis the College launched its *Thrive with D&A* initiative designed to provide students and staff with access to a range of support to offset the impact of rising costs whilst actively removing the stigma associated with seeking help or financial support. This work has proven to be hugely beneficial, and over the course of last year we provided 27,383 free portions of soup and 3,043 free breakfasts from the catering outlets. This was supplemented by the work of our Students' Association to provide free food larders on each campus, to collect and distribute over 300 cosy coats for adults and children and to create free Thrive shops on each of our campuses.

The Thrive work has been picked up by College Development Network Research and Enhancement Centre as an area of good practice with a [Case Study published on the work undertaken](#) and has played a significant role in supporting learners to attend, remain focused on their learning and ultimately achieve their qualifications. Feedback on the impact of the Thrive project from learners and staff has been resoundingly positive and, given the on-going impact of the cost of living crisis, the Thrive with D&A work will continue in 2023/24.

Alongside the curriculum review and savings activities summarised above, the College has implemented a change in structure for the leadership of both curriculum and support services. This change is designed to support future enhancement to the quality of learning, teaching and the student experience, reduce operating silos, and further enhance our use of data to improve of outcomes.

This change includes a return (post COVID-19) to more structured challenge on quality activities and outcomes, and an increase in focused professional development activities around excellence in learning and teaching.

This revised structure was formally implemented from August 2023 with arrangements and impact developing throughout academic year 2023/24.

3.3. Coherent Learning Provision

The Dundee & Angus region continues to undergo significant economic transformation, with major developments and projects of national importance coming to fruition or developing at pace. This has been supported by coherent curriculum developments and innovations across the College.

As detailed in previous outcome agreements, our curriculum review arrangements draw heavily on the full range of Labour Market Information (LMI) available, including Regional Skills Assessments (RSA) and Skills Investment Plans (SiP) data provided by SDS, and direct information provided by our network of local Stakeholder Advisory Boards and other employer engagement activities. All of this data has underpinned some of the difficult decision making required to support financial sustainability whilst ensuring that our curriculum remains relevant and coherent and is strongly focused on the economic and social recovery needs of our region.

In undertaking the portfolio and financial sustainability review for 2023/24 we specifically considered:

- The current and future skills needs and opportunities for growth in the regional economy.
- Recruitment and attainment trends over recent years.
- Areas of internal competition and duplication of course provision, as well as areas of early specialisation.
- The availability of alternative provision and progression routes for students.
- The relative costs of delivery and efficiency levels relating to the provision in different teaching departments.

In each case, these criteria ensure that we maintain a coherent curriculum that creates meaningful learning pathways that reflect the key growth sectors outlined through NSET (and other national strategies) whilst also reflecting regional skills needs and learner demand.

The Michelin Scotland Innovation Parc (MSIP) Skills Academy opened in October 2023, with a full curriculum offer now in place to meet the current and future demands in respect of low carbon, green energy, hydrogen, battery storage, offshore wind, remote control systems, and advanced manufacturing.

Similarly, our new Esports curriculum commenced in August 2023, with the first cohort of learners undertaking the Foundation Degree programme (the first of its type in the UK) supporting the creation of a skilled workforce for this rapidly growing sector.

The Tay Cities Engineering Partnership (TCEP) project is well underway, with significant investment made in state-of-the-art precision engineering skills, infrastructure, and equipment within our Arbroath campus to support the evolving skills needs of our engineering sector. Work is also progressing with Tay Cities deal partners on projects to support the expanding Life Science, Bio-Tech and Agri-Tech sectors and our small and medium sized enterprises (SMEs).

In addition to these developments, the College is the skills partner with Crown Estates to place us at the heart of the [Montrose ZeroFour development](#) and green skills and new technology developments in offshore wind, advanced clean energy, and the world leading Drone Port facility.

The College is an active skills partner with [Eden Project Dundee](#) development, again providing access to the full range of skills required to create and operate a project of this scale.

The College approach to course planning guarantees the comprehensive review of its curriculum and coherence. This operates on a rolling two year planning cycle and focuses on both what we deliver (ensuring it has impact with the regional economy) as well as how we deliver our curriculum - including the different modes, delivery styles and technology enhanced methods needed to meet the needs of today's learners and employers.

Informing this on a rolling basis, Dundee and Angus College is at the centre of discussions and decision making in respect of social and economic regeneration and have an influential voice on our Community Planning Partnerships and regional employability and economic forums. These links are used to good effect to ensure that the College offers a coherent curriculum and services that are responsive to regional economic needs, whilst also ensuring that our learners have the skills, attributes and awareness needed to make an impact within the workplace.

3.4. Work Based Learning and Skills

Dundee and Angus College is committed to skills growth and skills alignment across the full range of our curriculum. We have very effective arrangements across our region through school-college partnerships, employer engagement and articulation links that ensure that we are providing excellent entry and exit points for all learners into employment and higher study.

We have an increasing level of Modern Apprenticeships provision, offering Modern Apprenticeship (MA), Technical Apprenticeship and SVQ programmes in the workplace at SCQF levels 5-10 on either a funded or commercial basis, delivering around 1,000 Modern Apprenticeship opportunities as part of our contract and to support other managing agents. The MAs offered by the College are delivered on behalf of Skills Development Scotland and industry bodies including SECTT, SNIPEF, EAL, CITB and ECITB. In addition, the College delivers the underpinning knowledge on behalf of other private training providers.

In all cases, the College supports candidates to achieve meaningful apprenticeship outcomes which lead to sustained employment. Matching industry demand to candidate numbers is crucial to ensure that both current and future workforce skills demands of the Dundee and Angus region are addressed.

Numbers increased through 2022/2023, with candidates on our Modern Apprenticeship SDS contract covering levels 2, 3 and 4 MA programmes in Business Administration, Motor Vehicle Engineering, Process Manufacturing, Life Sciences, Hairdressing, Social Services and Health Care, Social Services (Children and Young People), Horticulture, Engineering, Civil Engineering, Procurement, Hospitality, Creative & Digital Industries, and ICT. With this increasing demand, the College is still concerned at the limit on places and available funding for MAs through Skills Development Scotland, with this representing a significant barrier to meeting the skills needs of our region.

The College will continue to build on its strong relationships with employers and schools to create new education and skills opportunities, with a particular focus on new technologies and NSET priority areas such as green skills and hydrogen transport where there are increasing skills gaps and developing regional demand. We are at the forefront of electric and hybrid vehicle training, with almost 200 students undertaking this learning in the past two years, and a national agreement in place for D&A to provide essential EV training to emergency service personnel on how to deal safely with electric and hybrid vehicles that have been involved in accidents. We have recently secured contracts to deliver EV training on heavy vehicles. Specialist workforce learning of this type will expand further during 2023/24 as The MSIP Skills Academy developments progress.

Over 1,600 school pupils will study with the College during 2023/2024 as part of their Senior Phase timetable. The demand for Foundation Apprenticeships remains positive with 420 students recruited across a broad range of subject areas in 2022/2023.

We make very effective use of the Flexible Workforce Development Funds (FWDF) available to us, supporting skills development in 51 companies and for almost 1,700 staff in 2022/23. Customer feedback on the quality of the training is consistently positive (4.7 out of 5) with employers recognising the impact of the FWDF investment in their business. FWDF activity will continue into 2023/24 as funding permits and is a key component underpinning our active engagement and skills development for our regional economy.

On a national level, the College is represented on the Digital Economy Skills Advisory Board and has contributed to the development of the [Digital Economy Skills Action Plan](#). Through this partnership, the College has also seen a number of staff involved in national CPD, in partnership with other College and University staff, on Cyber Security, Cloud Architecture and Data Science.

3.5. Net Zero and Environmental Sustainability Response

With the 2019 declaration of a climate emergency by the Scottish Government, and the national commitment to achieve net-zero carbon emissions by 2045, Dundee and Angus College is committed within our Climate Action Plan to doing even more to reduce the carbon associated within our operations.

Since signing up to the Universities and Colleges Climate Commitment for Scotland in 2009, the College has reduced its scope 1 and 2 carbon footprint by c.65%.

This success is attributable to significant investment in a range of sustainable technologies, along with very effective learner engagement approaches that enable us to successfully embed sustainability and social responsibility into all our curriculum areas, underpinned by adoption and promotion of the UN Sustainable Development Goals.

The College has significantly reduced reliance on single use plastic from our operation via a range of radical initiatives, have dramatically reduced our use of fossil fuels, and operate a pool of EV and hybrid vehicles. We are encouraging staff to move away from fossil fuelled vehicles through the expansion of our own EV fleet and extension of our EV charging infrastructure.

Our Climate Emergency Action Plan was published in November 2021 and includes a clear commitment for College operations (Scope 1 & 2 emissions) to be carbon neutral by 2030, with further commitments on Scope 3 emissions. This is in advance of national targets and outlines our commitment to address the climate emergency and reduce the impact of College operations as effectively as we can. This plan focuses on the importance of educational and cultural shift alongside changing technologies and processes to deliver sustained reductions in greenhouse gasses and deliver our net zero ambitions not just in the College, but also across our communities and industries as well.

Progress in respect of the targets outlined within our Climate Emergency action plan are positive, with these reported on annually at Board level to ensure that net zero and climate action are embedded within the governance of the College. As at June 2023, the following progress was reported with underpinning details available in [the CEAP report included within the June 2023 board papers](#).

Area	Targets	Progress as at June 2023
Leadership and Governance	15	14 on target (green) 1 behind schedule (red)
Teaching, Learning and Skills	11	8 on target (green), 1 delayed (amber) 2 behind schedule (red)
Estates and Supply Chains	17	17 on target
Partnerships, Engagement and Placemaking	11	10 on target (green) 1 behind schedule (red)
Data Collection	4	1 on target (green) 3 targets to be revised dependent upon national developments (purple)

We have actively embedded the operation of our Senior Leadership Team into the UN Sustainable Development Goals, whilst our net zero targets include changes in governance, leadership and pedagogy that will fundamentally change the way in which the College thinks and operates over the coming years.

4. Conclusions

Despite the financial sustainability, cost of living, and pandemic challenges of the past few years, Dundee and Angus College remains in a strong position and continues to demonstrate sector leading outcomes for its region and the sector.

We are committed to innovative and high quality curriculum development that meets the needs of our region, with a specific focus on key national growth areas including green skills and digital enhancement. These significant new opportunities are balanced with the need for major social regeneration and response to the cost of living crisis within our communities and tempered with our understanding of the limited public funds available and the significant sustainability risks outlined for the [college sector by Audit Scotland](#).

Our outcomes over the next year will focus on these challenges and opportunities, whilst continuing to ensure that D&A remains financially sustainable for the longer term.

All of this will be achieved within the focus of our 2025 More Successful Students strategy (and our consistent focus on delivering sector leading outcomes) whilst also beginning to focus on what the College should look like and work towards for 2030.

5. Case Studies

The two Case Studies enclosed reflect the different ways in which D&A College impacts on the lives, skills, and economy of our region. These encompass the way in which we support individuals to change their lives and prosper within the economy, alongside the creation of cutting edge education to meet regional (and national) skills gaps.

CASE STUDY 1

Outcomes for Students

Jonathan's Story



Jonathan is a student at Dundee and Angus College who was plagued in his early years by overwhelming anxiety, he is a neurodiverse individual who was diagnosed with Autism and other learning disabilities became a selective mute and removed himself from any form of social interaction out of the comfort of his own home. Despite his academic abilities and willingness to learn, his inability to communicate created barriers to his journey through education and social progress.



During his school years Jonathan reduced his verbal communications to the extent that he was deemed a selective mute, feeling only comfortable speaking at home with his mother, Maxine. His inability to socialise and lack of confidence led to loneliness and isolation.

After school, Jonathan attended D&A College to continue his studies in HNC Administration, however, with the impact of the Covid 19 pandemic, his anxiety severely returned and online learning was not possible for him. In 2022, Jonathan, with the support of his mother Maxine, enrolled in the DFN Project SEARCH programme in collaboration with

Dundee and Angus College and healthcare partnerships.

DFN Project SEARCH is a business-led initiative that supports a one-year transition programme to employment for adults with learning disabilities and/or Autism spectrum conditions.

The collaborative efforts between D&A and Dundee Health & Social Care Partnership have provided the right environment for Jonathan to grow, break down barriers, and thrive.

His D&A experience has provided Jonathan with a new sense of purpose and a place within a community. It has developed his verbal skills through continuous encouragement and guidance from his job coach and lecturers at D&A, which has had a positive impact on his mental health and allowed him to feel safe and nurtured to succeed with newfound confidence. After 22 years of silence, Jonathan spoke for the first time in an educational context and has continued to develop his verbal skills throughout his D&A learning journey.

Jonathan's progress has been nothing short of extraordinary. His verbal communication skills excelled in his new environment, and he proudly displayed his confidence by volunteering to speak in front of a large audience at his DFN Project SEARCH graduation. Jonathan did this with pride and confidence. Jonathan did not stop there though; he went on to secure a placement at the Nursing Bank at Ninewells Hospital in Dundee where he has flourished. Jonathan has found a passion for working at the Nursing Bank and through his work placement he secured employment in April 2023, where he confidently answers phone calls and handles reception duties as part of his role.

The journey that Jonathan has been on is a testament to the power of support, guidance, and a tailored environment that only college learning can provide. He has gone on to unlock his potential and break down the barriers that he was enduring. His mother, Maxine, has attributed the unrecognisable transformation in her son and attributes it to the DFN Project SEARCH course and the support of the lecturers at Dundee and Angus College.

Maxine commented “Jonathan has found his voice and is using it a lot. The transformation in Jonathan is unrecognisable. There is no doubt in my mind this supportive environment, the continued positive reinforcement, the clear guidance, and the structure that is provided within DFN Project SEARCH, by both Leanne and Nesy, has been paramount in Jon’s development and allowed him to thrive.”

Jonathan is an incredible role model to all, particularly those who are neurodiverse, and he attributes his outstanding development and confidence to the support that he has had through the programme.

Leanne MacDonald, lecturer in Supported Education at D&A further attributes Jonathan’s development to his enrolment on the programme and commented “We are all so incredibly proud of Jonathan, his development is life changing. The Nurse Bank staff are very supportive of him, believing in him and always seeing his potential.”

His remarkable progress and growth have not gone unnoticed, he has been nominated and won several awards including the NHS STAR Award for Young Achiever. He collected his award proudly at the ceremony on Friday 22nd September at the Apex Hotel in Dundee alongside other inspirational people who work in the NHS in recognition of his outstanding personal development and growth.

Jonathan has since then also collected two awards at the Dundee and Angus College Prizegiving ceremony on Tuesday 17th October at the Gardyne Theatre:

The Armistead Prize for Personal Achievement, and the Ede & Ravenscroft Prize for Outstanding Achievement.



Jonathan’s transformational journey highlights the positive impact that excellent learning coupled with dedicated student support can have on an individual life. Faced with overwhelming anxiety and the inability to communicate, his path to confidence, socialisation and an independent future was blocked. Through the unwavering support and encouragement he has received, Jonathan not only found his voice but has discovered a new career and sense of purpose in the local community.

The transformational potential that lies within every individual with the right learning, the right support and the right environment resonates through Jonathan’s story. His remarkable journey stands as a testament to the role that D&A College plays in shaping the lives individuals across our region and is a reminder of the potential for growth and achievement that lies within each individual, given the right opportunities.

[Jonathan’s mum Maxine speaks about his transformation here.](#)

CASE STUDY 2

Outcomes for Economic & Social Recovery

The D&A Electric Vehicle School



Dundee and Angus College's innovative Electric Vehicle School has set the standard in the field of sustainable transportation through an established collaboration with industry partner Robert Lawson & Sons Ltd. Our first-of-its-kind program has not only accelerated the shift towards a more sustainable economy but has also set new standards in equipping individuals with the necessary skills and infrastructure to support this transformative change.

At the heart of our success lies our state-of-the-art facilities which has put D&A as the forerunner in the EV revolution. Through our unwavering commitment to sustainable transportation, we have highlighted our dedication to creating a greener future for all through immersive cutting-edge technology and hands-on learning. The hands-on learning experiences, in a real-life garage, have ensured that our courses are of the highest quality, preparing adult learners for the challenges and opportunities that lie ahead.

One of the key highlights of our initiative programme is the comprehensive range of courses we offer, from IMI (Institute of the Motor Industry) level 1 to 3 courses we offer, for both light and heavy electric vehicles, to our First Response Course, aimed at those attending the scene of an accident that can involve an electric vehicle. Approved by the awarding body and then enhanced and tailored with input from our Transportation Industry Advisory Board, D&A's curriculum caters for EV enthusiasts to seasoned technicians seeking expertise in the intricate workings of electric vehicles.



Caryn Gibson, Business Partnership Manager, said “As industries look to slash their greenhouse gas emissions we are honoured to have been selected as the electric vehicle training partner for Scotland’s Emergency Services. Working alongside industry not only enables us to upskill their team, but also ensure that we can tailor the offering to their specific needs and stay at the forefront of innovation.”

Dundee and Angus College's groundbreaking approach to EV training has not only contributed to upskilling individuals but has also contributed to the broader profile of sustainability. We have inspired countless others to embrace the electric vehicle revolution and embark on their own sustainability journeys by raising awareness.

As part of our commitment to inspiring others on their own sustainable journeys, we are honoured to have the opportunity to train and equip key workers, including emergency services personnel and public transport operators.

Empowering key workers and the community towards more sustainable practices is a pivotal contribution to driving societal change and shaping a sustainable future.



Scott Roberts National Fleet Manager for Scottish Fire and Rescue Services (SFRS)
“SFRS currently run a fleet of 970 light vehicles below 2,500kgs. This is made up of 172 full electric vehicles and six hybrid vehicles covering general out of station duties to blue light response activities, currently making up 18.2% of the total light fleet with the target of being 100% by 2025.”

D&A’s innovative training programmes have garnered exceptional feedback, with a remarkable rating of 4.9 out of 5, and over 70% successful outcomes. This validation serves as a testament to the quality and relevance of our training programmes. It highlights our commitment to delivering excellence and ensures that individuals receive the right education, training, and skills development to thrive in the evolving field of automotive engineering.

As industries undergo transformative shifts towards sustainability, D&A addresses the need for job security and career advancement head-on. By upskilling individuals, our programmes empower them to embrace new opportunities, expand their career opportunities as well as future-proof their careers. This approach benefits both individuals and strengthens the overall resilience and competitiveness of the sectors they represent.

D&A’s pioneering project has positively supported 425 students in 2022/2023, successfully generating income for the College through the implementation of commercial courses. By designing these offerings with industry needs, the college has attracted a diverse audience pursuing to acquire the necessary skills and knowledge.

This commitment is growing, with D&A supporting key elements of the national zero carbon transport ambitions of the Michelin Scotland Innovation Parc and responding to new market demand and diversifying into light and heavy vehicle hydrogen powertrains (almost 30% of all transport CO₂ emissions arise from vans and lorries in Scotland). Our innovative project was generously supported through collaboration with ESP (Energy Skills Partnership) and Transport Scotland. Together, we have embarked on a transformative journey to equip individuals with the essential skills and knowledge needed at a national level.

One of the pivotal contributions from our D&A collaboration is the provision of funding that enabled us to help develop and acquire the state-of-the-art Lucas Nulle Training Simulation Kits. With the support of ESP and Transport Scotland, we have been able to incorporate this internationally transformative technology into our training programs.

The Lucas Nulle Training Simulation Kits have created immersive and realistic training environments that can replicate the complexities of electric vehicle scenarios. Simulating real-world experiences has enabled participants to gain hands-on training in a safe environment without the need for expensive equipment or resources.

Dundee and Angus College are looking ahead and leading the way to a sustainable future as Scotland embarks on its journey to zero-carbon transportation. The College is creating the skills base needed for the next steps towards sustainability in collaboration with industry partners and government bodies UK-wide. There is much more to come in electric and hydrogen transportation for light, heavy and rail vehicles and D&A is at the forefront of creating the skills base needed for the next generation of automotive engineers.

[More information on the D&A EV School and the skills opportunities it provides are available here](#)

Appendix 1 College Outcome Agreement Impact Framework: Supporting Data

Measure		2020-21 Actual	2021-22 Actual	2022-23 Provisional	2023-24 Projection
A	Credits Delivered (Core)	104,984	104,756	105,229	98,307
	Credits Delivered (ESF)	4,592	4,262		
	Credits Delivered (Core + ESF)	109,576	109,018	105,122	98,307
B	Volume of Credits Delivered to 10% most deprived postcode areas	19,783	21,213	18,802	18,000
	Proportion of Credits delivered to 10% most deprived postcode areas	18.1%	19.5%	17.9%	18.3%
C	Volume of credits delivered to care-experienced learners	10,244	8,451	8,652	7,865
	Proportion of credits delivered to care-experienced learners	9.3%	7.8%	8.2%	8.0%
D	Number of senior phase age pupils studying vocational qualifications delivered by colleges	964	1,133	956	1,300
E1	Proportion of enrolled students successfully obtaining a recognised qualification (Full time FE)	73.6%	65.2%	67.8%	69.0%
	Number of enrolled students successfully obtaining a recognised qualification (Full time FE)	2,193	1,918	2,385	2,070
	Total number of FTFE students	2,978	2,942	3,519	3,000
E1A	The percentage of FT FE care-experienced students successfully achieving a recognised qualification	67.5%	54.2%	60.7%	63.0%
	The total number of FT FE care-experienced students	378	308	438	350
	The number of FT FE care-experienced students successfully completing	255	167	266	221
E1B	The percentage of FT FE SIMD10 students successfully completing a recognised qualification	70.8%	62.3%	65.6%	69.0%
	The number of FT FE SIMD10 students successfully completing a recognised qualification	431	429	531	428
	The total number of FT FE SIMD10 students	609	689	810	620
E1C	The percentage of FT FE 16 to 19 year olds successfully completing a recognised qualification	72.5%	61.3%	65.7%	69.0%
	The number of FT FE 16 to 19 year olds successfully completing a recognised qualification	1,117	960	1,257	1,125
	The total number of FT FE 16 to 19 year olds	1,540	1,567	1,912	1,630
E2	Proportion of enrolled students successfully obtaining a recognised qualification (Part time FE)	85.2%	77.4%	67.8%	69.0%
	Number of enrolled students successfully obtaining a recognised qualification (Part time FE)	3,288	3,331	1,738	2,150
	Total number of PTFE students	3,857	4,302	2,563	3,115

Measure		2020-21 Actual	2021-22 Actual	2022-23 Provisional	2023-24 Projection
E2A	The percentage of PT FE Care-experienced students successfully completing a recognised qualification	83.4%	72.4%	46.8%	63.0%
	The number of PT FE care-experienced students successfully completing a recognised qualification	141	165	44	63
	The total number of PT FE care-experienced students	169	228	94	100
E2B	The percentage of PT FE SIMD10 students successfully completing a recognised qualification	78.9%	72.4%	63.4%	69.0%
	The number of PT FE SIMD10 students successfully completing a recognised qualification	426	502	203	328
	The total number of PT FE SIMD10 students	540	693	320	475
E3	Proportion of enrolled students successfully obtaining a recognised qualification (Full time HE)	81.9%	69.9%	72.5%	73.0%
	Number of enrolled students successfully obtaining a recognised qualification (Full time HE)	1,301	1,038	1,034	1,040
	Total number of FTHE students	1,589	1,484	1,426	1,425
E3A	The percentage of FT HE care-experienced students successfully completing a recognised qualification	81.2%	58.5%	52.0%	63.0%
	The number of FT HE care-experienced students successfully completing a recognised qualification	56	24	26	32
	The total number of FT HE care-experienced students	69	41	50	50
E3B	The percentage of FT HE SIMD10 students successfully completing a recognised qualification	80.1%	66.7%	72.4%	72.5%
	The number of FT HE SIMD10 students successfully completing a recognised qualification	165	138	134	134
	The total number of FT HE SIMD10 students	206	207	185	185
E4	Proportion of enrolled students successfully obtaining a recognised qualification (Part time HE)	76.0%	76.4%	74.3%	75.0%
	Number of enrolled students successfully obtaining a recognised qualification (Part time HE)	367	499	130	169
	Total number of PTHE students	483	653	175	225
E4A	The percentage of PT HE Care-experienced students successfully completing a recognised qualification	80.0%	100.0%	0.0%	75.0%

Measure		2020-21 Actual	2021-22 Actual	2022-23 Provisional	2023-24 Projection
	The number of PT HE care-experienced students successfully completing a recognised qualification	8	4	0	4
	The total number of PT HE care-experienced students	10	4	0	5
E4B	The percentage of PT HE SIMD10 students successfully completing a recognised qualification	62.1%	67.3%	64.3%	65.0%
	The number of PT HE SIMD10 students successfully completing a recognised qualification	36	37	9	9
	The total number of PT HE SIMD10 students	58	55	14	15
F	Number of students achieving an HNC/D qualification articulating to degree level courses	554	614		
	Number of students achieving an HNC/D qualification articulating to degree level courses with advanced standing	329	372		
	Proportion of students achieving an HNC/D qualification articulating to degree level courses with advanced standing	59.4%	60.6%	tbc	61%
G	Total number of full-time FE college qualifiers (in confirmed destinations)	1,986	1,540		
	Number of full-time FE college qualifiers in work, training or further study 3-6 months after qualifying	1,881	1,449		
	Proportion of full-time FE college qualifiers in work, training or further study 3-6 months after qualifying	94.7%	94.1%	95.2%	95.0%
	Total number of full-time HE college qualifiers (in confirmed destinations)	979	768		
	Number of full-time HE college qualifiers in work, training or further study 3-6 months after qualifying	943	727		
	Proportion of full-time HE college qualifiers in work, training or further study 3-6 months after qualifying	96.3%	94.7%	95.2%	95.0%
H	Percentage of students overall satisfied with their college experience (SSES survey)	92.4%	96.3%	96.7%	97.0%
I	Carbon Emissions (tonnes CO2 e)	1856	2183	2140	2000

Please note that 2019-20 figures for measures E, G and H and all 2020-21 figures were impacted by the COVID-19 pandemic and may not be directly comparable to other years. All 2022-23 figures are not yet fully confirmed and may be subject to minor change.



Regional Outcome Agreement

Self-evaluation Report

2022/2023

1 Introduction

As part of the Outcome Agreement arrangements in place, colleges have been asked to complete a Self-Evaluation report of key outcomes for academic year 2022/2023. Details of these requirements as outlined by SFC are [available here](#).

This evaluation outlines progress made relative to the targets of the [2022/2023 Outcome Agreement](#) published in July 2023 and reflects activities covering the post COVID-19 recovery period and through a second major savings plan.

2 Progress Against 2022/23 Priority Outcomes

The summary below outlines high level progress made against the six key Priority Outcomes for Dundee and Angus College as outlined in our [2022/2023 Outcome Agreement](#). These Priority Outcomes align with the [National Performance Framework for Scotland](#) and four key SFC Strategic Priorities 2022 – 2027.

- **Outcome 1 & 4:** On a regional basis, the College has further progressed the range of very major strategic economic opportunities. This includes the opening of the Michelin Scotland Innovation Parc Skills Academy, positive progression of the Tay Cities Engineering Partnership project (with significant investment now complete in D&A Engineering facilities), and the commencement of the new Foundation Degree in Esports.

Further Tay Cities deal funding bids to enhance skills and opportunities in the BioMedical sector and for Small and Medium Sized Enterprises (SMEs) have been progressed to the final approval stage, with these projects expected to begin in AY 2023/24.

The College remains at the heart of social and economic recovery within the region and is the major skills provider and academic partner in skills developments and innovations that are at the heart of the National Strategy for Economic Transformation (NSET) including Eden Project Scotland; Digital and Data Enhancement; and the Montrose Ports / Montrose ZeroFour green skills developments. This has included significant development in hybrid and electric vehicle training through the creation of the D&A EV school, providing EV upskilling on a national basis to motor vehicle technicians and Scotland's emergency services.

All of these developments are underpinned by our 2025 strategy and vision entitled [More Successful Students](#).

- **Outcome 2 & 3:** It has been clear through 2022/23 recruitment that demand for full-time provision has slowed and that the demographic impact of reducing numbers of 16-19 year olds across Scotland is being reflected within course recruitment. This demographic decline is further exacerbated by increased competition at advanced level by university recruitment. The post pandemic increase in the numbers of young people and households that are economically inactive, and the clear increase in additional support needs around mental health, resilience and socialisation are also a very significant factor impacting on recruitment.

These factors have been clearly evident within an increased proportion of D&A learners throughout AY 2022/23 and, despite significant additional support and inputs, have underpinned poorer attendance and an increase in withdrawal rates compared with pre pandemic levels.

- **Outcome 2:** In terms of key measures, despite very significant efforts overall student activity in 2022/23 failed to meet the overall target of 109,230 credits by a margin of c4,000 credits (3.7%). This outcome has been impacted by the factors outlined above, with significant action taken during 2022/23 to ensure that curriculum plans deliver the learner numbers required to meet the (reduced) 2023/24 credit target of 98,307.

Early indications from 2023/24 recruitment are that full-time learner numbers are the same as 2022/23 despite the College offering 26 fewer full-time course options. The reduction in activity has focused on reducing internal competition and duplication of provision so that this does not narrow learner choice or progression.

Extensive work has progressed successfully to embed meta, career management, digital, sustainability and wellbeing skills within the learning process with this being recognised by Education Scotland as an area of D&A strength.

- **Outcome 2:** Modern and Foundation Apprenticeship recruitment remains strong, despite aspects of the funding and administrative arrangements which continue to make this provision overly complex.
- **Outcome 2:** Overall student outcomes have remained high. Despite changes made in respect of the treatment of deferred learners, comparison of the [most recent national figures](#) (May 2023) shows that D&A learner performance remains significantly above national average and is sector leading in many categories.

Whilst D&A learner retention remains above sector average, the increase in withdrawal rates and the increased fragility of many learners remains a significant area of concern and focused quality improvement plans are in place to improve outcomes.

- **Outcome 2:** Learner progression into employment/further study remains strong with 95.2% of all full-time learners (FE and HE) reporting a positive destination (employment or further study) 3-6 months after completion of their course.
- **Outcome 3:** The proportion of activity delivered to learners from the 10% most deprived postcode areas decreased marginally to 17.9% maintaining this proportion of activity and the excellent outcomes achieved for these learners (80.4% successful achievement). This above average level of attainment is also reflected across learner groups with disabilities and for those from black and other minority ethnic backgrounds.
- **Outcome 3:** Recruitment of Care Experienced and Estranged learners is also strong, with outcomes for these groups at c60% remaining sector leading and in line with national average for all learner groups.
- **Outcome 3:** Articulation arrangements and opportunities have continued to grow, with an increase in the number of learners progressing into university with advanced standing and the creation of further clear articulation pathways for mainstream curriculum. Formal articulation agreements now cover 11 universities and 330 course options. This work plays a significant role in achieving the COWA targets for regional and national universities.
- **Outcome 4:** During AY 2022/23 we have further developed a wide range of strategic and other partnerships to enhance our curriculum and learner experience. This includes innovative partnerships with Dundee Football Club (who are now based on campus) that will underpin c£1million investment in our sports facilities and partnership with Coast Renewables (who sublet part of the MSIP site). To deliver high demand skills for the offshore wind sector.
- **Outcome 4:** D&A College has played a significant part in national discussions and developments to recognise the changing sustainability, economic, demographic, and social needs of the college sector through amendment to national funding models and policies to better reflect the current and future operating landscape.
- **Outcome 5:** Academic year 2022/2023 was a further challenging one, with the College enacting the c£1.8 million savings achieved for our 2022/23 budget and planning and progressing a further £2.7 million of savings for our 2023/24 budget.

These have been very major exercises resulting in significant reduction in staffing and the need to review and revise almost all curriculum and support service activities.

Cumulatively this represents a reduction in our cost base of c£4.5 million in just over a year or c14% of D&A operating costs. All of this work has been progressed without the need for compulsory redundancy and has been developed to support sustainable budgets and curriculum / service plans for future years.

This work will continue in line with FFR and finance strategy projections to seek to maintain the College in a sustainable long-term financial position.

- **Outcome 5:** Excellent progress has been made in promoting and embedding the UN Sustainable Development Goals within our curriculum and management planning.
- **Outcome 6:** Progress in respect of our Climate Emergency Action Plan (CEAP) has been strong, with 86% of targets on track and a further 9% only marginally delayed (< 3 months) or dependent upon national action out with D&A control. A continued reduction in carbon usage (scope 1 and 2) is evident with this down by 68% since 2010. Steps are progressing as part of our CEAP to better measure, reduce, and offset our scope 3 emissions.

Through our CEAP we have taken major steps towards net zero and are actively progressing the cultural, educational, and behavioural shift process to embed the Sustainable Development Goals within our curriculum and operations.

- **Outcome 6:** We have continued our investment in our infrastructure, including the opening of our new Hair and Beauty facility on the Kingsway campus, Tay Cities Deal funded enhancements in Engineering, investment in our Esports facilities, and progression of a major renewal of our network infrastructure.

3 Evaluation of 2022/2023 Outcomes

The following evaluation of outcomes achieved during academic year 2021/22 reflects on the quality of the learning experience and outcomes for learners. These outcomes are reflected within the Scottish Funding Council national performance measures that underpin the activities and outcomes of each college. These targets, and related outcomes are detailed within the Annual Measurement Plan developed as an integral part of the Outcome Agreement process. Progress in respect of activities underpinning these targets is summarised below, and a copy of the 2022/23 measurement plan detailing specific outcomes is included as **appendix A**.

The College works closely and positively with Education Scotland (EdS) and SFC under the national '[How Good is Our College](#)' quality arrangements and has been an active participant in the work to create a tertiary quality framework with both SFC and QAA. The College engaged with Education Scotland during 2022/23 through an Annual Engagement Visit in November 2022 and Modern Apprenticeship Review in April 2023. Both of these engagements confirmed that (more than) satisfactory progress was being achieved around quality engagements and the recruitment, retention, attainment, and progress of learners. This included identification of a significant range of strengths in College operations alongside some minor areas for development. Three areas of College activity were also identified as Sector Leading Practice for wider dissemination, these were:

- Our partnership work with the D&A Students' Association to enhance learner engagement and the learner voice for MA candidates;
- Our strategic partnership approach with regional employers and the effectiveness of these in meeting regional skills needs and in influencing curriculum design and delivery.
- Our strategic partnership approach with community agencies and third sector organisations to support learners and create clear and supported pathways into learning for those disenfranchised from formal education.

Less positively, 2022/23 saw a further reduction in learner recruitment, which has impacted negatively on achievement of the overall credit target. The reduction in full-time learners has been particularly evident, with these reducing by c300 from the previous year (c800 in 2 years). This has been a sector wide issue, impacted by a reduction in the number of young people, a reticence to return to study post-COVID, increased university competition (and lowering of entry criteria), and improving employment opportunities.

As overall recruitment has declined, the focus on learner retention has increased. Working in partnership with our Administrative team, our Students' Association (DASA) continued their innovative retention support project for learners. Through this work, individual peer-to-peer support calls were undertaken by DASA representatives, contacting learners that were flagged as at risk of withdrawing from their course due to poor attendance. Over 3,000 calls were again made in 2022/23, and hundreds of students were re-engaged and supported back into regular attendance and course success.

Outcomes across the full range of protected characteristics continue to be positive, with consistently high outcomes achieved for learners with a declared disability, those from identified BAME ethnicities, and those that are Care Experienced or estranged. Outcomes for SIMD10, Care Experienced Learners and Learners with Disabilities are consistently at or around the best in Scotland.

Engagement with our twin learner satisfaction surveys has remained very strong, with almost 6,500 responses being received during 2022/23 (and increase of c500 on the previous year). Both surveys showed very positive results and both continued a 6-year unbroken run of improved learner satisfaction. At 88% in both surveys, satisfaction was consistent with the previous year. This high level of learner satisfaction is also reflected in the [Scottish Funding Council annual survey](#) which shows D&A College students participate more and with a total satisfaction score of 96.3% are significantly more satisfied compared with sector average.

Work to reduce gender segregation within the curriculum and to provide positive opportunities for non-traditional participation within subject areas has continued to be challenging due to the reduced recruitment. This does, however, remain a focus for the College with key developments such as MSIP and the Tay Cities Deal incorporating clear opportunities and enhancement targets for gender engagement within the Engineering and BioTech projects.

[Learner outcomes published in 2023](#) (academic year 2021/22) were lower than in previous years (as noted above) but remained strong on a comparative basis with the sector. This included Full-Time learners, Further Education and Higher Education learners, those with Disabilities, Younger Learners, and those from a Care Experienced background. These performance metrics represent a very strong performance by the College and continue the sector leading trend of D&A performance every year since merger in 2013.

A summary of D&A provisional performance indicator outcomes for 2022/2023 is noted below.

Mode	Day One Successful Outcome				
	18/19	19/20	20/21	21/22	22/23
All Modes	75.9%	76.9%	80.3%	72.3%	68.8%
Full Time – All	70.8%	73.8%	76.5%	72.9%	69.1%
Full Time – FE	70.2%	72.3%	73.6%	65.2%	67.8%
Full Time – HE	71.7%	76.5%	81.9%	76.4%	72.5%
Part Time – All	80.8%	80.3%	84.3%	77.3%	68.2%
Part Time – FE	81.4%	80.3%	85.2%	77.4%	67.8%
Part Time – HE	75.8%	80.0%	76.0%	69.9%	74.3%

NB, Outcomes in 2019/20, 2020/21 and 2021/2022 were impacted by COVID-19 and final outcomes were developed under different assessment adaptations and requirements in each of these years.

Within these outcomes (and despite an improvement in full-time retention from 23.3% in 2021/22 to 19.6% in 2022/23) there has been a negative trend in terms of learner attendance and subsequent withdrawals compared with pre-pandemic performance. This has reflected the poorer mental health, resilience, and motivation of many of the College population post pandemic, alongside a marked increase in the number of learners leaving for employment/economic reasons during the current cost of living crisis.

As deferral arrangements have been worked out of the system, there has been a corresponding increase in partial success, with these returning to a level slightly above pre-pandemic performance. Partial success levels have been negatively impacted by the need to focus significant staff and management time on major savings plans in both spring 2022 and spring 2023. These events have disrupted many elements of normal activity, including the provision of additional learning and assessment activities for those learners that are only a few outcomes short of full success.

Post course progression and success remains strong, with 95.2% of full-time College learners achieving a positive destination (employment or further study) three to six months after completing their course.

The proportion of learners progressing with advanced standing (2020/21 cohort) has remained steady at c60%.

Despite the post-pandemic impacts, when considered together, the high levels of learner attainment and satisfaction outlined above, with the high levels of post course progression and articulation with advanced standing, identify D&A as a hugely successful College with outcomes for learners that are significantly and consistently above national averages.

In respect of our regional economic and operational activities, D&A continues to provide strong regional skills support and remains as a major local employer and contributor to the regional economy.

D&A is committed to the Fair Work agenda and principles and (despite significant strain due to saving plan needs) has improved on the positive and productive relationships we have with our recognised unions. We are a Real Living Wage employer and have reduced our median gender pay gap over the past year to 5.4% (from 7.5%).

Good use continues to be made of the JISC Digital Elevation tool to evaluate progress on our digital transformation. This has identified significant strengths around our Digital Culture, Pre-arrival, Curriculum Staff, Cyber Security and Cloud elements, with these assessed to be operating at the 'elevate' level. We are progressing rapidly with our cloud first strategy and have invested significantly (c£950k) in our network infrastructure. We are progressing our use of data to inform and transform analysis and decision making (including work nationally with the DataLab project) and will further enhance this in 2022/23.

The College completed work in early 2022/23 around our post pandemic new Ways of Working (FutureWoW) project in partnership with staff and have embedded practical guidance for staff on blended and online learning, teaching, and working. This work has empowered staff to adopt the hybrid mix that best meets the needs of the learners or service users, rather than working on a formulaic or centrally determined basis.

Over 2022/23, we have made major progress in respect of the significant skills projects within our region, including completion and validation of the Foundation Degree programme in Esports and the finalisation of the facility and curriculum offer for the Skills Academy at Michelin Scotland Innovation Parc (MSIP).

D&A has also been at the forefront of new skills development in hybrid and electric vehicle maintenance, including the delivery of essential health and safety skills at a national level for the emergency services when dealing with hybrid / electric vehicles after an incident.

Other developments include the creation of successful partnership with our health and social care partnership to create learning opportunities and skills pipelines that better support the workforce needs in health and social care sector. This includes innovative work with our Hospitality Team to create nutritionally balanced menus for residents in the social care sector. The College continues to progress skills partnerships with Montrose Ports to provide the skills required to support the expansion of offshore wind energy over the coming years. Our partnership with Dundee Football club is bringing in commercial income, enhancing learner opportunities and supporting external funding of c£1million to enhance sports facilities on our Gardyne campus.

The College has successfully delivered on the Flexible Workforce Development Fund, providing almost £500k training in our regional economy to 1,674 employees. The College has grown its Modern Apprenticeship (MA) contract and continues to support employers with apprentice recruitment, training, and assessment across a wide range of industries. This work was subject to review by Education Scotland in spring 2023, with positive feedback received from both Education Scotland and regional employers on this provision.

A revised business plan for our Service Design Academy was enacted during 2022/23, with this driving a significant increase in both activity and income by the SDA.

Infrastructure work arising from the Tay Cities Deal TCEP Advanced Engineering project has been completed, with this funding the creation of an advanced and precision engineering facility and state-of-the-art equipment in our Arbroath campus. Projects to enhance skills, opportunities and infrastructure in BioTech have progressed well, as has a project to support skills enhancement for Small & Medium Sized Enterprises (SMEs) with both scheduled to commence in AY 2023/24.

Specialist project activity (funded by the Young Persons Guarantee and charitable trust funding) aimed at reducing and eradicating Child Poverty has progressed throughout 2022/23. 2023 April 2023 we have successfully engaged 106 young people and their families in 288 Touchpoints. Over 30 of these young people progressed onto College in August 2023 and are sustaining their learning through ongoing support from Student Services. An additional 20 young people from the 106 are on track to start College in January 2024.

In response to the emerging cost of living crisis the College launched its *Thrive with D&A* initiative in October 2022 designed to provide students and staff with access to a range of support to offset the impact of rising costs whilst actively removing the stigma associated with seeking help or financial support. Thrive with D&A has provided a multi-faceted approach to encourage engagement with offers of free food, advice, financial support, clothing and toys, events, job opportunities and even Christmas movies. Over the course of AY 2022/23 we provided 27,383 free portions of soup and 3,043 free breakfasts from the catering outlets. This was supplemented by the work of DASA, the various other free food, clothing and support offers and around 1,200 attending the Christmas movies. The Thrive work has been picked up by College Development Network Research and Enhancement Centre as an area of good practice and a [Case Study of the work](#) was published by CDN and disseminated across the sector.

Excellent progress is being made in respect of our Climate Emergency Action Plan, with D&A reducing its scope 1 and 2 emissions by over 68% since 2009. Whilst there was a small increase in CO₂ emissions (following the return from lockdown into on campus operations) our overall emissions have reduced by 25.6% since the last full pre-pandemic year (2018/19).

During 2022/23 we have secured c£650k funding from the Scottish Green Public Sector Estate Decarbonisation Scheme to install energy efficient led lighting with in our Gardyne Campus. This will have a major environmental impact, as well as delivering a substantial reduction in energy costs. Further infrastructure bids to enhance sustainability are also being progressed.

Work is progressing to create and delivery carbon literacy training at SCQF levels 3 – 8 for our College learners, whilst partnership with Dundee University is progressing to expand delivery of this training on an open basis to all those living within the D&A region. These steps will significantly improve climate emergency awareness and engagement with sustainable living in all aspects of our day-to-day lives.

Our curriculum sustainability mapping project commenced in January 2023, with our Academic Development Team working in partnership with curriculum teams to identify and create opportunities to promote and embed the UN Sustainable Development Goals within curriculum content and teaching practice.

All of these activities reflect our commitment to take a mixture of practical, cultural, and pedagogical action to address the climate emergency and meet our ambitious net zero ambitions.

4 Conclusions

The 2022/23 D&A Outcome Agreement concluded by highlighting that ‘Dundee and Angus College was at an exciting stage in its development, with a range of very significant opportunities emerging across the region with a major focus on the transformative industries needed for the long-term regeneration and success of Scotland’s economy’.

It is positive to note that significant progress has been made in respect of these key outcomes and that alongside this the College continues to deliver high quality outcomes for our learners, employers, and other stakeholders.

These outcomes have been achieved against a backdrop of continuing post-pandemic social and economic impacts, and whilst also tackling some very significant operating challenges.

We have made excellent progress in respect of our climate emergency action plan targets whilst also reviewing and developing our curriculum to ensure that it remains focused on the needs of our region, learners, and communities.

Dundee and Angus College remains justifiably proud of the sector leading outcomes it has consistently delivered and looks forward to further developing and enhancing these throughout 2023/24 to further support the social and economic recovery and environmental sustainability of our region.

5 Approval

Report approved by Principal.

Signed



Simon Hewitt

Date 30 October 2023

Appendix 1 College Outcome Agreement Impact Framework: Supporting Data

Measure		2020-21 Actual	2021-22 Actual	2022-23 Provisional
A	Credits Delivered (Core)	104,984	104,756	105,229
	Credits Delivered (ESF)	4,592	4,262	
	Credits Delivered (Core + ESF)	109,576	109,018	105,122
B	Volume of Credits Delivered to 10% most deprived postcode areas	19,783	21,213	18,802
	Proportion of Credits delivered to 10% most deprived postcode areas	18.1%	19.5%	17.9%
C	Volume of credits delivered to care-experienced learners	10,244	8,451	8,652
	Proportion of credits delivered to care-experienced learners	9.3%	7.8%	8.2%
D	Number of senior phase age pupils studying vocational qualifications delivered by colleges	964	1,133	956
E1	Proportion of enrolled students successfully obtaining a recognised qualification (Full time FE)	73.6%	65.2%	67.8%
	Number of enrolled students successfully obtaining a recognised qualification (Full time FE)	2,193	1,918	2,385
	Total number of FTFE students	2,978	2,942	3,519
E1A	The percentage of FT FE care-experienced students successfully achieving a recognised qualification	67.5%	54.2%	60.7%
	The total number of FT FE care-experienced students	378	308	438
	The number of FT FE care-experienced students successfully completing	255	167	266
E1B	The percentage of FT FE SIMD10 students successfully completing a recognised qualification	70.8%	62.3%	65.6%
	The number of FT FE SIMD10 students successfully completing a recognised qualification	431	429	531
	The total number of FT FE SIMD10 students	609	689	810
E1C	The percentage of FT FE 16 to 19 year olds successfully completing a recognised qualification	72.5%	61.3%	65.7%
	The number of FT FE 16 to 19 year olds successfully completing a recognised qualification	1,117	960	1,257
	The total number of FT FE 16 to 19 year olds	1,540	1,567	1,912
E2	Proportion of enrolled students successfully obtaining a recognised qualification (Part time FE)	85.2%	77.4%	67.8%
	Number of enrolled students successfully obtaining a recognised qualification (Part time FE)	3,288	3,331	1,738
	Total number of PTFE students	3,857	4,302	2,563

Measure		2020-21 Actual	2021-22 Actual	2022-23 Provisional
E2A	The percentage of PT FE Care-experienced students successfully completing a recognised qualification	83.4%	72.4%	46.8%
	The number of PT FE care-experienced students successfully completing a recognised qualification	141	165	44
	The total number of PT FE care-experienced students	169	228	94
E2B	The percentage of PT FE SIMD10 students successfully completing a recognised qualification	78.9%	72.4%	63.4%
	The number of PT FE SIMD10 students successfully completing a recognised qualification	426	502	203
	The total number of PT FE SIMD10 students	540	693	320
E3	Proportion of enrolled students successfully obtaining a recognised qualification (Full time HE)	81.9%	69.9%	72.5%
	Number of enrolled students successfully obtaining a recognised qualification (Full time HE)	1,301	1,038	1,034
	Total number of FTHE students	1,589	1,484	1,426
E3A	The percentage of FT HE care-experienced students successfully completing a recognised qualification	81.2%	58.5%	52.0%
	The number of FT HE care-experienced students successfully completing a recognised qualification	56	24	26
	The total number of FT HE care-experienced students	69	41	50
E3B	The percentage of FT HE SIMD10 students successfully completing a recognised qualification	80.1%	66.7%	72.4%
	The number of FT HE SIMD10 students successfully completing a recognised qualification	165	138	134
	The total number of FT HE SIMD10 students	206	207	185
E4	Proportion of enrolled students successfully obtaining a recognised qualification (Part time HE)	76.0%	76.4%	74.3%
	Number of enrolled students successfully obtaining a recognised qualification (Part time HE)	367	499	130
	Total number of PTHE students	483	653	175
E4A	The percentage of PT HE Care-experienced students successfully completing a recognised qualification	80.0%	100.0%	0.0%

Measure		2020-21 Actual	2021-22 Actual	2022-23 Provisional
	The number of PT HE care-experienced students successfully completing a recognised qualification	8	4	0
	The total number of PT HE care-experienced students	10	4	0
E4B	The percentage of PT HE SIMD10 students successfully completing a recognised qualification	62.1%	67.3%	64.3%
	The number of PT HE SIMD10 students successfully completing a recognised qualification	36	37	9
	The total number of PT HE SIMD10 students	58	55	14
F	Number of students achieving an HNC/D qualification articulating to degree level courses	554	614	
	Number of students achieving an HNC/D qualification articulating to degree level courses with advanced standing	329	372	
	Proportion of students achieving an HNC/D qualification articulating to degree level courses with advanced standing	59.4%	60.6%	tbc
G	Total number of full-time FE college qualifiers (in confirmed destinations)	1,986	1,540	
	Number of full-time FE college qualifiers in work, training or further study 3-6 months after qualifying	1,881	1,449	
	Proportion of full-time FE college qualifiers in work, training or further study 3-6 months after qualifying	94.7%	94.1%	95.2%
	Total number of full-time HE college qualifiers (in confirmed destinations)	979	768	
	Number of full-time HE college qualifiers in work, training or further study 3-6 months after qualifying	943	727	
	Proportion of full-time HE college qualifiers in work, training or further study 3-6 months after qualifying	96.3%	94.7%	95.2%
H	Percentage of students overall satisfied with their college experience (SSES survey)	92.4%	96.3%	96.7%
I	Carbon Emissions (tonnes CO2 e)	1856	2183	2140



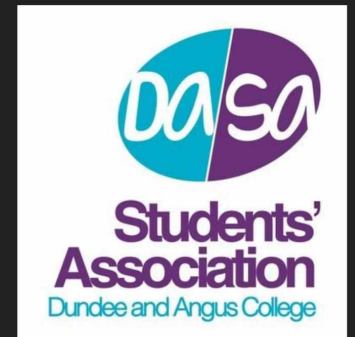
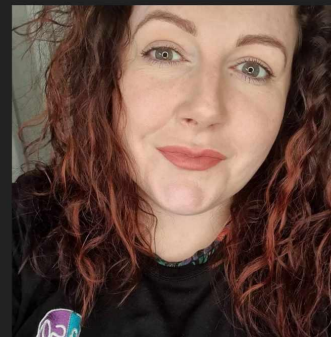
BofM Update December 2023

Dundee & Angus College Students' Association

Team

Amy has taken on the role of team leader on a permanent basis.

The rest of the team has remained the same, with the exception of Cher who is now on maternity leave. We will have the youngest member of the team with us soon.



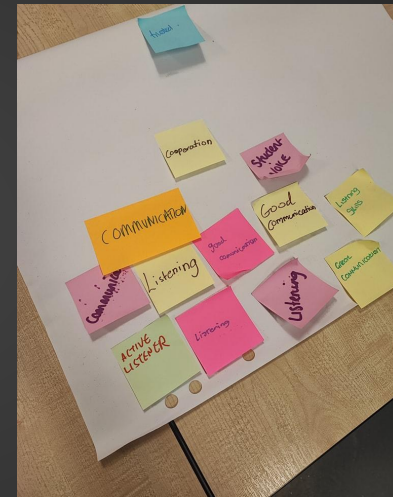
Class Reps

We have successfully recruited 249 Class Reps from every department except Construction & Supported Education.

205 Class Reps have been trained so far, we are working with the group tutors to support the remaining students to complete.

We have started the Student Voice sessions with Construction, Supported Education, Esol and other Departments with lower class rep numbers. This has been offered within class/group tutor time to gather feedback in a way that suits those students better.

We have completed the first Class Rep meetings with safeguarding training with Sarah Thom and Rona Jack from student services. The theme of the meeting was 'Preparing for the Student Journey' The second rep meeting gave students a session with LDR to help others in their classes to find the right information in the right place.



Department Reps

We have recruited 22 Department Reps with only 3 Departments not having representation, we are working on this with GT's, HCQ's and CQL's to identify more students for the roles.

Training for the majority of reps has been completed using the ABCD of Effective feedback and has included a session from Michelle Hamilton the Quality manager.



Thrive

The DASA Thrive Winter appeal has started and we are asking students and staff to donate any winter coats as well as footwear, food and toiletries to college so that they can be shared with others in need.

The Breakfast clubs, shop and other thrive initiatives are being used on a daily basis by students and staff. This shows that they are very well needed.

The Sports and Fitness Dept as part of the D&A Decade and took part in a cyclathon at the Atrium in Gardyne campus. They have raised over £1000 for Thrive, which is amazing. Simon even took to the bike for 3 hours, so a huge well done to him.

(: Spread warmth this winter :)

Drop off :-

- ❄️ Winter Coats
- ❄️ Shoes/Boots
- ❄️ Food
- ❄️ Toiletries

Drop off Location :-

📍 Help Point

From: 20th November 2023

DASA
Students' Association
Dundee and Angus College

Thrive with **D&A**

Inductions

Our Induction video this year worked just as we'd hope and gave lots of students an introduction to DASA. Just under 400 individual students engaged with the quiz that ran alongside the video and 280 classes engage as a group.



Feedback Friday

We are now on Week 13 of Feedback Friday and the engagement has been good so far, our class reps have been helpful in getting the word out, and utilising the My D&A Life App to reach all students every week. The feedback is then shared with the relevant teams and any issues flagged and questions answered.

From some of the more common questions we are making at Student FAQ's to go on the DASA sharepoint to share information that might help other who are less confident to ask.



Graduation

Graduation was held at the Caird Hall on the 28th October and was hugely successful with many students coming together to celebrate all the hard work and achievements.

This is the highlight of the year for many students and the staff get the chance to celebrate all the hard work and achievements with their students.



D&A Decade Celebrations

This year is the 10th Anniversary of D&A and there have been events on in line with this.

One of the events that we helped with was the Big Breakfast. This was a free breakfast for students and staff to come together to help celebrate this milestone.

From the 5th December we are running Elf on a Shelf, where students have to find pictures of elves around all 3 campuses. The students that manages to find the most elves will be entered into a prize draw to win a college hoodie.

In January the college are running a Tartan design where students will be able to design a tartan for the college. We will have our own D&A tartan.



STUDENT
CONGRESS

CONSTITUTION

FESTIVE FUN

WINTER SUPPORT

SENIOR PHASE
FEEDBACK



Thank you.

Any questions?

BOARD OF MANAGEMENT

Tuesday 12 December 2023



NATIONAL BARGAINING UPDATE

PAPER E

BOARD OF MANAGEMENT

Tuesday 12 December 2023

National Bargaining Update



Paper for information

1. Introduction & Context

This paper summarises the current position, recent developments and national disputes arising from the national bargaining processes in place for colleges.

Arrangements in respect of the of the 2022/2023 and then 2023/2024 settlements (effective from 1 September 2022 and 1 September 2023 respectively) have been on-going for a significant period.

Despite on-going national discussions, no settlements have yet been reached and details around the current situation for each staff group are summarised below.

2. Academic Staff Negotiations

Negotiations for the 2022/23 and 2023/24 academic staff salary settlements remain difficult, with a final offer of £2000 for 2022/23 and £1500 for 2023/24 on all salary points being rejected and a ballot on industrial action returning a majority vote.

Notification of planned action consisting of a 'work to rule' and action to withhold student results was enacted from 2 May 2023 with some staff taking part in this action and work undertaken to minimise the impact (particularly of the resulting boycott) on student progression.

Strike action by academic staff was confirmed, with strikes undertaken on 7 and 21 September 2023 and on 2,3 and 4 October 2023. The College remained open on these dates with c30% of academic staff involved in the action and steps were taken to minimise disruption to learning.

Following further national discussions and the intervention of the Minister, it was proposed that a three year deal be considered (2021/22, 2022/23 and 2023/24) with an offer of £1500 on all salary points being made for year 3 alongside the £2000 and £1500 offers for years 1 and 2. EIS/FELA has rejected this offer, with a counter offer of £8000 being made. Discussion in respect of the year 3 settlement are on-going with no immediate signs of resolution being imminent. Since then the offer of £1500 for year 3 has been confirmed as the full and final offer that can be made by the employers.

National proposals to hold supported discussions with ACAS and/or to consider an independent pay review for academic staff have not been accepted by EIS/FELA.

Alongside these discussions, the legal authority for industrial action obtained through the membership ballot for EIS/FELA members expired on 14 October 2023 and a follow up ballot failed to achieve the legal threshold to support further or continued action.

Given the expiry of legal authority, the current strike and action short of strike (including the resulting boycott) has ceased and arrangements were progressed in the College for the small number of outstanding results from AY 2022/23 to be input. This was completed in October and all student results have been confirmed with the appropriate awarding bodies to allow final certification to be issued.

With the dispute on-going, a further EIS/FELA ballot on strike and action short of strike action is currently underway, closing on 16 January 2024.

Alongside discussion on pay, dispute has also arisen and discussions are ongoing around wording in respect of a request for a national sector wide guarantee on no compulsory redundancies.

3. Support Staff Negotiations

In respect of Support staff, a complex pay and conditions demand has been submitted on behalf of Unison, GMB and Unite (and detailed at previous meetings).

A similar final offer of £2000 for 2022/23 and £1500 for 2023/24 on all salary points has been made to support staff, with this being rejected by Unison who then held an initial ballot on industrial action returning a majority vote. This offer equates to almost 18% at the lowest salary point.

Notification of planned action consisting of strike action by support staff was confirmed, with strikes undertaken on 7 and 21 September 2023 and 4 October 2023. The College remained open on these dates with c14% of support staff engaged in the action and steps were taken to minimise disruption to learning.

The two year pay offer has been accepted nationally by GMB (who are the predominant union for support staff at D&A, particularly in respect of the Dundee campuses) but as a single bargaining group, this cannot be progressed until the other unions (Unison and Unite also accept an offer).

Following further discussion, it has been proposed that a three year deal be considered (2021/22, 2022/23 and 2023/24) with an offer of 1500 on all salary points being made for year 3 alongside the £2000 and £1500 offers for years 1 and 2. This offer equates to an over 25% increase over the three years at the lowest salary point.

This offer has been rejected by Unison, with a counter offer of £3000 on all salary points lodged for year 3. Unison have also progressed a further ballot to renew authority for future strike action, assuming the statutory threshold is achieved action would be likely to arise at some point in the new year. Since then the offer of £1500 for year 3 has been confirmed as the full and final offer that can be made by the employers.

Alongside discussion on pay, dispute has also arisen around wording in respect of a request for a national guarantee on no compulsory redundancies.

Alongside these national discussions, as a real Living Wage employer, the College has progressed with payment of the increase in the living wage from 1 November 2023. This increase (from £10.90 to £12.00 per hour) is a substantial benefit for those staff on the lowest salary points and is being paid pending (and not in addition to) any pay adjustments arising from national bargaining and the outstanding negotiations on Pay Awards for the years 2022/23 and 2023/24.

4. 2021 Instructors Dispute

Following resolution to the 2021 national dispute with academic staff surrounding the use of instructor roles, a national dispute has been raised by support unions to the Employers' Association as a result of the terms of the [national agreement reached with EIS/FELA](#).

Support unions remain unhappy that the review process agreed as a resolution to the EIS/FELA dispute does not involve them in discussions around potential changes to the designation of instructors/trainers (who are support staff).

National discussions have not progressed for some time due to discussions around the pay disputes.

5. National Job Evaluation

Arrangements in respect of the national support staff Job Evaluation exercise continue to progress very slowly, with the last update on this produced in March 2023. Details of work being undertaken is available on the NJNC website: <https://njncscotlandscolleges.ac.uk/job-eval-latest-news/>

Significant concern has been highlighted to support unions nationally regarding the accuracy and validity of much of the job evaluation outcomes created and concern exists that this data (as of 1 September 2018) is reaching a point where it may be too out of date to be reasonably used to inform JE outcomes.

National discussions around this are progressing but it is recognised that there is significant likelihood for national arrangements to be further delayed or derailed as arrangements progress and as complex and contentious elements for discussion/agreement arise.

Part of the ballot in respect of industrial action for support staff relates to the failure of employers to provide for 'pay harmonisation' in respect of support roles.

Alongside these issues, concerns also exist around the availability and security of SFC funding that has been ringfenced since 2018 to support the costs of moving to a new pay and grading system. These are substantial funds nationally (c£61million) and given the current funding crisis across the public sector the risk around retention of these funds is heightened and there is an increased impetus to reach agreement and access these funds.

6. National Policy Development

National discussions have been ongoing over several years to support development of a suite of national policies, with a particular focus around the following areas:

- Absence Management
- Family Friendly Policies (including Maternity, Paternity etc.)
- Discipline and Grievance
- Flexible Working
- Professional Development.
- National Menopause Policy
- Annual Leave Policy
- Managing Workforce/Organisational Change Policy

These discussions have proven challenging, with only a national menopause policy having been agreed. Discussions around the remaining areas, plus other issues – such as a 4 day working week – continue, with progress being made in respect of the planned disciplinary policy and process.

7. 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 the following risk within the Strategic Risk Register.

- 2.3 National outcomes on salaries and conditions of service outstrip ability to pay
- 3.6 National bargaining outcomes impact adversely on College operations, activity, and flexibility
- 3.7 Industrial Relations Problems (including industrial action)

Author and Executive Sponsor: Steve Taylor, Vice Principal

BOARD OF MANAGEMENT

Tuesday 12 December 2023



PRINCIPAL'S REPORT

PAPER F

BOARD OF MANAGEMENT



Tuesday 12th December 2023

Principal's Report

Paper for information

1. Introduction

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

Board Members are asked to note the contents of this paper.

3. Effective Partnerships

3.1. Data is Everyone's Business – The College has embarked on a collaboration with [The Data Lab](#) in the launch of a transformative digital skills project, "Data is Everyone's Business". This initiative aims to revolutionise knowledge and expertise in data and Artificial Intelligence (AI), creating new career prospects and developing data-driven value for businesses. The project comprises three distinct elements, Women in Data, Data for Leaders and Data for All. The partnership has been developed using funds secured through the UK Shared Prosperity fund.

3.2. The Skills Academy Launch - The official launch of The Skills Academy in partnership with Dundee and Angus College and Michelin Scotland Innovation Parc was held on 24 October 2023. The event was well-attended with just under 200 people from industry, public and education sectors in attendance. Our Hospitality students also demonstrated their skills by providing guests with a range of mocktails. Feedback so far on both the building and the course offer has been hugely positive.



3.3. Offshore Europe 2023 - Last month the College joined forces with the MSIP team to attend Offshore Europe in Aberdeen. The key focus was to promote the Skills Academy and our suite of Advanced Courses that will be delivered. Alongside having a stand for the week the team also hosted a 'learning lab' session where myself and Greig Coull CEO of MSIP took the opportunity to highlight the role that the college will play in the opening of the Green Skills Centre of Excellence. A short video of the event can be seen here:

https://drive.google.com/file/d/1fwJlZ_FA9_EvIAJma0C3q4Qa0wnXeidM/view

- 3.4. NHS Assistant Practitioner Award – The College, in strategic collaboration with NHS Tayside, is pioneering a new initiative: the implementation of a Professional Development Award (PDA) in Acute and Community Care. This PDA is tailored for Healthcare Support Workers operating in various departments within NHS Tayside. Its primary aim is to upskill their existing expertise and competencies and enable them to advance to a Band 4 Assistant Practitioner position.
- 3.5. Learning through play - Shaper/Caper – The College has worked with Shaper/Caper – a theatre and movement-based performance and educational company based in Dundee – to deliver workshops and provide an interactive performance experience for students, hosted at The Space. Shaper/Caper created a children’s performance called ‘Paper Moon’ (<https://www.shapercaper.com/papermoon>) designed for 3–7-year-olds and students studying Child Care and Performing Arts participated in the interactive session, becoming part of the experience and narrative as it unfolded.
- 3.6. Profile Raising - Some recent examples of profiling raising blogs and videos involving a range of staff and partners are below:
- Dundee FC Community Trust PACE student placement - <https://youtu.be/HvrY9BbZmO8>
 - Dundee United FC partnership - <https://youtu.be/Ksb-lvP74Nq>
 - Engineering Employability Academies - https://youtu.be/UU_9wW4CiOQ
 - Hospitality Employability Academies - <https://youtu.be/dW5SbjxxyBE>
 - The Important of Embracing Digital (Q&A with James Oliver, Head of Curriculum and Quality for Computing) - <https://dundeeandangus.ac.uk/for-businesses/features/the-importance-of-embracing-digital/>
 - Forbes of Kingennie Bespoke customer Service Training - <https://dundeeandangus.ac.uk/for-businesses/features/forbes-of-kingennie/>

4. Future Focused

- 4.1. Esports Studios Launch – The excitement for the official launch of our esports studios was unmistakable with industry leaders, enthusiasts, and educators all eager to see the new state-of-the-art facilities at Dundee and Angus College. Our studio, the first of its kind in Scotland, is set to redefine the realms of esports education and industry collaboration as it opened its doors on Wednesday 8th November 2023. You can read more about [the new facilities here](#).
- 4.2. New Tertiary Quality Arrangements – Progress is continuing at a national level for the creation of a single quality framework for the tertiary sector. This work is being progressed by QAA as the likely main body that will assume responsibility for the oversight of sector quality from 2024/25 onwards.
- 4.3. Service Design Short Course Programme – The new Service Design for Data Professionals course has had a new market of engaged learners join for 14 hours in November 2023. 22 places were funded with the support of Data Skills for Work at The Data Lab through the Tay Cities Deal Digital Skills Project.

A second round of funding has been approved for a course in early 2024 and interest to develop a new data / service design integrated offering with the Data Lab in 2024. We are excited to continue to work with national digital, data & tech community to centrally position service design skills in capability frameworks.

5. Thriving Community

- 5.1. 2023 Prizegiving Ceremonies – We formally celebrated the successes of our students through our Graduation event at the Caird Hall on 27th October 2023. We also celebrated the incredible achievements of our students at our prizegiving ceremonies in Angus and Dundee.

Over 120 guests attended the Webster Theatre in Arbroath on 3rd October to congratulate 28 prize-winning students for their achievements whilst studying at Dundee and Angus College. Two weeks later we held our Dundee event in Gardyne Theatre took place which was also very well attended by guests and prizewinners.



Star of the show was the amazing Jonathon Munroe, who won two awards in the D&A College Prizegiving Event for Armistead Prize for Personal Achievement and Ede and Ravenscroft Prize for Outstanding Achievement. You can read more about [Jonathon's incredible story here](#).

- 5.2. Education Scotland Annual Engagement Visit – Education Scotland has confirmed that they will visit the College on 6 December 2023 to undertake their annual engagement visit (AEV). This is a 'light touch' activity, with Education Scotland meeting with a range of staff and students on 6 September and providing feedback on their findings the following morning.
- 5.3. Practical Wellbeing – On Tuesday 26th September, our students and staff had the opportunity to attend GTC Scotland for their staff wellbeing day. A mix of students and staff from different departments attended the event in Edinburgh, including sports & fitness, performing arts and beauty students. The students planned the sessions, accounting for individual needs and, supported by staff, participants through a variety of sessions. These included full body relaxation, nutrition, body moves, Indian head massage, and foam rolling.
- 5.4. D&A 10 Year Anniversary – As Board members will be aware, 1 November 2023 marked the 10th anniversary of the merger of the Dundee and Angus Colleges. To mark this milestone for staff an additional day of annual leave has been awarded, with this being added alongside the usual May Day holiday to create an extended (Friday and Monday) long weekend.



Staff were also provided with free tea/coffee and cake on 1 November and a number of other events and celebration opportunities are planned throughout our 10th anniversary year.

- 5.5. Awards Shortlist Places – We are pleased to note that the College was shortlisted for the Holyrood Climate Action Awards in the Technology & Innovation category for our excellent work in Electric and Hybrid Vehicle Training, as well as shortlisted in the national Green Gown environmental awards in three categories, Next Generation Learning & Skills; Sustainability Champion – Staff; Creating an Impact.

5.6. D&A 10 Hour Cyclathon – On Thursday 30 November the College held one of our new D&A Decade Challenge Days where 10 cyclists from the sports and fitness team (and guests – staff and students) took part in a gruelling 10-hour cycle, an hour for each year that we have been Dundee and Angus College. Our dedicated students and staff taking raised money to go towards our very own Thrive with D&A project to support our D&A family during the cost of living crisis and enhance wellbeing. The D&A Community rallied round to raise almost £1500 to support a range of initiatives within the Thrive Project.



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 namely:

- 1.1 Failure of College strategy to meet the needs of the D&A Region and/or national priorities
- 3.1 Failure to reach aspirational standards in learning, teaching and service delivery

Authors: Senior Leadership Team
Executive Sponsor: Simon Hewitt, Principal

BOARD OF MANAGEMENT

Tuesday 12 December 2023



FINANCE & INFRASTRUCTURE ITEMS

PAPER G

**12.2- ANNUAL REPORT FROM AUDIT & RISK
COMMITTEE**

BOARD OF MANAGEMENT

Tuesday 12 December 2023



Annual Report from the Audit & 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 2023.

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 2022/23, including the Audit & Risk Committee meeting held on 19 September 2023.

This is the draft report, which following discussion and agreement on its content by this Audit & Risk Committee will be submitted to the full Board at its meeting of 12 December 2023.

4. Overview

- 4.1. The period of this Annual Report includes the consideration of the statutory accounts for AY 2022/23, together with the associated 2022/23 Annual Audit Report from Mazars, 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. 2022/23 is recognised as a challenging year, balancing the full return post-pandemic alongside the Cost of Living Crisis and significant financial challenges. Managing these challenges continued to shape how the College operated in 2022/23 as well as engaged with audit, risk, processes, systems, management, leadership and governance.
- 4.4. 2022/23 was impacted by the [SFC funding settlement](#) for 2022/23 and 2023/24 which required the College to undergo a savings exercise which resulted in c40 FTE taking voluntary severance, alongside other staffing savings, further efficiencies, and securing other income.
- 4.5. The Committee met four times over the period covered by this report.

4.6. 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 Risk Registers and the oversight and review of specific risks by committees
- Updates on progress towards implementing audit recommendations.
- Information and Cyber Security (ICS) Risk and Maturity Report.
- Consideration of a lessons learned exercise within a Scottish College and identified by the Scottish Funding Council.
- Consideration of audit and consolidation questions relating to the operation of Gardyne Theatre Limited.
- Discussion with Mazars as our new External Auditors for the audit of the College's statutory accounts 2022/23 to 2026/27.
- Preparation of a detailed Audit Assurance Response in respect of the range of information required to fulfil the International Auditing Standards, in respect of preventing fraud in the annual accounts, compliance with laws and regulations, litigation and claims, and going concern assurance.

5. Committee Membership

The Audit & Risk Committee Membership in the 2022/23 year was as follows:

Helen Honeyman (Chai) Margo Williamson, Kirsty Keay (to March 2023), Kevin Ditcham, Michael F Thomson (Co-Opted to June 2023), Sally Middleton, Roy McLellan and Jackie Buchanan (from May 2023 and appointed Vice Chair).

College staff members – Jaki Carnegie, Vice Principal Corporate Services, Steve Taylor, Vice Principal Support Services and Operations/Secretary to the Board and Penny Muir, Board Administrator were also in regular attendance at meetings. Andy Ross, Director of Infrastructure attended in respect of the Cyber-Security Risk and Maturity Report.

Representatives from Henderson Loggie (Internal Auditor) and Mazars (External Auditor) attend all meetings of the Audit & Risk Committee.

6. Meetings and Discussions

The Audit & Risk Committee met during the year on the following dates:

- 6 December 2022
- 7 March 2023
- 6 June 2023
- 19 September 2023

7. Internal Audit

The Internal Auditor's 2022/23 Annual Plan was presented and approved at the Audit & Risk Committee meeting in September 2022.

The reports considered by the Audit & Risk Committee under the plan for 2022/23 included:

Audit Area	Report Grades ²	Number of Recommendations (& Action Grades ¹)			Recommendations Outstanding
		1	2	3	
Cash & Bank (Catering Operations)	Satisfactory			5	
Health Safety and Wellbeing	Good			2	
Teaching Staff Utilisation	Good				
Partnership Working	Good				
Infrastructure/Capital Projects [#]				3	
Student Activity Data	Audit opinion unqualified			3	
Student Support Funds	Audit opinion unqualified				
	Total				

[#] This audit was delayed due to staff absence and reported on in December 2023.

There are currently one partially completed recommendations from previous internal audit.

Audit Area	Report Grades	Number of Actions Outstanding (& Priority Grades)		
		1	2	3
Student Invoicing and Debt Management	Satisfactory	-	-	1
	Total	-	-	1

The College's Internal Auditors reported that "the College has made good progress in implementing the recommendations followed-up".

In the Annual Report for 2022/23 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 or Priority 2 issues identified. The fee for internal audit activities in 2022/23 was £20,400.

¹ 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.

² 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

8. External Audit of Year End Financial Statements

The external audit of the Financial Statements to 31 July 2023 was undertaken by Mazars, who were appointed by the Auditor General for a 5-year term from 2022/23 to 2026/27 inclusive.

The fee for the 2022/23 College Statutory Accounts was £40,150.

The external auditor's Annual Audit Plan was considered by the Committee at its June 2023 meeting.

At a joint meeting with the Finance & Property Committee on 5 December 2023, the Audit & Risk Committee received the Annual Accounts for 2022/23, 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 & 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 2023 and of its 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 support provided by the external audit team, the process and the performance and effectiveness of the External Audit team throughout the financial year.

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

9. Cyber Security (ICS) Risk and Maturity Report

The annual Cyber Security Risk and Maturity Review was undertaken in November 2023 and the report from this review will be considered at the March 2024 meeting.

10. 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.

11. 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 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 continues to work well and has continued to be embraced.

12. National Fraud Initiative

The matches for our third National Fraud Initiative (NFI) 2022/23 exercise have been investigated, with these identifying 195 matches, 4 overlapping with 2020/21. Three errors required to be corrected resulting in a total recovery of £2,807. This result is considered to be very satisfactory, however efforts will be renewed to complete our own internal exercise annually.

As reported in previous years, the last 2020 NFI Audit report provided us with a “Good” level of assurance.

13. 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 Accountable Officer and 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 Accounting Officer and/or 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. 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 Audit Manager Ruth Holland and Audit Senior Somtochukwu Onyesoh.

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 2022, and
- Scottish Government [Audit and Assurance Committee Handbook](#), which was revised in February 2023

and that the College has been compliant for the period from 1 August 2022 to 31 July 2023.

14. 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.

Board Sponsor: Helen Honeyman, Chair Audit & Risk Committee

BOARD OF MANAGEMENT

Tuesday 12 December 2023



FINANCE & INFRASTRUCTURE ITEMS

PAPER H

12.3- MAZARS ANNUAL REPORT



Annual Audit Report
to the Board of Management and the
Auditor General for Scotland

Dundee and Angus College
Year ending 31 July 2023

mazars

Contents

- 01** Executive summary
- 02** Audit of the financial statements
- 03** Internal control recommendations
- 04** Summary of misstatements
- 05** Wider scope work
- 06** Our fees

- A** Appendix A – Independence

This document is to be regarded as confidential to Dundee and Angus College. It has been prepared for the sole use of the Audit & Risk Committee as the appropriate sub-committee charged with governance by the Board of Management. No responsibility is accepted to any other person in respect of the whole or part of its contents. Our written consent must first be obtained before this document, or any part of it, is disclosed to a third party.

The Audit & Risk Committee
Dundee and Angus College
Old Glamis Rd
Dundee
DD3 8LE

24 November 2023

Dear Members,

Annual Audit Report – Year ended 31 July 2023

We are pleased to present our Annual Audit Report for the year ended 31 July 2023. The purpose of this document is to summarise our audit conclusions.

The scope of our work, including identified significant audit risks and other areas of management judgement, was outlined in our Annual Audit Plan which we presented to the Audit & Risk Committee on 26 May 2023. We have reviewed our Annual Audit Plan and concluded that the significant audit risks and other areas of management judgement documented therein remain appropriate.

We would like to express our thanks for the assistance of your team during our audit.

If you would like to discuss any matters in more detail, then please do not hesitate to contact Mazars LLP.

Yours faithfully

Michael Speight
For and on behalf of Mazars LLP

1. Executive summary

Purpose of this report and principal conclusions






This Annual Audit Report sets out the findings from our audit of Dundee and Angus College ('the College') for the year ended 31 July 2023 and forms the basis for discussion at the Audit and Risk Committee meeting on 5 December 2023.

Our responsibilities are defined by the Public Finance and Accountability (Scotland) Act 2000 and the Code of Audit Practice ('the Code') issued by Audit Scotland. We have the following conclusions:




Opinion on the financial statements	We anticipate an unqualified opinion, without modification, on the financial statements. Our proposed audit opinion is included in the draft auditor's report in Appendix B.
Opinion on regularity	We anticipate issuing an unqualified regularity opinion, meaning that in our opinion, in all material respects the expenditure and income recognised in the financial statements have been applied for the purposes intended.
Opinion on other requirements	We anticipate issuing an unqualified opinion on the matters prescribed by the Auditor General for Scotland. Namely, that the remuneration and staff report, performance report and governance statement have been properly prepared in accordance with the relevant legislation.
Wider scope work	<p>We anticipate concluding as follows against the wider scope dimensions:</p> <ul style="list-style-type: none">• The College has adequate financial planning arrangements in place, including budgetary control, that help the Board members scrutinise finances. However, given the overall sector financial position, we consider that the College's ability to remain financially sustainable over the medium to longer term, without significant additional funding or cost cutting, remains a risk;• The College has governance arrangements in place that provide appropriate scrutiny of decisions made by the Board of Management, which are appropriately reflected in their governance statement;• The College has effective arrangements, including budgetary control, that help the Board Members scrutinise finances; and• The College has an effective performance management framework in place that supports progress towards the achievement of value for money.

Status of our audit work

We have substantially completed our work on the financial statements and wider scope work for the year ended 31 July 2023. At the time of preparing this report the following matters remain outstanding.

Audit Area	Status	Description of outstanding matters
Final Accounts		Review of the financial statements once they have been finalised with all non-financial information and disclosures.
Fixed Assets		Evidence in relation to existence on some fixed assets still outstanding. Conclusion on the accounting and disclosure impact of RAAC in certain College buildings.
Management accounts and Post Balance Sheet Events		Post balance sheet events review including our review of latest management accounts available prior to signing the audit report.
Closure procedures and review		Finalisation of RI and Managers review on recent information received and clearance of sundry audit queries in respect of review points from the review.
Letter of Representation		Receipt of the signed letter of representation

Status

-  Likely to result in material adjustment or significant change to disclosures financial statements
-  Potential to result in material adjustment or significant change to disclosures within the financial statements
-  Not considered likely to result in material adjustment or change to disclosures within the financial statements

Internal control recommendations and misstatements

We have identified and raised two internal control recommendation in section 3 below which relates to findings as a result of our audit work. Given this was our first year performing the audit there were no internal recommendations from prior years to provide an update on.

Section 4 outlines the misstatements noted as part of our audit and this was at the time of issuing this report. If any additional misstatements are noted on completion of the outstanding work, these will be reported to the Audit & Risk Committee in a follow-up letter.

Our audit approach

We provided details of our intended audit approach in our Annual Audit Plan on 26 May 2023. We have not made any changes to our audit approach since we presented our Annual Audit Plan

Adding value through the audit

We recognise that all of our clients want us to provide a positive contribution to meeting their ever-changing business needs. Our aim is to add value to Dundee and Angus College through our external audit work by being constructive and forward looking, by identifying areas of improvement and by recommending and encouraging good practice. In this way we aim to help the College promote improved standards of governance, better management and decision making and more effective use of limited financial resources.

Materiality

Materiality is an expression of the relative significance or importance of a particular matter in the context of financial statements as a whole. Misstatements in financial statements are considered to be material if they, individually or in aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

- We set materiality at the planning stage of the audit at £877,000 using a benchmark (1.75%) of total revenue. Our final assessment of materiality, based on the draft financial statements is £834,000 using the same benchmark. The decrease in materiality amount is due to the planning materiality being based on prior year amount while the final materiality level was based on the actual year-end figures.

	Initial Threshold £'000	Final Threshold £'000
Overall materiality	877	837
Performance materiality	570	544
Trivial threshold for errors to be reported to the Audit & Risk Committee	26	25

The assessment of what is material is a matter of professional judgement and is affected by our perception of the financial information needs of the users of the financial statements. In making our assessment we assume that users:

- have a reasonable knowledge of business, economic activities and accounts.
- have a willingness to study the information in the financial statements with reasonable diligence;
- understand that financial statements are prepared, presented and audited to levels of materiality;
- recognise the uncertainties inherent in the measurement of amounts based on the use of estimates, judgement and the consideration of future events; and
- will make reasonable economic decisions on the basis of the information in the financial statements.

We consider materiality whilst planning and performing our audit based on quantitative and qualitative factors.

Performance Materiality

Our audit testing is based on a level of performance materiality, which is a percentage of overall materiality, but also dependent on the level of inherent risk assessed on the area being tested. It is lower than overall materiality as it helps to reduce the risk that the total of the uncorrected or undetected misstatements does not exceed materiality for the financial statements as a whole. It is based on between 50 – 80% of overall materiality depending on the inherent risk level assessed, with a reduction applied for first year audit engagements. Our initial assessment of performance materiality is based on low inherent risk, meaning that we have applied 65% of overall materiality as performance materiality.

Misstatements

We aggregate misstatements identified during the audit that are other than clearly trivial. We set a level of triviality for individual errors identified (a reporting threshold) for reporting to the Audit & Risk Committee that is consistent with the level of triviality that we consider would not need to be accumulated because we expect that the accumulation of such amounts would not have a material effect on the financial statements. This level was set at 3% of materiality.

2. Audit of the financial statements

Set out below are the significant findings from our audit. These findings include:

- our audit conclusions regarding significant risks and key areas of management judgement outlined in the Annual Audit Plan;
- our comments in respect of the accounting policies and disclosures that you have adopted in the financial statements. On page 15 we have concluded whether the financial statements have been prepared in accordance with the financial reporting framework and commented on any significant accounting policy changes that have been made during the year;
- any further significant matters discussed with management; and
- any significant difficulties we experienced during the audit.

Significant risks and key areas of management judgement

As part of our planning procedures, we considered the risks of material misstatement in the College's financial statements that required special audit consideration. Although our report identified significant risks at the planning stage of the audit in our Annual Audit Plan, our risk assessment is a continuous process, and we regularly consider whether new significant risks have arisen and how we intend to respond to these risks. Following the decision by management to undertake a valuation of the land and buildings, a significant risk was added in relation to the revaluation.

Management override of controls

Description of the risk

Management at various levels within an organisation are in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Due to the unpredictable way in which such override could occur, we consider there to be a risk of material misstatement due to fraud and thus a significant risk on all audits.

How we addressed this risk

We addressed this risk through performing audit work over:

- Accounting estimates impacting on amounts included in the financial statements.
- Consideration of identified significant transactions outside the normal course of business; and
- Journals recorded in the general ledger and other adjustments made in preparation of the financial statements.

Audit conclusion

Satisfactory assurance has been gained in respect of the presumed risk of management override of controls. We have no matters to report.

Revenue recognition

Description of the risk

There is a presumption under International Standards on Auditing that there is a significant risk of fraud and error in the timing of revenue recognition leading to the material misstatement of revenue overall. This is because revenue is an area of particular focus by users of financial statements and can be subject to judgements as to when grant income should be recognised and if clawback conditions apply to the funding.

This risk only applies to the non-grant income generated by the College. The risk has been rebutted in relation to grant income received by the College, given the highly regulated nature, and therefore the low inherent risk of this income.

How we addressed this risk

We addressed this risk through performing audit work over:

- The design and implementation of controls management has in place to ensure income is recognised in the correct period;
- Cash receipts around year end to ensure they have been recognised in the appropriate year.

The judgements made by management in determining when non-grant income is recognised.

- For major grant income, obtaining counterparty confirmation.

Audit conclusion

Satisfactory assurance has been gained in respect of the presumed risk of error in revenue recognition. We have no matters to report.

Expenditure recognition**Description of the risk**

For public sector organisations, the same risk in relation to fraud and error in respect of the timing of recording of transactions can apply to the recognition of non-payroll related expenditure and contractual obligations.

The pressure to manage expenditure to ensure that budgeted outcomes are achieved increases the risk surrounding fraudulent reporting of expenditure.

How our audit addressed this risk

We have undertaken a range of substantive procedures including:

- The design and implementation of controls management has in place.
- Testing of non-payroll expenditure around the year end to ensure transactions are recognised in the appropriate year.
- Testing material year end payables, accruals and provisions; and
- Reviewing judgements about whether the criteria for recognising provisions are satisfied.

Audit conclusion

Satisfactory assurance has been gained in respect of the risk of error in expenditure recognition. We have no matters to report.

Defined benefit pension scheme assets**Description of the risk**

There is a significant asset value used in calculating the Tayside Pension Fund (TPF) position as at 31st July 2023 and due to the nature of the pension scheme there is significant complexity in identifying the College's share of the assets.

The complexity is created by factors such as:

- The types of assets held by the pension scheme and their valuation bases; and
 - The calculation of the College's share of the overall
 - Scheme assets requiring the rolling forward of quarter end valuations.
-

How our audit addressed this risk

We have undertaken a range of substantive procedures including:

- Obtaining confirmation from the pension fund of the total value submitted to the actuary and details of how the College's share of assets has been calculated.
 - Reviewing this confirmation and considering if the information provided is sufficient and challenge any inconsistencies noted.
-

Audit conclusion

From the testing performed we are satisfied that the assets used in the calculation of the defined benefit pension position are materially stated.

We are also satisfied that the accounting policy to not recognise the notional surplus in respect of the pension surplus is compliant with the applicable accounting standards.

Key Areas of Management Judgement

Key areas of management judgement include accounting estimates which are material but are not considered to give rise to a significant risk of material misstatement. These areas of management judgement represent other areas of audit emphasis.

Valuation of land and buildings

Description of the risk

The College's property, plant and equipment (PPE) portfolio totals over £77.3 million of assets (2022: £68.7million). The valuation of these assets requires expertise and significant estimation.

In line with the requirements of the Government Financial Reporting Manual, the College has adopted a formal revaluation policy of an external valuation every five years, with a desktop, interim valuation performed during the five-year period. For the 2023 year-end (Graham & Sibbald Chartered Surveyors) will provide the College with an interim valuation which will be used to update the carrying values.

The College policy meets the requirement of the FE SORP that assets are valued sufficiently regularly so that the carrying value of the asset is not materially different from its fair value.

Given the significance of the value of fixed assets held a misstatement in the valuation could be material to the financial statements.

How our audit addressed this risk

We have undertaken a range of substantive procedures including:

- Examining the professional qualifications of the valuer;
 - Challenge and substantiate the assumptions and the appropriateness of the date of the valuation used by management's valuer in completing the valuations;
 - Considering the impact of any uncertainty arising from the professional valuation of college land and buildings, assessing against third party benchmark information where appropriate.
 - Ensuring that valuations and impairments have been completed on the correct basis for each item and that movements are in line with expectation; and
 - Assessing whether the report produced by the valuer has been correctly reflected in the accounts.
-

Audit conclusion

Satisfactory assurance has been gained in respect of the valuation risk in relation to land and buildings. As part of the review it was identified that a proportion of the revaluation in the year related to the prior year and the financial statements were updated to reflect the prior year change.

Valuation of Pension liabilities

Description of area of focus

The College makes contributions to two pension schemes –the Scottish Teachers Superannuation Scheme (STSS) and the Tayside Pension Fund (TPF). While both are defined benefit schemes, it is not possible to identify the College’s share of the underlying assets and liabilities in the STSS scheme and it is therefore accounted for as a defined contribution scheme.

The College’s share of the TPF’s underlying assets and liabilities is identifiable and the net position is recognised in the accounts.

Given the scale of the liability recognised, a misstatement in the reported position could be material to the financial statements.

How we have addressed this area of management judgement

We have addressed the risk by:

- Considering the arrangements put in place, including existence of any relevant controls, for making estimates in relation to pension entries within the financial statements.
 - Considering the reasonableness of the actuary's assumptions used in providing the College with information in the financial statements through the use of our internal experts.
-

Audit conclusion

From testing performed we have gained assurance that the liability portion of the pension scheme calculation is materially stated.

Early Retirement Provision

Description of the area of focus

The college includes a provision in the financial statements in respect of staff who receive an enhanced pension for accepting early retirement.

The calculation of the value of this provision uses a model which incorporates actuarial assumptions.

How our audit addressed this area of management judgement

We will consider the actuarial assumptions used by the actuary when calculating the provision value.

Audit conclusion

From the testing performed we have gained assurance that the early retirement provision is materially stated.

Qualitative aspects of the entity's accounting practices.

We have reviewed the College's accounting policies and disclosures and concluded they comply with the requirements of the 2019 Statement of Recommended Practice: Accounting for further and Higher Education and the Government Financial Reporting Manual 2022/23 and were appropriately tailored to the College's circumstances.

Draft financial statements and draft annual report were received from the College on 27 September 2023, prior to the start of audit fieldwork. Both draft financial statements and draft annual report were of a good quality.

Producing quality supporting working papers is a crucial part of compiling financial statements that are complete and materially accurate. They also support the delivery of an efficient audit. Working papers provided for audit were of a good standard and staff were responsive to our requests during the audit.

Significant matters discussed with management.

At 31 July 2023 the College's share of the Tayside Pension Fund was recorded as a notional surplus as the value of the defined benefit obligation was less than the fair value of the plan assets at that date, meaning that the pension liability usually recorded is now a pension asset. We have had discussions with management as to the most appropriate accounting treatment and disclosure of the pension asset and management opted to not recognise the associated asset on the balance sheet due to the existence of an actuarial asset ceiling cap. We are satisfied that recognition policy is acceptable under the relevant accounting standards.

As part of the property revaluation, it was identified that a proportion of the uplift in value related to the prior year. The valuer provided a split of the valuation based on indexation for the previous year. The financial statements have been updated to reflect this and a prior year adjustment has been recorded, please see page 18 for more details.

Significant difficulties during the audit

We completed our audit in a hybrid manner with two onsite visits to the college and remotely. During the course of the audit, we did not encounter any significant difficulties and we have had the full co-operation of management. The draft accounts, working papers and annual report were all provided in line with the agreed timetable. We would like to express our thanks to management and officers for their co-operation throughout the audit.

3. Internal Control Recommendations

The purpose of our audit is to express an opinion on the financial statements. As part of our audit, we have considered the internal controls in place relevant to the preparation of the financial statements. We do this in order to design audit procedures to allow us to express an opinion on the financial statements and not for the purpose of expressing an opinion on the effectiveness of internal control, nor to identify any significant deficiencies in their design or operation.

The matters reported are limited to those deficiencies and other control recommendations that we have identified during our normal audit procedures and that we consider to be of sufficient importance to merit being reported. If we had performed more extensive procedures on internal control, we might have identified more deficiencies to be reported or concluded that some of the reported deficiencies need not in fact have been reported. Our comments should not be regarded as a comprehensive record of all deficiencies that may exist or improvements that could be made.

Priority Ranking	Description	Number of issues in current year
1 (high)	In our view, there is potential for financial loss, damage to reputation or loss of information. This may have implications for the achievement of business strategic objectives. The recommendation should be taken into consideration by management immediately.	-
2 (medium)	In our view, there is a need to strengthen internal control or enhance business efficiency. The recommendations should be actioned in the near future.	2
3 (low)	In our view, internal control should be strengthened in these additional areas when practicable.	-

3. Internal Control Recommendations (continued)

Deficiencies in internal control - Level 2

Description of deficiency

During our review of the valuation of land and buildings it was noted that the last valuation report and subsequent adjustment was performed in the year ended 31 July 2020 with no subsequent review of the fair value taking place until the current year audit.

Potential effects

As per the 2019 SORP: Accounting for Further and Higher Education where the asset is valued at fair value there is a requirement to "Revaluations must be sufficiently regular so that the carrying value of an asset at the reporting date is not materially different from its fair value.". Given the time difference between the valuation report and the value of the assets relative to the College's balance sheet we anticipate that the land & buildings in the 2022 financial statements were materially misstated and as such a prior year restatement is required.

Recommendation

We recommend the policy in respect of reviews is updated to consider the change in valuation on an annual basis. Our position is that this does not need to be a full valuation report but can take the form of an indexation estimate from an appropriately qualified property valuation expert.

Management response

Agreed. Fair value will be considered annually and appropriate methods, such as indexation, will be used to ensure assets are materially stated.

Deficiencies in internal control - Level 2

Description of deficiency

During our review of fixed assets, we noted that there were assets carried forward on the fixed asset register and included in the financial statement disclosure note for which existence could not be verified.

Potential effects

There is a risk that redundant assets which are no longer in existence are still being disclosed in the financial statements at their gross cost and accumulated depreciation. We acknowledge this has no impact on the carrying value reported on the face of the balance sheet due to the age of these assets and the fact they are therefore fully depreciated.

Recommendation

We recommend that management perform an annual review of the fixed asset register for the college and ensure they are satisfied that all assets being reported still exist and are in use. Any assets which are no longer in use or cannot be located should be accounted for as disposals.

Management response

Agreed. An exercise was carried out in 2022 and assets identified as being within their final year of economic life were removed from the fixed asset register during 2022-23. It should be noted that the assets not identified were few in number and often old descriptions were simply inadequate. In all cases historic cost was modest and net book value zero. A comprehensive review will however be conducted during 2023-24 and assets no longer in use removed.

4. Summary of Misstatements

We set out in this section the misstatements identified during the course of the audit, above the level of trivial, for adjustment.

Adjusted misstatements

This table below outlines the misstatements that have been adjusted by management during the course of the audit;

Adjusted misstatements 2023 Dundee and Angus College.

Details of adjustment	Statement of Comprehensive Income		Statement of Financial Position		Effect on profit
	Dr	Cr	Dr	Cr	
	£	£	£	£	£

Operating deficit for the year before adjustments

(2,406)

676,318

Dr Accrued income

(676,318)

Cr Accruals

Being adjustment for yearly job evaluation accrual approved by the SFC. Management has included the income and expenditure postings in relation to this transaction but however omitted the corresponding balance sheet postings

Operating deficit after adjustment

(2,406)

Unadjusted misstatements

This table outlines the misstatements that were identified during the course of our audit which management has assessed as not being material either individually or in aggregate to the financial statements and does not currently plan to adjust.

Unadjusted misstatements 2023 Dundee and Angus College.

Details of adjustment	Profit and Loss		Balance sheet		Effect on profit
	Dr	Cr	Dr	Cr	
	£	£	£	£	£
Dr Accruals			241,021		
Cr Trade Creditors				(241,021)	
<i>Being adjustment to reclassify identified accrued balance to trade creditors as invoice was received at year end</i>					
<hr/>					
Dr Revenue	97,877				97,877
Cr Provision				(97,877)	
<i>Being adjustment to recognise additional clawback provision from Mazars calculation using basis of calculation per the latest SFC Letter</i>					
<hr/>					
TOTAL UNADJUSTED MISSTATEMENTS					97,877

5. Wider Scope

Our approach to Wider Scope work

The Code requires us to conclude and make a judgement on the four dimensions of wider scope work. These are:

- financial management.
- financial sustainability.
- governance and transparency; and
- value for money.

Dimension	Description	Our approach
Financial management	Financial management is concerned with financial capacity, sound budgetary processes and whether the control environment and internal controls are operating effectively	We have considered: <ul style="list-style-type: none"> • the monitoring of the effectiveness of internal control arrangements • whether the College's budgetary control system is timely and accurate • whether and how the College has assessed their financial capacity and skills
Financial sustainability	Extending our work on the going concern assumption in the financial statements looking forward two to five years from the reporting date, reviewing, and assessing the college's arrangements for financial planning and affordable and sustainable service delivery	We have considered: <ul style="list-style-type: none"> • the financial planning system in place for short-, medium- and long-term periods • the adequacy and accuracy of financial reporting arrangements • the reasonableness of affordability assumptions made in financial planning
Governance and transparency	Governance and transparency cover the effectiveness of scrutiny and governance arrangements, leadership and decision making and transparent reporting of financial and performance information. The Governance Statement sets out the internal control arrangements and governance framework in place for the year under review	We have considered: <ul style="list-style-type: none"> • the effectiveness of internal control arrangements • the appropriateness of disclosures made in the Governance Statement • whether the disclosure requirements of the Accounts Direction and the Code of Good Governance for Scotland's Colleges have been met
Value for money	Value for money concerns using resources effectively and continually improving services	We have considered: <ul style="list-style-type: none"> • the College's evidence of providing value for money. • the focus on improving value for money and the pace of change at the College.

Financial management

Dimension

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

Our conclusion

Dundee and Angus College has effective arrangements, including budgetary control, that help Board of Management members scrutinise finances.

Financial Performance

The College is required to report financial performance under the HE/FE SORP, resulting in the reported deficit of £2,406k in the Statement of Comprehensive Income. However, as a central government body, the College is also required under the Accounts Direction from the Scottish Funding Council to report financial performance as an 'adjusted operating position'. We set out these required positions below.

	2022-23	2021-22
Operating income	48,012	50,273
Staff costs	(34,882)	(38,154)
Operating expenditure	(14,035)	(12,886)
Exceptional restructuring costs	(1,501)	(1,287)
Operating Deficit for the year (FE/HE SORP basis)	(2,406)	(2,054)

Operating income has decreased by £2.2m in the year. This is mainly as a result of one-off capital grant income received in prior year not received in current year.

Staff costs decreasing are due to voluntary severance package carried out in the year under review leading to a reduction in staff numbers from 711 to 626 as disclosed in the financial statements. The exceptional restructuring costs relate to the costs of the voluntary severance packages.

Operating expenditure has increased by £1.2m from the previous year. This is mainly due to increased depreciation on fixed asset additions in the year.

Adjusted operating position.

The table above sets out the financial position in accordance with the SORP requirements. The table below reflects the 'adjusted operating position' as required by the Accounts Direction set by the SFC. The adjusted operating position removes more volatile accounting entries, such as the valuation of pensions and those that do not have an immediate cash impact on the College. Full details of the adjustments included are shown on page 22 in the accounts.

	2022/23 £'000	2021/22 £'000
Deficit before other gains and losses	(2,406)	(2,054)
Add back		
• Depreciation (net of deferred capital grant release)	1,659	573
• Exceptional non restructuring costs - Impairment	-	-
• Non-cash pension adjustments – net service costs	1,110	3,517
• Non-cash pension adjustments – net interest cost	(321)	271
• Non-cash pension adjustments – early retirement provision	-	-
Deduct		
• Non-Government capital grants	(128)	(3,300)
• Revenue funding allocated to loan repayments	-	(457)
Adjusted operating deficit	(86)	(1,450)

The Accounts Direction issued by the SFC for 2022/23 requires Colleges to submit the adjusted operating position calculation with draft accounts to the SFC for review before the accounts are signed off.

The table above shows that once the non-cash and other applicable adjustments are made, the College has a deficit in the year.

Budgetary process

We have reviewed and considered the budgetary processes and controls and budget monitoring arrangements in place at the College. Our work consisted of a review of budget monitoring reports and committee papers along with attendance at committees. Overall, we consider that the Board of Management obtains regular and timely financial information that reflects the actual financial position.

We note that budget reports are produced on a timely basis and considered by the appropriate committee throughout the year. Budget reports and forecasts were appropriately updated based on prudent assumptions, there was considered to be no unreasonable movements throughout the quarterly forecasts and budgets considering the ongoing impact of the recovery from the Covid-19 pandemic.

The Finance and Property Committee considers the management accounting pack regularly, reporting to the Board of Management. Minutes of the meetings document the level of challenge to the financial performance.

The Finance and Property Committee considers the management accounting pack regularly, reporting to the Board of Management. Minutes of the meetings document the level of challenge to the financial performance.

Internal controls

As part of our audit, we have considered the internal controls in place that are relevant to the preparation of the financial statements. We do this to design audit procedures that allow us to express an opinion on the financial statements; this does not extend to expressing an opinion on the effectiveness of internal control or to identify any significant deficiencies in their design or operation.

We have also considered the work of internal audit, from individual reviews of financial systems and their annual audit opinion on the control framework in place at the College.

We conclude that the processes and controls in place at the College are operating effectively. The College has all the expected control, risk, performance and financial arrangements in place. There are a series of regularity documents including standing orders, articles of governance, code of conduct, and financial regulations intended to ensure regularity of transactions.

Prevention and detection of fraud and irregularity

Management and the Audit and Risk Committee, as those charged with governance, also have responsibilities in respect of fraud. They are responsible for safeguarding assets and for the prevention and detection of fraud, error and non-compliance with laws and regulations.

We have a responsibility to review the College's arrangements for the prevention and detection of fraud. Our audit work was planned to provide a reasonable expectation of detecting material misstatements in the financial statements resulting from fraud and irregularity. We found the arrangement in place to be satisfactory and identified no material misstatements resulting from fraud or irregularity.

Financial sustainability

Dimension

Financial sustainability extends the going concern assumption from the financial statements, looking forward two to five years, reviewing and assessing arrangements for financial planning and affordable and sustainable service delivery in this timescale.

Our conclusion

Dundee and Angus College has adequate financial planning arrangements in place, including budgetary control, that help the Board members scrutinise finances.

Identified significant risks to our wider scope work.

As part of our planning procedures, we considered whether there were significant risks that would impact on any of the four areas of our wider scope work that would require special audit consideration. We set out the identified risk to this area of wider scope and how we addressed the risk below.

Financial sustainability

Description of the risk

We are aware that the overall College Sector in Scotland is having to respond to the financial pressures of inflating costs in a period when core grant income is flat.

We have been made aware that the College is projecting a deficit full-year position. Core funding is flat for 2023/24 and costs are experiencing inflationary pressures.

The above situation means that the College will have to make decisions in order to appropriately balance finances.

Given the level of sector wide uncertainties around the sufficient of future funding and of the general economic environment that has arisen following the pandemic, there is a risk the timing of the future funding gap could be accelerated and / or additional funding not being made available from the SFC.

How we addressed the risk

We have addressed the risk by:

- Reviewing the forecast financial position in the three-year financial plans submitted to SFC;
- Considering alternative plans being considered by the College to ensure a balanced budget is achieved;
- Reviewing the financial reporting arrangements in place at the College; and
- Assessing how management have considered the longer term implications of Covid-19 outbreak and the combined impact of the cost inflation and income levels

Wider scope conclusion

During 2022-23, the College has prepared a three-year forecast which highlights a future funding gap. The College has taken steps to identify areas where savings can be made to mitigate the funding gap in the FFR, and this does result in a surplus being forecast for 2025-26. However, given the level of sector wide uncertainties around future funding and of the general economic environment that has arisen following Covid-19, there is a risk the timing of the future funding gap could be accelerated, or made greater without the plans identified by the College being fully implemented and / or additional funding not being made available from the SFC.

As a result, we consider that there remains a risk that the College will not remain financially sustainable in the medium to longer term.

Financial Planning

Dundee and Angus College provides three year forecasts to the SFC annually or as required. The College believes that the SFC will provide the liquidity funding required and therefore it is appropriate to prepare the accounts using a going concern basis.

This year, the College has produced a three-year Financial Forecast Return (FFR) to the SFC in line with current SFC guidance.

	Forecast 2023-24 £'000	Forecast 2024-25 £'000	Forecast 2025-26 £'000
Adjusted operating deficit/surplus	(210)	551	1,789

Through the FFR process and other financial reporting throughout the year, the College and its Board of Management have a clear view of the financial challenges and long-term risks faced. FFR planning assumptions, as advised by the SFC, have been considered fully before use.

The FFR for this period includes providing for the cost of living pay awards in line with public sector pay policy, and for the expected cost of implementing the support staff and middle managers job evaluation (as the expectation is that this would be paid in 2024). The outcome of this remains uncertain, and if negotiations result in higher levels than expected, this will have a further negative impact on the budget for 2023-24.

Further detail on the College's three-year forecast is included in the table below:

	Forecast 2023-24 £'000	Forecast 2024-25 £'000	Forecast 2025-26 £'000
Total Income	47,242	46,111	46,091
Staff costs	(33,048)	(32,455)	(32,291)
Exceptional restructuring costs	(1,050)	(750)	-
Total other expenditure	(14,754)	(13,755)	(13,411)
Operating deficit before other gains and losses	(1,610)	(849)	389
Add back: Depreciation – net of deferred capital grant	1,400	1,400	1,400
Adjusted Operating Deficit	(210)	551	1,789

These results are based on the assumptions provided by the SFC and are not deemed to be a fixed forecast or strategic plan. The College is actively considering a range of options in relation to the coming years and will continue to work to refine the income and costs reflected in their financial plans to better reflect actual expectations.

The forecasts have been completed based on the assumptions provided by the SFC on their website.

Looking ahead to the upcoming years, Management and the Board of Management are fully committed to exploring all efficiency saving possibilities, new sources of commercial income and consideration of changes to working practices.

Governance and Transparency

Dimension

The Governance Statement sets out the internal control arrangements and governance framework in place for the year under review.

Our conclusion

Dundee and Angus College has governance arrangements in place that provide appropriate scrutiny of decisions made by the Board of Management, which are appropriately reflected in their governance statement.

Governance arrangements

Our work in this area has considered the overall governance arrangements in place at the College, reviewed the financial and performance reporting to the Board of Management, and reviewed the minutes of committees to inform our assessment of the appropriateness of the governance structure. We have also attended Audit & Risk Committees during the year.

Financial papers submitted to committees are relevant and timely. Each paper has a summary setting out the purpose of the paper and the action required by the members. Minutes are understandable and contain detail of discussions and rationale for decision making.

At 31 July 2023, the board comprised of 17 Board members, including the principal, two student members, three staff members (two teaching and one non-teaching), and 11 external members.

The College do aim to have equality and diversity in their board representation, and this is considered actively at each round of recruitment alongside the strengths and skills required for the role to ensure the Board has sufficiently qualified and skilled members. It can be difficult to ensure an equal gender split of members depending on the applications for the vacancies the Board receive at the time of vacancy.

The key committees' membership comprises of, and are chaired by Board members, with each also containing the principal, with the exception of the Audit & Risk Committee. In addition, the Chair of the Board is also not permitted to be a member of the Audit & Risk Committee.

Appropriate College officers attend committees and present reports as required.

During the year to 31 July 2023, Board and Committee meetings were held physically with the ability for attendees to dial in remotely.

Governance Statement

As part of our audit, we have read the governance statement included in the annual report. The governance statement sets out the corporate governance framework in place throughout the reporting year, the internal controls in operation, the work of internal audit and the overall efficiency and effectiveness of the governance framework.

The governance statement confirms the College's compliance with the 2022 Code of Good Governance for Scotland's Colleges.

We are required to read and provide an opinion on the governance statement. In our opinion, the information contained within is consistent with the financial statements. We also consider that the governance statement has been prepared in accordance with the Further and Higher Education (Scotland) Act 1992 and further directions made by the Scottish Funding Council.

Internal audit

An effective internal audit service is an important element of any organisation's governance arrangements. Internal audits provide the College with independent assurance on internal control and corporate governance processes. The internal audit function at the College is provided by Henderson Loggie. Internal Audit have attended Audit & Risk Committees throughout the year and have produced 8 reports to support the overall Annual Internal Audit Opinion. The opinion given by internal audit was: 'In our opinion, Dundee and Angus College has a framework of internal controls in place that provides reasonable assurance regarding the organisation's governance framework, internal controls, effective and efficient achievement of objectives and the management of key risks'.

Transparency

Transparency means that service users and the public have access to understandable information about how the College is making decisions and using its resources. There is a commitment to transparency, with the minutes and papers of the Board of Management and key committees being available on the website.

Value for Money

Dimension

Value for money concerns using resources effectively and continually improving services.

Our conclusion

Dundee and Angus College has an effective performance management framework in place that supports progress towards the achievement of value for money.

Performance management

The College did not meet its Regional Outcome Agreement (ROA) target credits by 3.8% and have made provision with respect to grant income to be clawed back, the College also achieved an adjusted operating deficit in the year. There is close monitoring of the delivery of the ROA and financial performance reports provide sufficient information to allow members to understand performance. Budget monitoring information provides a detailed analysis of variances allowing budget to be appropriately managed. Through this management of the 2022/23 budget there is clear evidence that the College understands cost drivers and is in control of costs as far as can be reasonably expected given the circumstances of the year.

Regularity

As part of our audit of the College's financial statements, we are required by the Public Finance and Accountability (Scotland) Act 2000 to give an opinion on the regularity of expenditure and receipts shown in the financial statements. Regular expenditure and income that which has been incurred / obtained in line with guidance issued by the Scottish Ministers and the terms and conditions of funding of the Scottish Funding Council.

The College has arrangements to monitor the requirements of the Scottish Funding Council, Audit Scotland and other regulatory or advisory bodies to ensure it complies with the terms and conditions of funding including regular reporting of financial and operational performance to the Board of Management and its committees.

Our review found an effective control environment exists over regularity of expenditure and receipts. No instances of non-compliance with Scottish Funding Council terms and conditions were noted.

6. Our fee

Fees for work as the College's appointed auditor

We reported our proposed fees for the delivery of our work in our Annual Audit Plan, presented to the Audit & Risk Committee on 26 May 2023. Having completed our work for the 2022-23 financial year, we can confirm that our final fees are as follows:

Area of work	Proposed fee 2022-23	Final fee 2022-23
Auditor remuneration	49,700	49,700
Pooled costs	(7,290)	(7,290)
Audit support	1,280	1,280
Sectoral Adjustment cap	(3,540)	(3,540)
Total Fee	40,150	40,150

We confirm that these fees are in line with the scale fee set by Audit Scotland. We also confirm that we have not undertaken any non-audit services for the College in the year.

Appendix A

Independence

As part of our ongoing risk assessment, we monitor our relationships with you to identify any new actual or perceived threats to our independence within the regulatory or professional requirements governing us as your auditors.

We can confirm that no new threats to independence have been identified since issuing the Annual Audit Plan and therefore we remain independent.

BOARD OF MANAGEMENT

Tuesday 12 December 2023



FINANCE & INFRASTRUCTURE ITEMS

PAPER I

**12.4- FINANCE STATEMENTS FOR THE YEAR
ENDED 31 JULY 2023**



Report and Financial Statements

For the year ended 31 July 2023

Registered Charity No: SC021188



Index

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The financial statements were approved and authorised for issue by the Board of Management on 12 December 2023.

OVERVIEW

Overview summary

This section of our financial statements is designed to give an overview of high-level College performance and development during 2022/23. This information should be considered alongside other sections of these statements in understanding how our financial management and performance supports the College in achieving its high level outcomes.

Statement from the Principal

Dundee & Angus College continues to be a top performing college in Scotland and has delivered sector leading outcomes for our learners on a consistent annual basis since merger in 2013. It is these performance outcomes that underpin the D&A College 2025 More Successful Students strategy.

The College produces an annual Regional Outcome Agreement (ROA) that summarises the planned activities of the College in return for the public funds that it receives from the Scottish Funding Council. This Regional Outcome Agreement is supplemented by a Regional Outcome Agreement Self-Evaluation report submitted to the Scottish Funding Council (SFC) normally on an annual basis.

Our 2022/23 Regional Outcome Agreements was completed in November 2022 and is published on the [Scottish Funding Council website](#). This includes the usual common national measurement plan that links together the key priorities of the College with overall national priorities and expresses these through a range of specific targets, measures and outputs. Progress in respect of all of this activity is summarised within the agreement document and is available on the College website.

Our academic performance remains sector leading for all ages and groups/ student types and is particularly strong for full-time further and higher education learners and care experienced learners. Our learner outcomes are also strong (and significantly above national average) for all learner groups, including younger learners and those from the most deprived communities.

SFC data published in May 2023 shows that Dundee & Angus College was Ranked 1st of 17 for HE Full Time, Ranked 2nd of 17 for FE Full Time and was Ranked 2nd for Disabled students and Care experienced students. Overall the D&A successful completion rate is higher than national in all categories bar one.

In each of these areas, this performance helps to address the attainment gap within our communities and supports a significantly higher percentage of students from D&A to progress and develop meaningful future careers compared with the national average.

The post course success of our students has remained consistently high during 2022/23, showing an increase in the proportion of College leavers moving into full-time employment following completion of their course. This performance is supported by our excellent links with local schools and universities and our extensive network of links and partnerships with business.

Performance Report (continued)

These outcomes not only reflect the benefit gained from attendance at D&A for the individual students involved, but also highlight the very strong value for money that D&A as an organisation offers within our region and at a national level.

The excellent performance of D&A College has been set against an on-going impact of COVID-19 learning loss and mental health issues and further significant concerns regarding future funding whilst supporting and pursuing significant new opportunities within our region. These have been characterised through 2022/23 within our focus on creating a More Successful and Sustainable College, linking our 2025 strategy with the need to reorganise and position ourselves on a more sustainable financial footing.

The impact of COVID-19 learning loss remains evident in the preparedness of many learners for full-time education and in the decline in mental health wellbeing, resilience, and behaviours of a significant proportion of our students. As a result, we are yet to see a return to pre pandemic levels of learner retention which is likely to result in 2022/23 outcomes that are similar in level to those of 2021/22.

Work has continued to support the range of nationally significant strategic economic developments and opportunities taking place within the D&A region.

This includes commencement of the [Tay Cities Engineering Partnership \(TCEP\) Project](#) and investment of c£2 million in precision engineering training, development and facilities in Angus.

Following a delay in completion of the site, the Michelin Scotland Innovation Parc (MSIP) Skills Academy opened in October 2023, offering an industry focused curriculum to underpin the work of the MSIP facility as a manufacturing and assembly innovation site with a focus on sustainable energy and hybrid / green transport. The site is now operational, with major employers commencing operations. The College has been at the heart of this development and is the lead skills partner delivering skills in low carbon, green energy, hydrogen, battery storage, offshore wind, remote control systems, and advanced manufacturing.

Work is progressing well through the Tay Cities infrastructure for approval of the c.£2 million BioMedical project with Fife, Perth UHI colleges, Universities of Dundee and Abertay, James Hutton Institute and Dundee Science Centre being key delivery partners. This project will see a significant increase in BioMedical jobs within the region, with D&A and partners providing the technical skills necessary for this workforce.

Similarly, the Small Medium Sized Enterprise (SME) project will support skills training and development across the Tayside area, with Dundee & Angus College hosting the staffing and with the key academic partners (Dundee & Angus, Fife and Perth UHI Colleges, Universities of Dundee and Abertay) delivering the wide range of training and skills development being offered.

In each case projects will include an element of funding to support the management, operational and delivery costs involved and will bring in c.£9 million additional income (with related expenditures) to 2030.

Performance Report (continued)

These are just some of the projects developing under the Tay Cities Deal, with other projects involving most of our key public sector partners in development up to 2030. This includes a significant 'skills pot' across the full range of other Tay Cities projects that will support a very wide range of education and skills development within the region.

The Tay Cities deal is just one of the major opportunities within our region, with other major developments also progressing.

Significant progress has been made in supporting the Esports developments in Dundee, with new curriculum and course provision commencing in August 2023. Alongside this, the College is working with schools in the region to develop Esports provision and has created a specialist Esports facility within our Gardyne campus in partnership with multinational gaming developer and manufacturer [Corsair](#).

Following the announcement of the [Eden Project plans for Dundee](#), the College has been involved in discussions on what our role could and should look like, and how we can become a key strategic partner throughout both the design and implementation phases. As the design phase has developed, College representatives have been involved in subject specific discussions to help shape what the final offer and experience will look like. At a strategic level, the College is represented and kept up to date on progress through the Dundee Partnership.

The College continues to play a key role within our communities and is integrated fully within both of our local Community Planning Partnerships (CPPs) and economic development forums.

We continue to lead on the development of the school/college curriculum and infrastructure to deliver on the Developing the Young Workforce (DYW) strategy in our region and continue our senior phase and Foundation Apprenticeship activity with our regional schools.

We make active use of all funding opportunities to support a diverse range of delivery to support both economic and social recovery. This includes the delivery of the Flexible Workforce Development Fund, Young Persons Guarantee and maximising Modern and Foundation apprenticeship numbers. The College has also been successful in attracting Trust and other funds to support the above developments and to allow continuation of our pioneering work to reduce child poverty.

In response to the cost of living crisis that has unfolded since summer 2022, the College launched its Thrive with D&A initiative. Through this work we have provided access to free food, advice, support, and other opportunities to assist our students (and some staff) impacted by the effects of rising costs. Further details of this initiative are outlined under the 'social matters' heading.

During 2022/23 we have implemented our Community Partnerships strategy and expanded our College Community Collaborative of over forty active community and third sector partners that are jointly working to support young people.

These opportunities and developments, alongside our employer, community and local authority links have supported excellent partnership working to support current and potential learners through their chosen learning journey and into meaningful employment.

Performance Report (continued)

Our approaches to Strategic Employer Engagement and Strategic Community Engagement were identified as sector leading Effective Practice by Education Scotland as part of their Annual Engagement visit in November 2022.

Despite the excellent outcomes that the College consistently achieves, and the fantastic opportunities developing within the D&A region, there are significant challenges to be faced. The 'flat cash' funding settlement for colleges for 2023/24 at a time of high inflation and significant wage pressures has represented a further significant funding reduction for the sector as a whole.

The reduction in funding has also coincided with a drop in demand for places across the college sector. This reduction is particularly evident in higher education provision as increased competition from universities impacts on college sector delivery. D&A College has not been immune to this national shift and the College is proactively revising and refreshing its curriculum offer to reflect this changing demand.

The College achieved £1.8million in cuts through a major savings plan implemented in April 2022 for the 2022/23 budget. This allowed us to achieve a breakeven budget during 2022/23 (prior to increased voluntary severance costs as part of the savings plan for 2023/24).

A further major savings plan was launched in April 2023 to reduce expenditure by a minimum of £2.5 million for financial year 2023/24 and return the College to a more sustainable financial position. This has been a further major and difficult exercise designed to reduce costs and also to better match the College curriculum and activities with the changing recruitment levels seen over recent years. This plan (A More Successful and Sustainable College) highlights areas of curriculum change aligned to the reduction in student activity (credits) of 10% alongside changes within a range of support services and a restructure of senior promoted posts. Combined, these changes will deliver annual savings of c£2.7million through a reduction of 34.93 FTE of staffing.

With Scottish Government announcements highlighting that future funding settlements will be flat cash it is anticipated that further savings plans will be required to maintain financial security.

D&A College has continued to play a significant national role in lobbying the Scottish Government and SFC to modernise the funding methodology for the sector to reflect the changed recruitment picture and to better reflect student needs and actual cost inputs whilst improving the flexibility of operations. This has included working with the new Minister for HE, FE and Veterans to seek to inform response to the Skills Delivery Landscape Review, Review of Qualifications and Assessment, and the Post-school Education, Research and Skills purpose and Principals work. All of this input is focused on supporting greater clarity and consistency for D&A and the sector as a whole to better aid longer-term planning and outcomes.

All of the outcomes reported through these financial statements are down to the commitment and hard work of our staff, which has continued throughout the pandemic and into the pandemic recovery phase. It is regrettable that this has now transitioned into a period of curriculum / service cuts and the need to significantly reduce expenditure. Staff engagement has no doubt suffered due to the impact of the cuts, although overall staff engagement has remained high.

Performance Report (continued)

Staff across the whole College have worked (and continue to work) tirelessly in the most challenging of times to ensure that our students continue to receive an excellent service. This is reflected in the excellent student and staff outcomes reported below and throughout these statements.

The College continues to invest in our infrastructure prioritising capital backlog maintenance projects aligned to the Scottish Funding Council 2017 condition survey along with the upgrading of a range of learning facilities across our 3 campuses to enhance the learner experience.

Significant projects have included refurbishment of a number of classrooms on levels 4 and 5 of the Kingsway Campus along with significant upgrade to workshop facilities within Construction, Engineering and Building Services areas also within Kingsway.

As previously mentioned, we have created a new state of the art Esports teaching and gaming facility at our Gardyne Campus to underpin our curriculum plans and ambitions within the Esports curriculum, including the new Foundation Degree programme that commenced in August 2023.

There have been a number of significant improvement works carried out at our Arbroath Campus including the complete refurbishment of our Creative Studies Workshop (CSW) – building fabric improvements, mechanical and electrical infrastructure, flooring, decoration and new furniture. A new barber teaching salon facility has been created along with refurbishment of two of the hairdressing teaching salon spaces in the Esk building.

Additional Engineering and Construction workshops have been created within the Clova building. Extensive access road and carpark resurfacing works have also been beside the Esk and Isla buildings. To support our carbon management and recycling objectives, this work has been completed using a recycled plastic aggregate – this is the 5th resurfacing project that has been completed using this recycled plastic material.

Investment in digital infrastructure has been significant. Whilst much of the funding for digital infrastructure is moving from a capital expenditure model to an operational expenditure model as the College transitions towards a Cloud model for digital services, the physical network is still required to be maintained and secure. A replacement network was tendered and procured during session 2022/23 to replace the current network that had reached the end of its useable life at a cost of around £1m. Funded from capital backlog maintenance funds and the D&A College Foundation, the network was supplied by the IT supplier Circle-IT working alongside the D&A ICT network team. The network replacement project is currently being implemented and is expected to be complete by the end of the session 2023/24. Expected life span of this network will be seven years.

We are delivering a digital transformation programme which will look to replace all student administration systems (student applications, student funding, student records, and timetabling) with one service to consolidate services and streamline processes. Civica were chosen as our partners in delivering this solution and will be delivered over the next two years.

The College continues to make good progress with implementing its Climate Emergency Action Plan (CEAP) – Our Path to Net Zero which was launched in November 2021.

Performance Report (continued)

The action plan is aligned to the Scottish Government's commitment to reduce Scotland's emissions of all greenhouse gases to net-zero by 2045.

Our CEAP has been centred around the five roadmap elements of the Climate Commission and Nous Group's Climate Action Roadmap for UK FE Colleges –

- Leadership and governance
- Learning and teaching
- Estates and operations
- Partnerships and engagement
- Data collection

Using the 5 ROADMAP elements, we have established a range of objectives and targets for each one that forms the basis of our Climate Emergency Action Plan. This has in turn set out the College's strategy for reducing carbon emissions over the next 5 years and throughout our Path To Net Zero

One of the key objectives achieved was securing funding via the Green Public Sector Estates Decarbonisation Scheme for an LED lighting replacement project at our Gardyne Campus – this project will reduce electric consumption by 218,000kwh with a carbon reduction of 130tCO₂ and annual financial savings of approximately £60k.

Dundee & Angus College enjoys significant success across a wide range of activities and is regularly recognised nationally through a number of prestigious awards. This has included:

- Recognition through the Scottish Public Service Awards for our work to tackle the climate emergency and to embed sustainable practices withing our curriculum and operations.
- NUS Scotland Awards for Staff Member of the Year for the work undertaken by Sarah Rennie, Students' Association Team Leader.
- Two Highly Commended placings at the annual College Development Network (CDN) awards (Innovation and Colleague of the Year).
- Achievement of the Scottish Union of Supported Employment (SUSE) Inclusive workplace award.
- First place for D&A students at the national Chartered Institute of Building Annual Challenge.
- Two national awards for Art Lecturer Ian Ritchie, the first in the Scottish Society of Artists 130th Annual Exhibition and the second award the RSW Annual Exhibition.
- Five first places, four second places and three third places at the national AHT Hair and Beauty Competition finals.

Purpose and Activities of the College

Dundee & Angus College is a public body constituted under statute and a Scottish charity (SC021188). It was designated a Regional College in November 2013 under the Post-16 Education (Scotland) Act 2013. The constitution and proceedings of the Board of Management are determined by the Further and Higher Education (Scotland) Act 1992, as amended.

The core purpose of the College is the provision of further and higher education in the Dundee and Angus region. It delivers education programmes on a full-time and part-time basis to around 20,000 students annually across three main campuses, one in Arbroath and two in Dundee (Kingsway and Gardyne).

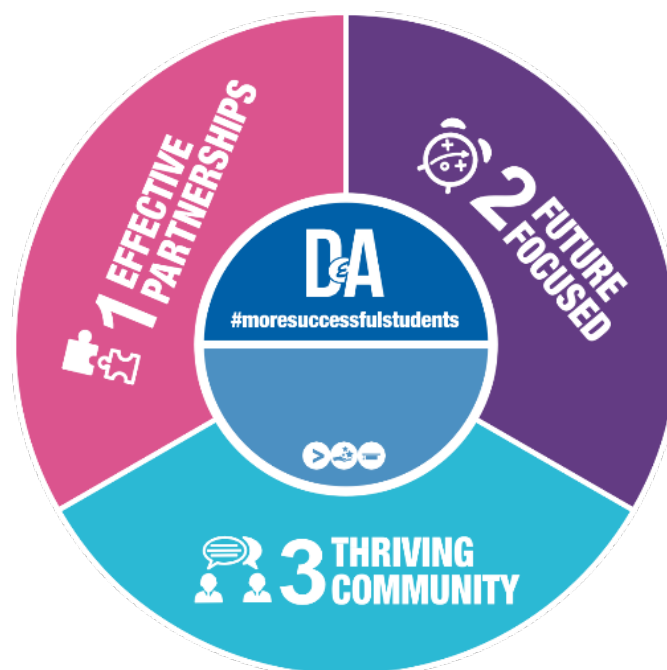
The College's mission is to generate regional economic growth and social well-being through the provision of skills and education for individuals, employers and the wider community. The College has an excellent reputation locally, nationally and internationally. Maintaining a quality brand is essential to its on-going success, ensuring it continues to attract students and grow external partnerships.

The Board of Management has adopted a 2025 'More Successful Students' strategy which is focused firmly on enhancing student opportunities, outcomes and success by working with others across our region.

2025 Vision



To create more successful students through effective partnerships that change lives and create thriving communities.



Performance Report (continued)

Our 2025 Strategy is based around 3 core pledges and is supported by seventeen detailed metrics. Further details are available on our website. This strategy was reviewed during 2020/21 to ensure that it remained relevant in respect of the post COVID-19 needs for economic and social recovery.

In order to ensure that it provides educational opportunities that meet the social and economic needs of the region, the College works closely with a number of regional partners, including Dundee City Council, Angus Council, NHS Tayside, Community Planning Partnerships in Dundee and Angus, Abertay University and the University of Dundee. We have a number of other key stakeholders, including national agencies, for instance the Scottish Funding Council, Scottish Enterprise and Skills Development Scotland, as well as local schools, employers, other colleges, and the local community. We also engage with a range of international partners in the spheres of education and business.

The primary source of funding for the College is its teaching grant from the Scottish Funding Council. Under the terms of the most recent Regional Outcome Agreement, the College has committed to delivering the following priority outcomes.

1. To deliver on Scotland's National Strategy for Economic Transformation, operating as a key contributor to the economic growth opportunities created by the Michelin Scotland Innovation Parc, E-Sports, Eden Project Dundee, Montrose Ports, Dundee Waterfront, Tay Cities Deal and other developments. Establishing the College as the main skills partner for major regional economic opportunities, working as an effective partner to deliver a skilled and work ready workforce to support jobs growth in areas such as Green Skills & Hydrogen Energy, Digital, Advanced Manufacturing, Hospitality, Cultural Tourism, and Care sectors.
2. To deliver a comprehensive, innovative, and future focused curriculum that meets learner and economic needs, improves learner attainment and progression, and embeds essential learner attributes in enterprise, career management, wellbeing, sustainability, digital and metaskills at all levels.
3. Contribute to thriving and resilient regional communities by ensuring seamless access and inclusive learning opportunities and services, irrespective of background, for all members of our community. We will meet national ambitions for Care Experienced and other disadvantaged/under-represented groups and contribute fully to the achievement of the recommendations contained within A Blueprint for Fairness: The Final Report of the Commission on Widening Access.
4. Develop and enhance effective partnerships and regional / national collaborations that deliver on the needs of D&A strategies and deliver on the outcomes associated with key tertiary education reforms and developments including with schools, tertiary education, and skills partners.
5. Maintain a regional college that is sustainable in all its forms, delivering sound governance, wellbeing, and effective financial management, whilst directing the maximum level of resource towards learners and their learning. D&A will address the challenge of the climate emergency and promote the UN Sustainable Development Goals

Performance Report (continued)

6. Progress our ambitious infrastructure ambitions to deliver on our Net Zero ambitions and create a high quality, technologically advanced and sustainable learning environment that meets the needs of learners and delivers on the high value technology needs of the D&A region.

The College actively mainstreams equality in accordance with the Equality Act 2010 and celebrates the diversity of all people who are directly and indirectly involved in the College. This commitment is reflected in the excellent sector leading outcomes achieved for learners irrespective of protected characteristic.

The College works hard to ensure that all staff, students and other stakeholders are treated equally, regardless of age, disability, family responsibility, marital status, race, colour, ethnicity, nationality, religion or belief, gender, sexual orientation, trade union activity, or unrelated criminal convictions.

The College produces a revised [Access and Inclusion Strategy as an integral part of our 2020/21 Regional Outcome Agreement](#), setting out a key range of activity and expectations in respect of access to College services and the outcomes achieved from these.

In addition to tackling discrimination, the College also supports and fosters good relations between individuals with different characteristics. This includes significant input to the equally safe campaign to eradicate gender-based violence and a focus on supporting good mental health and wellbeing for students and staff.

Social Matters

One of our strategic pledges is to create thriving communities and this is supported by our focus on seamless access and inclusive learning with the provision of 'wraparound' support for the many students that require this intensive level of input.

The College operates a wide range of strategies, policies and approaches to underpin this commitment, including extensive work to address issues such as gender inequality within the curriculum. The College has clear strategies and targets to improve outcomes for carers, care experienced, military veterans and estranged students.

The College runs a wide range of services and provision to support current and potential students in their learning journey. Specialist project activity aimed at reducing and eradicating Child Poverty has continued into 2022/23, with Young Persons Guarantee and trust funding secured to continue this work through until March 2024. This project has engaged with hundreds of disengaged young people, providing a supported pathway through into formal education and has paved the way for the development of our new Community Partnerships Strategy and College Community Collaborative.

The College Community Collaborative is a grouping of c.40 organisations hosted and supported by the College to bring together a range of third sector and community organisations within the D&A region who support and work with young people and those in need across our communities. The objective of the CCC is to help to create better and more sustainable pathways for those that are disenfranchised by the usual routes into College and who need additional input and support to access mainstream education. The College and organisations work together to create touchpoints where people can have a 'soft' introduction into College life and learning experiences as part of a

Performance Report (continued)

supported journey (out of poverty, drug use, offending, domestic violence etc) into more sustained learning. By working in partnership, more sustainable and supportive arrangements can be put in place, particularly given the short-term and sporadic nature of much of the funding and activities that can be supported through different partners.

In response to the emerging cost of living crisis in late summer 2022 the College launched its Thrive with D&A initiative, as previously mentioned, designed to provide students and staff with access to a range of support aimed at helping to offset the impact of rising costs.

Working to actively remove the stigma of seeking help or financial support, Thrive with D&A has provided a multi-faceted approach to encourage engagement with offers of free food, advice, financial support, clothing and toys, events, job opportunities and even Christmas movies.

This work has proven to be hugely beneficial, and over the course of last year we provided 27,383 free portions of soup and 3,043 free breakfasts from the catering outlets. This was supplemented by the work of our Students' Association to provide free food larders on each campus, to collect and distribute over 300 cozy coats for adults and children and to create free Thrive shops on each of our campuses.

We have worked in close partnership with our local authorities to signpost advice and support available through national and local funds and to create single referral arrangements so that students can be directly referred from the College without having to undergo further financial or eligibility assessments.

We have made good use of the discretionary student funds available to us to support those most at risk, whilst we also ran free Christmas movie nights attended by around 1,200 students and their children.

The Thrive work has been picked up by College Development Network Research and Enhancement Centre as an area of good practice with a [Case Study published on the work undertaken](#).

Details of the various offers and activities are included within a Thrive hub open to students and staff, with the work supported by payroll giving by staff and funding by the College.

Given the on-going impact of increased prices, the Thrive with D&A work will continue in 2023/24.

Extensive services to promote and support good mental health and wellbeing are provided, including the provision of specialist counselling support and extensive wellbeing activities and advice. Despite the reduction in funding for this service (and anticipated removal of funding in 2023/24) the College has opted to maintain this counselling specialism and continue to offer support of this type to learners.

Our governance codes, D&A Way Leadership Excellence framework and fraud, bribery and corruption policy have strong anti-corruption and anti-bribery provisions and detailed operating procedures provide the checks and controls necessary to ensure that these commitments are met and evidenced in day-to-day operations.

The College is a Living Wage Employer and provides a wide range of support and benefits for staff.

Performance Report (continued)

The College has an up-to-date Modern Slavery statement and procedures and has well established checks in place to avoid engaging with any organisation with serious organised crime connections. Guidance has been issued to staff on spotting and responding to human trafficking.

Guidance and regular CPD is provided to support the College's duty of care in respect of its Equalities, Prevent and Safeguarding responsibilities and the College received positive endorsement of these approaches from Education Scotland through its recent safeguarding review.

Key Risks and Issues

The College identifies risks within its Strategic Risk Register as detailed below on pages 35 and 36.

Throughout the COVID-19 pandemic, and in line with Audit Scotland good practice, the College created a [COVID-19 Specific Risk Register](#). This specialist risk register was discontinued in September 2022, at the same time an additional risk was introduced to the Strategic Risk Register to reflect risks arising from pandemic illness.

The impact of the pandemic remains evident, particularly on an individual and social level for many of our learners and the work of the College within the D&A region will remain critical to mitigate the impact of the pandemic particularly for our students and the businesses that will need support to recover.

The cuts to funding for 2022/23, and the flat cash settlement for 2023/24 (and anticipated for future years), have created significant risks around the future financial sustainability of the college sector and D&A College. This has been clearly recognised within our Strategic Risk Register, with the Financial Strategy and the progress and impact of the resulting savings plans discussed in detail at each Board and Committee meeting.

[Audit Scotland's Colleges 2023 report](#) highlights the precarious and worsening financial position that the sector faces and makes some clear recommendations in line with their finding that "the Scottish Government and the Scottish Funding Council urgently need to build on their ongoing work to help colleges plan for change now and make best use of available funding so that they are sustainable for the future".

It is hoped that the Scottish Government response to the recent range of post-school and skills reviews will assist with this short term support and create the clarity (and funding) necessary to deliver longer term sustainability.

Whilst there are considerable risks, there are also opportunities for the College which are included above as part of the Principal's statement.

The Board of Management approved a revised Financial Strategy in March 2022. The strategy highlighted the significant risks around achieving longer term financial stability, with difficult decisions and choices being necessary over the coming years which will impact the quality of the student and staff experience.

Performance Report (continued)

Due to the 2023/24 'flat cash' funding settlement and the impact of SFC credit funding, inflationary increases, and salary settlements an early decision was made by the College to enact a minimum £2.5 million saving plan in April 2023. Progress of this savings plan (in addition to the £1.8 million savings achieved in 2022) has been challenging, but the required savings have been achieved. This has allowed the Board of Management to approve a breakeven budget for 2023/24 which provided for a small cash operating deficit of £15,000. Whilst this level of deficit can be absorbed in the short-term by cash reserves, management will continue its endeavours to further improve the situation, albeit this will be challenging given the current rate of inflation driving high pay demands to be negotiated nationally.

Going Concern

As set out in the Accountability Report which follows this Performance Report, the Board of Management considers that the College has adequate resources and arrangements to ensure the continuation of its functions within the public sector for the foreseeable future.

Performance Summary

The Statement of Comprehensive Income shows an operating deficit for 2022-23 of £2.4m. However, this includes non-cash items such as depreciation, pension adjustments and non-government capital grants, and if these are excluded there was a deficit of £0.5m after allocation of funding to loan repayments.

After working capital movements there was a net cash outflow from operating activities of -£0.1m, along with investing and financing cash outflows totalling -£0.6m. The total net cash outflow of £0.7m resulted in a closing position of £5.5m.

Student credits are the measure of activity upon which College funding is based, with each credit representing 40 hours of learning for a student (irrespective of subject area, mode of delivery, etc.). Each College in Scotland has an annual credit target that equates to the funding it receives.

During 2022/23 the College successfully delivered student activity of c105,200 credits, falling short of its overall credit target by c4,000 credits.

Failure to fully meet current activity targets is evident across almost all colleges at the current time and discussions remain on-going between Colleges Scotland, the Scottish Government, and the Scottish Funding Council around a range of sector wide flexibilities and rule changes to better support the sector.

The College provided a detailed response in respect of the impact of COVID-19 on activity levels during 2021/22 and it has been confirmed that clawback on activity for this period would be limited only to those additional funds (YPG, NTTf and Foundation Apprenticeships) that are out with SFC control. The value of any clawback would also be reduced by 20% to reflect 'sunk' costs arising for institutions. As a result, the College repaid c£61k of Foundation Apprenticeship funding in 2022/23 that related to unutilised credit activity during 2021/22. Alongside this clawback, the College also

Performance Report (continued)

benefited from additional ESF credit funding of c£189k also paid in 2022/23 in respect of 2021/22 activity.

Arrangements in respect of 2022/23 activity levels and clawback risk remain uncertain. SFC has highlighted that it has no desire to act in a punitive way, or to destabilise sector finances, and has recently confirmed that it will accelerate the transition to additional flexibilities allowed for 2023/24. Certain mitigations will now be applied to 2022/23 and these should limit exposure to clawback. However, SFC's timetable will not provide indicative positions before January 2024 and these may not be finalised until April 2024. Prudent provision has therefore been adopted in these Accounts in respect of the value of potential clawback relating to 2022/23.

Wider discussions surrounding sector funding and activity target arrangements for 2023/24 have concluded, with almost all colleges receiving a 10% reduction in their activity (credit) target. For D&A, this reduction has been used to underpin the curriculum changes outlined within the financial savings and sustainability plan, with 2023/24 recruitment progressed on a basis that will meet the new credit target.

The College's academic performance was once again outstanding and it is amongst the highest performing colleges in the sector for both further and higher education, and well above the national average.

PERFORMANCE ANALYSIS

Methodology

Over recent years the Board of Management has developed and refined a series of Board and Committee metrics that it uses to monitor performance, the following metrics are produced for consideration at each Board meeting. These metrics draw on the balanced scorecard methodology and link together a number of data sources into a single high level report which is submitted to each Board meeting. [Board papers can be accessed on our website](#) and are published in line with good governance practice. Where appropriate, this report includes comparison with benchmarks, for instance previous year or [Regional Outcome Agreements and Related Measurement Plans](#). A summary of performance on these measures is detailed below.

Measure	Comment on 2022/23 Performance
1. Student Successful Completion Rate (pass rates)	See Summary below
2. Early Withdrawal Rate	+5% point improvement
3. Further Withdrawal Rate	+ 3.75% improvement
4. Post Course Destination Success rate	95.2% -1.2% point decrease
5. Overall satisfaction score from most recent student survey	88% (+2.3% improvement)
6. Overall satisfaction score from SFC national student survey	96.7% (+0.4% improvement and 12.5% above most recent national average)
7. Forecast credit out-turn	Overall out-turn -3.66% against target
8. Student Recruitment figures, FT and PT	Core target achieved
9. Employee Engagement and Happiness Indices	Engagement 80% (+7% improvement) Happiness 76 % (+ 10% improvement)
10. Employee Absence Rate (Lost time rate)	3.07%
11. Employee Turnover (non-forced)	6.67%
12. Staff Headcount and FTE data	On target
13. Cash-backed surplus/deficit: year-end forecast v annual budget	See financial performance section
14. RIDDOR reportable accidents	4 (8 in 2021/22)
15. Audits completed vs Planned	All completed on target

The measures provide a high-level indication of College performance, with the detail resting with the relevant Board Committee: Audit & Risk; Finance & Property; Learning, Teaching & Quality; Human Resources & Development. At these individual Committees further metrics are reviewed to provide a robust overview of real-time College performance and to alert Board members to any potential areas of concern.

Financial Performance

The following table summarises the key performance metrics contained in the financial statements for the year to July 2023, along with comparatives for the previous year.

Metric	2022-23	2021-22 (restated)
	£000	£000
Total comprehensive income	(8,945)	35,649
Consolidated (deficit)	(2,406)	(2,050)
Underlying operating (deficit), before loan repayment	(1,351)	(993)
Total net cash (outflow)/inflow	(715)	395
Cash balances	5,533	6,248
Accumulated reserves	50,191	59,136
Long-term loan outstanding	2,273	2,726
Pension liability/(asset)	2,292	(8,643)
Property, plant & equipment	77,398	76,493

The consolidated result for the year is a deficit of £2,406k. As explained below, this is effectively a “paper” loss, a consequence of the reclassification of colleges in Scotland as central government bodies. It reflects non-cash expenditure items as well as the cash expenditure supported by the funding related to these non-cash items. If the result is adjusted for non-cash and non-recurring items, the adjusted result shows a deficit of (£1,351k) for the year, compared with a deficit of (£993k) the previous year.

Going forward, the College requires to generate an adjusted surplus of £457k in order to meet future annual capital loan repayments. As can be seen from the table, after loan repayment and working capital adjustments, there was a net cash outflow of (£715k). The loan repayment has a net balance of £2,273k at 31 July 2023, there remains 5 cash repayments due before this liability is discharged, with a final repayment in June 2027.

Reserves at the year end are £50,191k, a decrease of £8,945k, being the value of Total Comprehensive Income. The prior year values have been restated for a retrospective valuation of property which is explained in Notes to the Financial Statements number 12.

The total net pension asset has decreased by £10,935k, and is now a net liability, as a result of changed assumptions together with unfunded payments made during the year, and now comprises a Funded asset reduced to £Nil, following the application of an asset ceiling by actuaries, and an Unfunded liability of £2,292k. These changes are described in more detail within the Notes to the Financial Statements numbers 1 and 16.

The net book value of fixed assets increased during the year by £905k, following the restatement of asset valuation at July 2022. A depreciation charge of £3,770k is offset by additions of £674k and a revaluation increase of £4,001K. This was in addition to the revaluation increase retrospectively applied at July 2022 of £7,700K.

Student Outcomes

The College works closely and positively with Education Scotland (EdS) and SFC under the national '[How Good is Our College](#)' quality arrangements and has been an active participant in the work to create a tertiary quality framework with both SFC and QAA. The College engaged with Education Scotland during 2022/23 through an Annual Engagement Visit in November 2022 and Modern Apprenticeship Review in April 2023. Both of these engagements confirmed that (more than) satisfactory progress was being achieved around quality engagements and the recruitment, retention, attainment, and progress of learners. This included identification of a significant range of strengths in College operations alongside some minor areas for development. Three areas of College activity were also identified as Sector Leading Practice for wider dissemination, these were:

- Our partnership work with the D&A Students' Association to enhance learner engagement and the learner voice for MA candidates.
- Our strategic partnership approach with regional employers and the effectiveness of these in meeting regional skills needs and in influencing curriculum design and delivery.
- Our strategic partnership approach with community agencies and third sector organisations to support learners and create clear and supported pathways into learning for those disenfranchised from formal education.

Less positively, 2022/23 saw a further reduction in learner recruitment, which has impacted negatively on achievement of the overall credit target. The reduction in full-time learners has been particularly evident, with these reducing by c300 from the previous year (c800 in 2 years). This has been a sector wide issue, impacted by a reduction in the number of young people, a reticence to return to study post-COVID, increased university competition (and lowering of entry criteria), and improving employment opportunities.

As overall recruitment has declined, the focus on learner retention has increased. Working in partnership with our Administrative team, our Students' Association (DASA) continued their innovative retention support project for learners. Through this work, individual peer-to-peer support calls were undertaken by DASA representatives, contacting learners that were flagged as at risk of withdrawing from their course due to poor attendance. Over 3,000 calls were again made in 2022/23, and hundreds of students were re-engaged and supported back into regular attendance and course success.

Outcomes across the full range of protected characteristics continue to be positive, with consistently high outcomes achieved for learners with a declared disability, those from identified BAME ethnicities, and those that are Care Experienced or estranged. Outcomes for SIMD10, Care Experienced Learners and Learners with Disabilities are consistently at or around the best in Scotland.

Engagement with our twin learner satisfaction surveys has remained very strong, with almost 6,500 responses being received during 2022/23 (and increase of c500 on the previous year). Both surveys showed very positive results and both continued a 6-year unbroken run of improved learner satisfaction.

Performance Analysis (continued)

At 88% in both surveys, satisfaction was consistent with the previous year. This high level of learner satisfaction is also reflected in the [Scottish Funding Council annual survey](#) which shows D&A College students participate more and with a total satisfaction score of 96.3% are significantly more satisfied compared with sector average.

Work to reduce gender segregation within the curriculum and to provide positive opportunities for non-traditional participation within subject areas has continued to be challenging due to the reduced recruitment. This does, however, remain a focus for the College with key developments such as MSIP and the Tay Cities Deal incorporating clear opportunities and enhancement targets for gender engagement within the Engineering and BioTech projects.

[Learner outcomes published in 2023](#) (academic year 2021/22) were lower than in previous years (as noted above) but remained strong on a comparative basis with the sector. This included Full-Time learners, Further Education and Higher Education learners, those with Disabilities, Younger Learners, and those from a Care Experienced background. These performance metrics represent a very strong performance by the College and continue the sector leading trend of D&A performance every year since merger in 2013.

A summary of D&A provisional performance indicator outcomes for 2022/2023 is noted below.

Mode	Day One Successful Outcome				
	18/19	19/20	20/21	21/22	22/23
All Modes	75.9%	76.9%	80.3%	72.3%	68.8%
Full Time – All	70.8%	73.8%	76.5%	72.9%	69.1%
Full Time – FE	70.2%	72.3%	73.6%	65.2%	67.8%
Full Time – HE	71.7%	76.5%	81.9%	76.4%	72.5%
Part Time – All	80.8%	80.3%	84.3%	77.3%	68.2%
Part Time – FE	81.4%	80.3%	85.2%	77.4%	67.8%
Part Time – HE	75.8%	80.0%	76.0%	69.9%	74.3%

NB, Outcomes in 2019/20, 2020/21 and 2021/2022 were impacted by COVID-19 and final outcomes were developed under different assessment adaptations and requirements in each of these years.

Within these outcomes (and despite an improvement in full-time retention from 23.3% in 2021/22 to 19.6% in 2022/23) there has been a negative trend in terms of learner attendance and subsequent withdrawals compared with pre-pandemic performance. This has reflected the poorer mental health, resilience, and motivation of many of the College population post pandemic, alongside a marked increase in the number of learners leaving for employment/economic reasons during the current cost of living crisis.

As deferral arrangements have been worked out of the system, there has been a corresponding increase in partial success, with these returning to a level slightly above pre-pandemic performance. Partial success levels have been negatively impacted by the need to focus significant staff and management time on major savings plans in both spring 2022 and spring 2023. These events have disrupted many elements of normal activity, including the provision of additional learning and assessment activities for those learners that are only a few outcomes short of full success.

Performance Analysis (continued)

Post course progression and success remains strong, with 95.2% of full-time College learners achieving a positive destination (employment or further study) three to six months after completing their course.

The proportion of learners progressing with advanced standing (2020/21 cohort) has remained steady at c60%.

Despite the post-pandemic impacts, when considered together, the high levels of learner attainment and satisfaction outlined above, with the high levels of post course progression and articulation with advanced standing, identify D&A as a hugely successful College with outcomes for learners that are significantly and consistently above national averages.

Fair Work

Details of activities, arrangements and outcomes underpinning our commitment to the fair work agenda and principles are summarised within the staff report below (pages 40 – 44).

Climate Change (Scotland) Act 2009

The Climate Change (Scotland) Act 2009 set out measures adopted by the Scottish Government to reduce emissions in Scotland by at least 80% by 2050. In 2015, an Order was introduced requiring all designated Major Players (of which Dundee & Angus College is one) to submit an annual report to the Sustainable Scotland Network detailing compliance with the climate change duties imposed by the Act. The information returned by the College is compiled into a national analysis report, published annually and superseding the prior requirement for public bodies to publish individual sustainability reports.

Further information on the Act, along with copies of prior year national reports, [can be found here](#).

Cash Budget for Priorities

One consequence of reclassification of colleges as central government bodies is that, from 1 April 2014, while colleges continued to prepare accounts under the FE/HE Statement of Recommended Practice, they are now also required to comply with Central Government budgeting rules. This affects, amongst other things, the way in which non-cash depreciation charges are treated for budgeting purposes and how the colleges spend the cash funds (cash budget for priorities) which were previously earmarked for depreciation.

Spend of the College's cash budget for priorities, and impact on the operating position, is detailed below. Additionally, increased costs arising in previous years which are recurrent and not directly funded, contribute to the college deficit.

Performance Analysis (continued)

Table of cash budget for priorities spend		
	2022/23	2021/22
	£000	£000
Revenue		
2015-16 Pay award	473	473
Voluntary severance	582	125
Total impact on operating position	1,055	598
Capital		
Loan repayments	-	457
Total Capital	-	457
Total cash budget for priorities spend	1,055	1,055

Adjusted Operating Position

To enable a clearer understanding of the College's financial performance, the consolidated deficit is adjusted below for certain specified items. These adjustments are prescriptive, and include non-cash charges, capital grants recognised as income, and other commitments funded from revenue but which are excluded from the Consolidated Statement of Comprehensive Income.

Adjusted operating position		
Revenue	2022/23	2021/22
	£000	£000
Surplus/(deficit) before other gains and losses	(2,406)	(2,054)
Add back:		
Depreciation (Note12) (net of Deferred Capital Grant release (Note3+5))	1,659	573
Exceptional non-restructuring costs – Impairment	-	-
Non-cash pension adjustment – Net service cost (Note9)	1,110	3,517
Non-cash pension adjustment – Net interest cost	(321)	271
Non-cash pension adjustment – Early retirement provision	-	-
Deduct:		
Non-Government capital grants (Note 8)	(128)	(3,300)
Revenue funding allocated to loan repayments (Note15)	-	(457)
Adjusted operating surplus/(deficit)	(86)	(1,450)

Creditor Payment Policy

The Late Payment of Commercial Debts (Interest) Act 1998, which came into force on 1 November 1998, requires the College, in the absence of agreement to the contrary, to make payments to suppliers within 30 days of either the provision of goods or services or the date on which the invoice was received. During the financial year to 31 July 2023, the College incurred no interest charges in respect of late payment for this period.

The Scottish Government is committed to supporting business by paying bills more quickly, with the intention to achieve payment of all undisputed invoices within 10 working days.

The College is committed to the principles of The Better Payment Practice Code by processing suppliers' invoices for payment without unnecessary delay and by settling them in a timely manner. Consequently, in the absence of any alternative arrangements, all suppliers are placed on immediate payment terms. In 2022/23 the average credit taken was 4 days.

Simon Hewitt

Principal

ACCOUNTABILITY REPORT

The Accountability Report comprises the Corporate Governance Report and the Remuneration and Staff Report and is signed by the Chair and the Principal.

Corporate Governance Report

The Corporate Governance Report comprises the following sections:

- Directors’ Report
- Statement of the Board of Management’s Responsibilities
- Governance Statement
 - Statement of Compliance
 - Governance Structure
 - Corporate Strategy
 - Board’s Statement on Internal Control
 - Going Concern

Directors’ Report

Dundee & Angus College’s Board of Management is constituted in accordance with the requirements of the Further and Higher Education (Scotland) Act, 1992 and complies with further requirements as set out in the Further and Higher Education (Scotland) Act 2005 and the Post-16 Education (Scotland) Act 2013.

The Board comprises lay members, employees and two student representatives. The roles of the Board Chair and Vice Chair are separated from the role of the College Principal, who (as Chief Executive) holds the only executive role on the Board. In line with good governance practice, the Board has appointed one of its members as ‘Senior Independent Member’ to whom any member of the board can refer to seek advice or to raise any matters of concern.

A list of Board Members for 2022/23 is included on the page 24. Board Members’ Register of Interests is available via the [enclosed link on our website](#). The Board has five standing committees, the roles of which are explained at pages 29 and 30.

Board of Management				
Audit & Risk	Finance & Property	Human Resources and Development	Learning, Teaching and Quality	Chairs

The Executive Leadership Team is responsible for the day-to-day management of Dundee & Angus College’s activities and operations. A list of Executive Team members is included below:

Name	Designation
Simon Hewitt	Principal
Steven Taylor	Vice Principal People and Performance
Jaki Carnegie	Vice Principal Corporate Services
Julie Grace	Vice Principal Curriculum and Attainment

Accountability Report (continued)

DUNDEE & ANGUS COLLEGE - Board of Management Membership – 1 August 2022 – 31 July 2023

	Appointed	Term Ends	Status of Appointment	Profession/Specialism	Chairs
Laurie O'Donnell Regional Chair	July 2022	10/07/26	Scottish Government Appointment	Education, Management & Digital Technologies	Board of Management Chairs Committee
George Robertson	March 2015	31/03/23	Ordinary Member	Finance, Management	Vice Chair Finance & Property Committee
Donna Fordyce	April 2017	30/04/25	Ordinary Member	Economic Development, Enterprise, Fisheries, Retail Management	Finance & Property Committee
Margo Williamson	June 2021	31/05/25	Ordinary Member	Management, Education	Vice Chair (from June 2023) Learning, Teaching & Quality Committee (until June 2023)
Helen Honeyman	January 2019	31/12/26	Ordinary Member	Risk, Governance, HR Management	Audit & Risk Committee (March 2022 onwards)
Donald Mackenzie	January 2019	31/03/27	Ordinary Member	HR & OD, Corporate Communications Management	Human Resources & Development Committee
Kirsty Key	January 2019	Resigned 18/04/23	Ordinary Member	Commercial, Governance, Third Sector Management	
Neil Lowden	January 2019	31/12/26	Ordinary Member	Educational Management, Learning & Teaching, Educational Policy	Learning, Teaching & Quality Committee (from June 2023)
Kevin Ditcham	April 2021	31/03/25	Ordinary Member	Community Learning & Engagement, Management, Third Sector	
Sally Middleton	June 2021	31/05/25	Ordinary Member	HE Learning & Teaching, Management, Access and Articulation	

Accountability Report (continued)

	Appointed	Term Ends	Status of Appointment	Profession/Specialism	Chairs
Brian Lawrie	May 2022	30/04/26	Ordinary Member	Finance and Public Sector Management	
Roy McLellan	May 2022	30/04/26	Ordinary Member	Enterprise and Corporate Management	
Jackie Buchanan	February 2023	31/01/2027	Ordinary Member	Legal, Governance, Public Sector Management	
Carri Cusick	April 2023	30/04/2027	Ordinary Member	Economic Development, Commercial Management, Enterprise	
Daniel Rosie	May 2023	31/05/2027	Ordinary Member	Marketing, Promotions, PR, Enterprise, Management	
Simon Hewitt	August 2020	-	Principal	Principal	
Barry Carmichael	April 2019	31/03/23	Teaching Staff Member	Teaching Staff	
Derek Smith	April 2023	31/03/27	Teaching Staff Member	Teaching Staff	
Sam Stirling	August 2019	31/09/23	Non-Teaching Staff Member	Non-Teaching Staff	
Amy Monks	August 2019	31/07/23	Student Member	Student	
Lenka Strukanova	August 2022	31/07/23	Student Member	Student	
Michael Thomson	August 2018	30/06/23	Co-opted Member (Audit & Risk Committee)	Finance and Corporate Management	

Statement of the Board of Management's Responsibilities

In accordance with the Further and Higher Education (Scotland) Act, 1992 the Board of Management is responsible for the development and operational oversight of College strategy and outcomes. This includes the creation of future strategy, the educational character of the College and administration and management of the College's affairs, including approving the Regional Outcome Agreement (Priority Outcomes are referenced on pages 10-11) and ensuring an effective system of internal control in respect of activities, expenditures and outcomes. As a part of these requirements, the Board of Management is required to present audited financial statements for each financial year.

In understanding these financial statements, the following Board of Management responsibilities in respect of the proper use of College funds is important.

The Board of Management maintains a rolling five-year financial strategy that aids decision making and oversight in respect of financial sustainability, whilst informing short and medium term financial planning and control. This strategy was updated in April 2022.

The Board of Management is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the College. This ensures that financial statements are fully accurate and meet the requirements of the Further and Higher Education (Scotland) Acts (1992 and 2005), the Statement of Recommended Practice on Accounting for Further and Higher Education, the 2021-22 Government Financial Reporting Manual (FRoM) issued by HM Treasury and other relevant accounting standards.

Within the terms and conditions of the Financial Memorandum agreed between the College and the Scottish Funding Council, the Board of Management approves financial statements for each financial year that give a true and fair view of the College's state of affairs and of the surplus or deficit and cash flows for that year.

The Principal provides a signed Certificate of Assurance each year, confirming that a review of the internal control arrangements of the College has been undertaken and that these controls have been, and are, working well. This Certificate of Assurance supports the Accountable Officer for the college sector (the Scottish Funding Council Chief Executive) to provide a governance certificate of assurance covering all colleges to the Principal Accountable Officer of the Scottish Government.

In approving the annual financial statements, the Board of Management has ensured that:

- suitable accounting policies are selected and applied consistently.
- judgements and estimates are made that are reasonable and prudent.
- applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- financial statements are prepared on the going concern basis unless it is inappropriate to presume that the College will continue in operation. The Board of Management is satisfied

Accountability Report (continued)

that it has adequate resources to continue in operation for the foreseeable future and for this reason the going concern basis continues to be adopted in the preparation of the financial statements.

The Board of Management has taken reasonable steps to:

- ensure that funds from the Scottish Funding Council are used only for the purposes for which they have been given and in accordance with the Financial Memorandum with the Funding Council and any other conditions which the Funding Council may from time to time prescribe.
- Establish that the auditors are aware of all relevant information, and that there is no relevant audit information of which the auditors are unaware.
- ensure that there are appropriate financial and management controls in place to safeguard public funds and funds from other sources.
- safeguard the assets of the College and prevent and detect fraud.
- secure the economical, efficient and effective management of the College's resources and expenditure.

The key elements of the College's system of internal financial control that discharge the responsibilities set out above include the following:

- a comprehensive medium and short-term financial planning process, supplemented by detailed annual income, expenditure, capital and cash flow budgets, reviewed and approved annually by the Board of Management and monitored regularly by the Finance & Property Committee
- a suite of reporting that involves regular reviews of key performance indicators monitored by the appropriate Board Committee
- a Strategic Risk Register that is monitored and reviewed regularly by the Board and the Audit & Risk Committee (more detail on the Risk Register is provided on page 35)
- clear definitions of the responsibilities of, and the authority delegated to senior staff which is reviewed periodically by the Board of Management
- clearly defined and formalised requirements for approval and control of expenditure, with investment decisions involving capital or revenue expenditure being subject to formal detailed appraisal and review according to approval levels set by the Board of Management
- comprehensive Financial Regulations, detailing financial controls and procedures, approved by the Audit & Risk Committee and Finance & Property Committee
- the College has appointed Internal Auditors whose annual programme is approved by the Audit Committee and endorsed by the Board of Management and whose head provides the Board of Management with a report on internal audit activity within the College and an

Accountability Report (continued)

opinion on the adequacy and effectiveness of the College's system of internal control, including internal financial control (more detail on the work and opinion of the Internal Auditors is provided on pages 34 and 35)

Governance Statement

Introduction

Dundee & Angus College is committed to maintaining and delivering good practice in all aspects of corporate governance. This governance statement is written to assist the reader of the financial statements understand how these principles have been applied.

This governance statement supplements the information provided in the financial statements. It sets out the governance structures, risk management and internal control processes that have been operating in the College in the year to 31 July 2023 and reports the Board's assessment of the effectiveness of these arrangements.

Statement of Compliance

The College complies in full with all the principles and requirements of the 2022 Code of Governance for Scottish Colleges with the exception of the role of the Secretary to the Board. The Code of Good Governance states: "The board secretary may be a member of the senior management team in their board secretary capacity, but they cannot hold any other senior management team position at the same time."

The Board of Management have appointed the Vice Principal People and Performance as Secretary to the Board, who reports directly to the Chair in relation to their Board Secretary duties, in order to prevent any conflicts of interest. The Board is satisfied with this arrangement, and the independence and appropriateness of the governance role fulfilled by the Board Secretary. The Board of Management have no current plans to change this arrangement.

Governing Body and Governance Structure

The Board of Management operates a formal structure of Board and Committee meetings (referenced on pages 29 and 30), supported by clear agendas, minutes and supporting papers, reports and information, all of which supports good planning, decision making and governance. Agendas and cycles of reporting have been developed over time to ensure that the Board and Committees can review and monitor the College's effectiveness, progress and performance against key priorities.

The Board actively evaluates its own effectiveness and contribution to the College through a series of indicators that reflect its impact on the College as a whole. Each evaluation is supported by a development plan of improvement actions that are recorded and closed out on an annual rolling basis.

Accountability Report (continued)

In accordance with the requirements of the 2022 Code of Good Governance for Scottish Colleges, Board evaluation arrangements are supplemented every three to five years by a comprehensive [Externally Facilitated Evaluation of Board Effectiveness](#) with a resulting development plan. An external evaluation was undertaken in 2020 and approved by the Board at its Board meeting in December 2020. In accordance with governance guidance, a copy of this review was provided to the Scottish Funding Council in advance of the April 2021 deadline.

The Board has five Standing Committees, all of which are formally constituted with Terms of Reference, as delegated by the Board of Management.

A lay member of the Board chairs all the Committees, with each also appointing a Vice Chair to support in the effective operation of Committee business. The Board and Committees met four times per annum and during 2022/23 these were undertaken as a mix of online and in person meetings.

A list of Committee Members for 2022/23 is included on pages 24 and 25.

The **Chairs' Committee** met twice in 2022/23 to inform the future work and development of the Board, to undertake its role as Remuneration Committee, and to consider arrangements around matters of College strategy. As a part of its remit, this Committee also operates as 'Nominations Committee' undertaking all steps necessary to identify high quality candidates to fill board vacancies in line with the Ministerial Code for Appointments. The Chairs' Committee has delegated authority from the Board to consider and determine salaries and conditions of service for members of the College Executive and Senior Leadership Team and has an agreed remuneration strategy in place for the consideration of senior post holder salaries. When operating as Remuneration Committee the Committee is chaired by the Vice Chair or other Committee chair.

The **Audit & Risk Committee** meets with the College's external and internal auditors in attendance. The Committee considers detailed reports together with recommendations for the improvement of the College's systems of internal control and management's responses and implementation plans. It also receives and considers reports from the Scottish Funding Council as they affect the College's business and monitors adherence to the regulatory requirements. During 2022/23 the Committee has considered and monitored key actions arising from the Strategic Risk Register and a review of risks arising from a national fraud incident impacting on one college (not D&A). The Audit & Risk Committee also undertook oversight of risk arrangements arising from the 'red' financial security risk arising as a result of funding cuts.

The **Finance & Property Committee** oversees the preparation of a multi-year financial strategy for approval by the Board and informs and approves actions required to ensure financial sustainability. This committee also plays an important role in overseeing and approving procurement activities (within designated thresholds).

In consultation with other Committees, it recommends to the Board of Management the College's annual revenue and capital budgets and monitors performance in relation to the approved budgets. It reviews the effectiveness of financial management and monitors financial controls, ensuring appropriateness of and compliance with the Financial Regulations.

Accountability Report (continued)

The **Human Resources & Development Committee** has overall responsibility for the direction and oversight of all Human Resources matters relating to the function of the Board of Management as employer of the College's staff. It oversees the development and implementation of the Human Resources Strategy, ensures compliance with employment legislation, considers a suite of staff-related metrics, and oversees Health & Safety matters on behalf of the Board.

During 2022/23, this has included a one year review of the Workforce Plan, input to future workforce planning needs in respect of new ways of working post pandemic, and consideration of the staffing impacts and good practice approaches around the savings plans.

The **Learning, Teaching & Quality Committee** has overall responsibility for monitoring the direction and performance of learning and teaching, and the quality of the learners' experience at the College. It oversees significant developments in the College curriculum and plays a key role in promoting the student voice, ensuring that the Board's legal responsibilities with regard to the Students Association are met. During 2022/23 the Committee has received detailed presentations on key aspects of College activity, including future curriculum planning priorities tied into the reduction in full-time recruitment and savings plan.

In line with good governance practice, details of discussions held, alongside feedback from the relevant Committee Chair on the activities of each Committee are shared with all Board members and are discussed as a standing item at each full meeting of the Board of Management. Given the financial challenges facing the sector and College, a copy of the quarterly management accounts included within each set of Board meeting papers for information. Board and Committee agendas, minutes and papers are [published on the College website](#) and Board Members receive a copy of the most recent Management Accounts at each meeting.

All current Board members have received clear induction into their roles from the Chair and Board Secretary and have attended comprehensive Board member induction development session provided by the College. In addition, all Board members attend Board member induction and/or specialist training provided on a sector basis by College Development Network.

All Board members engage in an annual appraisal process conducted by the Chair of the Board. The Chair receives two appraisals, one conducted by the Vice Chair and one conducted by a senior official from the Scottish Government. Board member feedback provides clear information to inform individual and collective evaluation and action planning.

A strategic planning event in May 2023 was used to monitor and update on progress towards the 2025 strategy and to begin initial discussions around the College strategy for 2025 – 2030 review midway performance against the strategy metrics adopted for 2025.

Significant Board input has been focused on the development of the range of strategic opportunities arising through Tay Cities, MSIP etc, whilst recent focus has been on the governance requirements surrounding the progression of the revised Financial Strategy and savings plans.

Accountability Report (continued)

Following the expiry of their term of office, a new Chair of the Board of Management was appointed by the Scottish Government in July 2022. This was a major change for the Board, with the new Chair adapting and developing into their role throughout 2022/23.

As part of this work, a detailed review was undertaken in respect of the Strategic Risk Register to reflect previous experience of the Board Chair.

DUNDEE & ANGUS COLLEGE - BOM & Committee Attendance Record – 1 August 2022 – 31 July 2023

Member's Name	Board of Management	Audit & Risk Committee	Finance & Property Committee	HR & Development Committee	Learning, Teaching & Quality Committee
Laurie O'Donnell	4 / 4		4 / 4		3 / 4
George Robertson	3 / 3		3 / 3	3 / 3	
Margo Williamson	4 / 4	4 / 4			4 / 4
Donna Fordyce	2 / 4		2 / 4		2 / 4
Helen Honeyman	3 / 4	3 / 4			2 / 4
Donald Mackenzie	2 / 4		1 / 4	4 / 4	
Neil Lowden	4 / 4			3 / 4	3 / 4
Kirsty Keay	2 / 3	2 / 3		2 / 3	
Kevin Ditcham	1 / 4	4 / 4			4 / 4
Sally Middleton	4 / 4	3 / 4			3 / 4
Brian Lawrie	4 / 4		4 / 4	4 / 4	
Roy McLellan	3 / 4	2 / 4	4 / 4		
Jackie Buchanan	1 / 2	1 / 2	1 / 2	0 / 2	
Carri Cusick	1 / 1		0 / 1		
Daniel Rosie	1 / 1				
Simon Hewitt	3 / 4		4 / 4	4 / 4	4 / 4
Amy Monks	4 / 4				4 / 4
Lenka Strukanova	4 / 4				3 / 4
Derek Smith	1 / 1		1 / 1	1 / 1	1 / 1
Barry Carmichael	2 / 3		2 / 3	2 / 3	3 / 3
Sam Stirling	3 / 4		4 / 4	4 / 4	3 / 4
Michael Thomson (co-opt)		3 / 4			

Corporate Strategy

The Board of Management has responsibility for the on-going strategic direction of the College, for the approval of major developments and for the receipt of regular reports from members of the College Executive on the day-to-day operations of its business.

In respect of its strategic and development responsibilities, each year the Board of Management holds strategic development events jointly with the College Executive Leadership and Senior Leadership teams. These events also draw regularly on senior input from Scottish Government, educational and economic development agencies and other expertise. Where possible, the timing of events is arranged to facilitate Board Members' input to the College's Regional Outcome Agreement.

During 2022/23, this event focused significantly on progress towards achievement of the 2025 strategy and planning for the 2025 – 2030 strategy as outlined above.

Board's Statement on Internal Control

The Board of Management takes its responsibilities for internal control and for reviewing its effectiveness very seriously. These systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board of Management provides strong leadership within a framework of effective controls that enable risk to be assessed and managed. Through the operation of the Board and each Board Committee, Board members monitor, challenge and oversee risk management within the College as a whole. Within all of these arrangements it is the responsibility of the Board of Management to:

- Establish the overall culture and ethos in respect of risk and opportunity management within the College.
- Determine the appropriate risk appetite (the level of exposure with which the Board is comfortable) for the College that balances risk with opportunity.
- Approve major decisions affecting the College risk profile or exposure in accordance with appropriate financial strategy and procedures and agreed delegation limits.
- Ensure that risk management is integrated in strategic planning activities and regional outcome agreements.
- Monitor the management of key risks (those rated in excess of the risk appetite) to reduce their probability and impact.
- Satisfy itself that the less significant risks are managed, and that risk controls are in place and working effectively.
- Annually review the College approach to risk management and approve changes or improvements as necessary.

Accountability Report (continued)

The Board of Management has delegated day-to-day responsibility to the Principal (Chief Executive) for maintaining a sound system of internal control that reflects the needs of good risk management and supports the achievement of the Colleges policies, aims and objectives.

The Board operates a clear scheme of delegation and financial procedures that strengthen and inform internal control arrangements. These are reviewed annually, and work has continued during 2022/23 to embed Board visibility and oversight of major procurement spend and contracts. Financial Regulations were revised during 2021/22 to better align financial responsibilities and delegated thresholds with day-to-day management and leadership responsibilities.

The Board of Management and each of the Committees actively monitors key areas of risk, seeking updates through the Executive Leadership Team and the Audit & Risk Committee. The emphasis is on obtaining the relevant degree of assurance and not merely reporting on exceptions or issues.

Henderson loggie were reappointed for a period of 5 years as the College's Internal Auditors following a procurement exercise. The new appointment took effect from 1 October 2020.

The Audit & Risk Committee also receive regular reports from the College's Internal and External Auditors. During 2022/23 the Internal Auditors undertook the following reviews:

Audit Area	Report Grades	Number of Recommendations (& Priority Grades)			Recommendations Outstanding
		1	2	3	
Student Invoicing and Debt Management	Satisfactory	-	-	2	2
Data Protection	Good			1	
Publicity & Communications	Satisfactory			2	
Cash & Bank	Satisfactory			1	
Health & Safety	Good			1	
Partnership Working	Good			0	
Teaching Staff Utilisation	Good			0	
Student Activity Data (2022/23)	Audit opinion unqualified		1	2	
Student Support Funds (2022/23)	Audit opinion unqualified			0	
	Total	-	-	9	2

Due to staff absence a planned audit on Infrastructure/Capital projects was delayed until autumn 2023.

Good progress has been made in respect of the closing out of audit recommendations and there are no outstanding actions from previous years' audits. The College's Internal Auditors reported that "the College has made good progress in implementing the recommendations followed-up".

Accountability Report (continued)

* Report Grades

- 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.

** Action Grades

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

The Internal Audit opinion for the work undertaken in 2022/23 is 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 College operates a Strategic Risk Register, which identifies the most significant risks to the College. Specific risks are allocated to Committees for regular review and consideration with any proposed changes presented to the Audit & Risk Committee for approval. This Strategic Risk Register is discussed and approved at every meeting of the Audit & Risk Committee and is discussed bi-annually at the Board of Management.

The Strategic Risk Register has been subject to additional review during 2022/23 following feedback from the newly appointed Board Chair. This work was completed in March 2023 with a small number of amendments made to risk details and scoring.

The following table sets out the strategic risks for which the underlying risk has been scored as “Major” or “Fundamental”. It records the residual risk, with two risks shown as “Significant”, following the mitigating actions that have been taken. One risk (Financial Sustainability) remains as “Major” post mitigation, reflecting the risk arising as a result of the long-term impact of ‘flat cash’ funding for the sector.

Where any post-mitigation risk remains as “Major” or above, a specific report on actions being taken is presented to each meeting of the Audit and Risk Committee.

Risk	Before mitigation	After mitigation
Failure of College strategy to meet the needs of the D&A Region and/or national priorities	Major	Minor
College disadvantaged by changes arising from UK leaving European Union* * This risk was removed from the register in June 2023	Major	Minor
College disadvantaged as a result of changes arising from major national educational body reviews: SFC, SQA, EdS	Major	Minor
Failure to achieve institutional sustainability	Major	Major

Accountability Report (continued)

Risk	Before mitigation	After mitigation
National outcomes on salaries and conditions of service outstrip ability to pay	Major	Significant
Legal actions; serious accident; incident or civil/criminal breach	Major	Minor
National bargaining outcomes impact adversely on College operations, activity and flexibility	Major	Significant
Industrial Relations Problems	Major	Minor
Breach of data security / data protection #	Major	Minor
Failure to plan for or respond adequately to future pandemic illness	Major	Minor
Disasters – e.g. Fire, MIS Failure, Failure of Emergency Procedures	Major	Minor

Risks are categorised based on the scale of 1 – 5 in terms of impact and likelihood pre and post mitigation as follows: Green (1-8) = Minor Risk; Amber (9-15) = Significant Risk; Red (16-20) = Major Risk; Purple, (>21 - 25) = Fundamental Risk

There have been no significant lapses of data security and no personal data-related incidents reported to the Information Commissioner’s Office during the reporting period.

The College participated in the in the National Fraud Initiative (NFI) during 2022/23 which is a data-matching exercise led by Audit Scotland to aid the detection of fraudulent payments. The exercise identified 3 minor errors resulting in recovery of £2,807 and no frauds.

As a key step in assuring the appropriate oversight of College systems and risks, the Audit & Risk Committee produces a draft annual report that is discussed and approved by the Audit & Risk Committee prior to further discussion and approval by full Board. This report summarises work reviewed by the Committee and confirms internal and external audit assurances in respect of the adequacy and effectiveness of internal control, the effectiveness of financial controls and the delivery of internal audit plans in line with relevant internal audit standards. In line with other Board papers, this report is publicly available on the College website.

As an addition to these arrangements in 2022/23 the Audit and Risk Committee also prepared an Audit Assurance Response in respect of a standard series of questions and assurances requested by the College auditors. This assurance response was approved by the Board of Management and provides a summary of how the Board minimises risk and assures itself in respect of key elements of the international audit standards.

Internal and external audit representatives meet annually with members of the Audit Committee without senior members of College staff present. This allows an opportunity for any concerns or issues to be raised and for Audit Committee members to seek appropriate assurances.

Significant Control Issues/Weaknesses

In completing this governance statement there have been no exceptions or issues raised for inclusion by internal or external auditors in respect of significant control issues/weaknesses.

Going Concern

The Board of Management considers that the College has adequate resources and arrangements to ensure the continuation of its functions within the public sector for the foreseeable future.

Conclusion

The Board of Management is of the view that there is an ongoing process for identifying, evaluating and managing the institution’s significant risks that have been in place for the period ended 31 July 2023 up to the date of approval of the annual reports and accounts. This process is regularly reviewed by the Board of Management and accords with the internal control guidance as applicable to the further education sector.

Remuneration and Staff Report

The sections marked * in this Remuneration Report have been audited by Mazars LLP, external auditors. The other sections of the Remuneration Report were reviewed by Mazars to ensure that they were consistent with the financial statements.

Remuneration Policy

Annually the remuneration of the Principal and Executive Team is the subject of a discussion at the Chairs’ Committee – which serves as a Remuneration Committee. A pay award from 1 September 2022 to 31 August 2023 is still to be agreed by the Board Chairs Committee.

*Remuneration including salary and pension entitlements

The following tables provide detail of the remuneration and pension interests of senior management:

Name	year ended 31 July 2023			year ended 31 July 2022		
	Salary Band £000	Pension Benefit £000	Band Total £000	Salary Band £000	Pension Benefit £000	Band Total £000
Laurie O’Donnell	25-30	0	25-30	0-5	-	0-5
Simon Hewitt	125-130	0	125-130	125-130	35-40	165-170
Steven Taylor	90-95	0	90-95	85-90	0	85-90
Jaki Carnegie	90-95	15-20	105-110	85-90	15-20	105-110
Julie Grace	90-95	0	90-95	85-90	40-45	130-135

Post titles are provided on page 24.

Median Remuneration

Colleges have been required by the FReM to disclose the relationships between the remuneration of the highest paid official and the median remuneration of their workforce and the range of staff remuneration. The 2021-22 FReM has introduced new requirements around disclosures of 25th and 75th percentile pay ratios, their comparison to the remuneration of the College’s highest paid official, percentage changes from previous year and explanation of any changes:

*Range of workforce remuneration:-	<u>2022-23</u>	<u>2021-22</u>	<u>Change</u>
	£	£	%
Staff Average (salary & allowances)	34,709	34,819	-0.3%
Highest paid official remuneration	125k-130k	125k-130k	0.0%
Median (total pay and benefits)	38,670	37,217	3.9%
Median (salary only)	38,670	37,217	3.9%
Ratio	3.3	3.4	-2.9%
25 th percentile (total pay and benefits)	23,628	24,006	-1.6%
25 th percentile (salary only)	23,628	24,006	-1.6%
Ratio*	5.4	5.3	1.9%
75 th percentile (total pay and benefits)	43,357	43,357	0.0%
75 th percentile (salary only)	43,357	43,357	0.0%
Ratio	2.9	2.9	0.0%

The banded remuneration of the highest paid official in the organisation in the financial year 2022-23 was £125,000-£130,000 (2021-22: £125,000-£130,000). This was 3.3 times (2021-22: 3.4 times) the median remuneration of the workforce which in the financial year 2022-23 was £38,670 (2021-22 £37,217). The lowest paid employee salary was £19,838 (2021-22 £18,018).

Changes from prior year mainly reflects the shift in posts selected due to reduced staffing levels rather than pay movements, since no pay awards were implemented during the year.

Accrued Pension Benefits

Pension benefits for teaching staff are provided through the Scottish Teacher's Superannuation Scheme (STSS), a defined benefit scheme, which is notionally funded and contracted out of State Earnings-Related Pension Scheme. The Pension Benefit in the above tables does not represent the cash value of pension contributions made in the year. It is calculated as the real increase in pension multiplied by 20, plus the real increase in any lump sum, less contributions made by the member, as required by The Financial Reporting Manual 2022-23 issued by HM Treasury.

STSS is provided by the Scottish Public Pensions Agency. It remained a final salary (Legacy) pension scheme for protected members only and since 1 April 2015 has been a Career Average Revalued Earnings (CARE) scheme for the majority of members. However, from 1 April 2022 all members will retrospectively transfer to the 2015 CARE scheme and the intervening period becomes a Remedy period providing options for eligible members upon retirement.

Non-teaching staff are enrolled into the Local Government Pension Scheme (LGPS). Benefits for all members of this scheme are now provided under CARE arrangements since transition on 1 April 2016. Contribution rates for both schemes are set annually for all employees and can be found in Note 16.

There is no longer any automatic entitlement to a lump sum. STSS members may opt to give up (commute) pension for lump sum up to the limit set by the Finance Act 2004. LGPS members can access pension under new pension release rules introduced in April 2015.

***Senior Officials Pension**

Pension benefits are provided to senior officials on the same basis as all other staff. The accrued pension benefits for senior officials are set out in the table below, together with the pension contributions made by the College. All are members of the STSS scheme.

Name	Accrued pension at pension age at 31 July 2023	Accrued lump sum at pension age at 31 July 2023	Real increase in pension 1 August 2022 to 31 July 2023	Real increase in lump sum 1 August 2022 to 31 July 2023	CETV at 31 July 2023	CETV at 31 July 2022	Real increase in CETV
	£000	£000	£000	£000	£000	£000	£000
Simon Hewitt	30-35	0-5	0-2.5	0-2.5	356	358	-18
Steven Taylor	50-55	0-5	0-2.5	0-2.5	852	873	-31
Jaki Carnegie	5-10	0-5	0-2.5	0-2.5	101	81	9
Julie Grace	45-50	0-5	0-2.5	0-2.5	665	680	-26

Cash Equivalent Transfer Value (CETV)

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time.

The value of the accrued pension benefits has been calculated on the basis of the age at which the person will first become entitled to receive a pension on retirement without reduction on account of its payment at that age; without exercising any option to commute pension entitlement into a lump sum, and without any adjustment for the effects of future inflation. The pension figures shown relate to the benefits that the person has accrued as a consequence of their total Local Government service and not just their current appointment.

In considering the accrued pension benefits figures, the following contextual information should be taken into account:

- (i) the figures for pension and lump sum are illustrative only in light of the assumptions set out above and do not necessarily reflect the actual benefits that any individual may receive upon retirement.
- (ii) the accrued benefits figures are reflective of the pension contributions that both the employer and the scheme member have made over a period of time.

Real Increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Staff Report

During the year to 31 July 2023 the College employed 631 full-time equivalent staff. At 31 July 2023 the staff headcount was 994 comprising of 648 females and 346 males.

Full disclosure of staff costs of £33,383,000 is given in Note 9 to the Accounts.

Disclosure of Agency staff costs, of £284,000 is given in Note 11. Other than individuals engaged under a shared service agreement with Advanced Procurement for Universities and Colleges, all amounts are paid for temporary staff on an ad hoc basis to cover staff absence or to obtain specialisms not available from permanent staff.

Working time lost through sickness was 3.07%, following a significant reduction and then rapid increase during and just after the COVID pandemic the 2022/2023 rate has stabilised and reflects a level similar to that of pre-pandemic times. This remains around or below relevant national averages.

Staff Turnover (non-forced) during 2022/23 was 6.7% compared with the prior year figure of 6.6%. This change is not significant and overall staff turnover is low by sector and UK standards ([CIPD estimates](#) UK Education staff turnover at 16.1%).

Throughout the past year, the College has enacted the c£1.8 million savings achieved for our 2022/23 budget and has planned and progressed a further £2.7 million of savings for our 2023/24 budget. These have been very major exercises resulting in significant reduction in staffing and the need to review and revise almost all curriculum and support service activities.

Cumulatively this represents a reduction in our cost base of c£4.5 million in just over a year or c14% of D&A operating costs. All of this work has been progressed without the need for compulsory redundancy and has been developed to support sustainable budgets and curriculum / service plans for future years.

This work will continue in line with FFR and finance strategy projections to seek to maintain the College in a sustainable long-term financial position.

The need to balance future investment, staff skills and savings are summarised within the D&A Workforce Plan which was updated in February 2022. This document creates a framework within which specific workforce developments can be planned and progressed and sets out the key aspects impacting on future workforce needs for the College. Developments arising from the plan will be reported to the Human Resource and Development Committee of the Board on an annual basis.

D&A is committed to the Fair Work agenda and principles and (despite significant strain due to saving plan needs) has improved on the positive and productive relationships we have with our recognised unions. We are a Real Living Wage employer and have reduced our median gender pay gap over the past year to 5.4% (from 7.5%).

Good use continues to be made of the JISC Digital Elevation tool to evaluate progress on our digital transformation. This has identified significant strengths around our Digital Culture, Pre-arrival, Curriculum Staff, Cyber Security and Cloud elements, with these assessed to be operating at the 'elevate' level.

Accountability Report (continued)

We are progressing rapidly with our cloud first strategy and have invested significantly (c£950k) in our network infrastructure. We are progressing our use of data to inform and transform analysis and decision making (including work nationally with the DataLab project) and will further enhance this in 2022/23.

The College completed work in early 2022/23 around our post pandemic new Ways of Working (FutureWoW) project in partnership with staff and have embedded practical guidance for staff on blended and online learning, teaching, and working. This work has empowered staff to adopt the hybrid mix that best meets the needs of the learners or service users, rather than working on a formulaic or centrally determined basis.

Excellent progress is being made in respect of our Climate Emergency Action Plan, with D&A reducing its scope 1 and 2 emissions by over 68% since 2009. Whilst there was a small increase in CO₂ emissions (following the return from lockdown into on campus operations) our overall emissions have reduced by 25.6% since the last full pre-pandemic year (2018/19).

Work is progressing to create and delivery carbon literacy training at SCQF levels 3 – 8 for our College learners, whilst partnership with Dundee University is progressing to expand delivery of this training on an open basis to all those living within the D&A region. These steps will significantly improve climate emergency awareness and engagement with sustainable living in all aspects of our day-to-day lives.

Our curriculum sustainability mapping project commenced in January 2023, with our Academic Development Team working in partnership with curriculum teams to identify and create opportunities to promote and embed the UN Sustainable Development Goals within curriculum content and teaching practice.

All of these activities reflect our commitment to take a mixture of practical, cultural, and pedagogical action to address the climate emergency and meet our ambitious net zero ambitions.

Regular biennial staff engagement surveys are undertaken independently using the 'Peachy Mondays' platform and utilise a common format and questions to support comparison. Outcomes from the last survey (spring 2022) were strongly positive and were reported fully in the 2021/22 financial statements. It is planned that a follow up survey will be undertaken in early 2024.

A wide range of 'normal' tasks and projects continue to be progressed. This includes on-going work to support and promote equality, including significant awareness raising around gender based violence and extensive work to eradicate period poverty. Monitoring, reporting and action planning in respect of equality related metrics is outlined within our biennial [Equalities Mainstreaming Report](#) and related reporting.

The College continues to work hard to ensure that all staff, students and other stakeholders are treated equally, regardless of age, disability, family responsibility, marital status, race, colour, ethnicity, nationality, religion or belief, gender, sexual orientation, trade union activity, or unrelated criminal convictions. In addition to tackling discrimination, the College also supports and fosters good relations between individuals with different characteristics and undertakes a significant amount of work in this area through its RESPECT brand and specific work in areas including (but not exclusively):

Accountability Report (continued)

- work locally and nationally on eradicating gender based violence (Gbv);
- supporting carers and care experienced students and staff under our WeCare@D&A banner;
- work on eradicating child poverty through our Find Your Future project and campaigns; and
- focused support and awareness raising on period poverty.
- Significant focus on enhancing mental health wellbeing and specialised support.

The College Equality and Diversity policy frames our commitment to positive equality practice as follows:

Dundee & Angus College is committed to a comprehensive policy of equal opportunities for staff, students and all stakeholders and seriously undertakes the duty to adhere to all relevant legislation.

Through our Equality and Diversity Policy and related procedures, we set clear objectives and approaches to ensure we encourage and support all individuals, irrespective of protected characteristic, to develop and fulfil their individual potential. As a result, our students and staff are given equal opportunity to engage with, and benefit from, the services we offer. This maximises their contribution to College life and to the future economic success of Angus, Dundee and beyond.

We ensure all staff, students and other stakeholders are treated equally, regardless of age, disability, gender, gender reassignment, pregnancy and maternity, race, religion or belief, sexual orientation and marriage and civil partnership.

We strive to eliminate all forms of discrimination and to celebrate the diversity of people who are directly and indirectly involved with the College

This commitment is underpinned by a series of clear policies and practices in employment and our service delivery in areas including (but not limited to):

Discipline & Grievance	Student Recruitment and Admissions
Public Interest Disclosure (Whistleblowing)	Data Protection
Complaint Handling & Monitoring	Substance Misuse
Equality & Diversity	Eradicating Period Poverty
Dignity at Work	Positive Behaviour Management
ICT Use, Social Media and Electronic Comms	Student Guidance
Protecting Vulnerable Groups	Protection of Children & Adults at Risk
Special Leave	Eradicating Gender Based Violence
Family Matters	Corporate Parenting Plan
Professional Learning	Student Mental Health Agreement
Recruitment & Selection	Carers
Anti-Bullying	Modern Slavery
Cyber Security	
Partnership Agreements and protocols with a wide range of third sector and other support agencies	

All of these activities are supported by mandatory training on positive equalities practice and our culture and approaches to foster good relations across the range of equalities protected characteristics.

Outcomes in respect of monitoring of equalities data and activities are reported through the [Regional Outcome Agreement](#) and our [Equalities Mainstreaming Report](#) and [Gender Pay Gap reporting](#)

***Compensation for loss of office**

The table below summarises the exit packages by cost band.

	2023	2023	2023	2022
Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band	Total number of exit packages by cost band
<£10,000	-	4	4	8
£10,000 - £25,000	-	35	35	19
£25,000 - £50,000	-	14	14	8
£50,000 - £100,000	-	3	3	5
£100,000 - £150,000	-	1	1	2
Total number of exit packages	-	57	57	42
Total cost (£)	-	1,501,227	1,501,227	1,286,403

***Salaries and Related costs**

	2023	2023	2023	2022
	Directly employed staff on permanent UK contracts £000s	Other staff including short-term contract, seconded and agency staff £000s	Total	Total
Wages and salaries	23,132	3,200	26,332	27,302
Social security costs	2,219	293	2,512	2,577
Other pension costs	4,777	632	5,409	8,557
Total	30,128	4,125	34,253	38,436
Average number of FTE	555	78	633	719

The total number of higher paid staff, including senior post-holders, above a threshold of total emoluments of £60,000, are tabled in Note 9. The total remuneration of the Principal is given in Note 10 along with the total emoluments of all senior post holders.

Facility Time

In accordance with the Trade Union (Facility Time Publication Requirements: Regulations 2017, the College provided the following support through paid facility time for union officials working at the College during the year ended 31 July 2023.

Relevant Union Officials

Number of Employees who were relevant union officials during the relevant period:	Full-time equivalent employee number:
9	9

Percentage of time spent on facility time

Percentage:	Number of Employees:
0%	0
1%-50%	9
51%-99%	0
100%	0

Percentage of pay bill spent on facility time

Total cost of facility time:	£56,152
Total bill pay:	£35,293,000
Percentage of the total pay bill spent on facility time:	0.16%

Paid trade union activities

Time spent on trade union activities as a percentage of total paid facility time hours:	13%
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Signed on Behalf of the Board of Management on 12 December 2023.

**Simon Hewitt
Principal**

INDEPENDENT AUDITORS REPORT

Independent auditor's report to the Board of Management of Dundee and Angus College, the Auditor General for Scotland and the Scottish Parliament

Reporting on the audit of the financial statements

Opinion on financial statements

We have audited the financial statements in the annual report and accounts of Dundee and Angus College (the College) for the year ended 31 July 2023 under the Further and Higher Education (Scotland) Act 1992 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. The financial statements comprise the Statement of Comprehensive Income, Statement of Changes in Reserves, Balance Sheet, and Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the accompanying financial statements:

- 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 college's affairs as at 31 July 2023 and 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).

Basis for opinion

We conducted our audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the Code of Audit Practice approved by the Auditor General for Scotland. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We were appointed by the Auditor General on 18 May 2022. Our period of appointment is five years, covering 2022/23 to 2026/27. We are independent of the college in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the college. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern basis of accounting

We have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the college's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

Independent Auditor's Report (continued)

These conclusions are not intended to, nor do they, provide assurance on the college's current or future financial sustainability. However, we report on the college's arrangements for financial sustainability in a separate Annual Audit Report available from the [Audit Scotland website](#).

Risks of material misstatement

We report in our Annual Audit Report, the most significant assessed risks of material misstatement that we identified and our judgements thereon.

Responsibilities of the Board of Management for the financial statements

As explained more fully in the Statement of the Board of Management's Responsibilities, the Board of Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Board of Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Management is responsible for assessing the college's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is an intention to discontinue the college's operations.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- using our understanding of the college sector to identify that the Further and Higher Education (Scotland) Act 1992 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 are significant in the context of the college;
- inquiring of the College Principal as to other laws or regulations that may be expected to have a fundamental effect on the operations of the college;
- inquiring of the College Principal concerning the college's policies and procedures regarding compliance with the applicable legal and regulatory framework;
- discussion among our team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which our procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the college's controls, and the nature, timing and extent of the audit procedures performed.

Independent Auditor's Report (continued)

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Reporting on regularity of expenditure and income

Opinion on regularity

In our opinion in all material respects the expenditure and income in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers.

Responsibilities for regularity

The Board of Management is responsible for ensuring the regularity of expenditure and income. In addition to our responsibilities in respect of irregularities explained in the audit of the financial statements section of our report, we are responsible for expressing an opinion on the regularity of expenditure and income in accordance with the Public Finance and Accountability (Scotland) Act 2000.

Reporting on other requirements

Opinion prescribed by the Auditor General for Scotland on the audited part of the Remuneration and Staff Report

We have audited the parts of the Remuneration and Staff Report described as audited. In our opinion, the audited part of the Remuneration and Staff Report has been properly prepared in accordance with the Further and Higher Education (Scotland) Act 1992 and directions made thereunder by the Scottish Funding Council.

Other information

The Board of Management is responsible for other information in the annual report and accounts. The other information comprises the Performance Report and the Accountability Report excluding the audited part of the Remuneration and Staff Report.

Our responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon except on the Performance Report and Governance Statement to the extent explicitly stated in the following opinions prescribed by the Auditor General for Scotland.

Independent Auditor's Report (continued)

Opinions prescribed by the Auditor General for Scotland on the Performance Report and Governance Statement

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Performance Report for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Further and Higher Education (Scotland) Act 1992 and directions made thereunder by the Scottish Funding Council; and
- the information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Further and Higher Education (Scotland) Act 1992 and directions made thereunder by the Scottish Funding Council.

Matters on which we are required to report by exception

We are required by the Auditor General for Scotland to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited part of the Remuneration and Staff Report are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

In addition to our responsibilities for the annual report and accounts, our conclusions on the wider scope responsibilities specified in the Code of Audit Practice are set out in our Annual Audit Report.

Use of our report

This report is made solely to the parties to whom it is addressed in accordance with the Public Finance and Accountability (Scotland) Act 2000 and for no other purpose. In accordance with paragraph 120 of the Code of Audit Practice, we do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Michael Speight,

For and on behalf of Mazars LLP

5th Floor
3 Wellington Place
Leeds
LS1 4AP

Date:

PROFESSIONAL ADVISERS

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CONSOLIDATED AND COLLEGE STATEMENTS

Consolidated & College Statement of Comprehensive Income For the year ended 31 July 2023

		Consolidated		College	
	Note	2023 £000	2022 (restated) £000	2023 £000	2022 (restated) £000
Income					
Funding body grants	3	39,403	38,299	39,403	38,299
Tuition fees and education contracts	4	5,048	5,210	5,048	5,210
Other grants and contracts	5	1,114	1,977	1,084	1,911
Other income	6	2,266	1,484	2,103	1,405
Investment income	7	53	3	53	3
Donations and endowments	8	128	3,300	128	3,300
Total income		48,012	50,273	47,819	50,128
Expenditure					
Staff costs	9	34,882	38,154	34,766	38,065
Exceptional restructuring costs	9	1,501	1,287	1,501	1,287
Other operating expenses	11a	10,494	10,232	10,396	10,174
Depreciation	12	3,770	2,258	3,770	2,258
Interest and other finance costs	11b	(229)	396	(229)	396
Total expenditure		50,418	52,327	50,204	52,180
(Deficit) before other gains/ (losses)		(2,406)	(2,054)	(2,385)	(2,052)
Gain on disposal of assets		-	4	-	4
(Deficit) for the year		(2,406)	(2,050)	(2,385)	(2,048)
Actuarial (loss)/gain in respect of pension scheme		(10,540)	29,999	(10,540)	29,999
Unrealised surplus on revaluation of tangible fixed assets		4,001	7,700	4,001	7,700
Total comprehensive income for the year		(8,945)	35,649	(8,924)	35,556
		(8,945)	35,649	(8,924)	35,651

For the year ended 31 July 2023

	Note	Consolidated		College	
		2023 £000	2022 (restated) £000	2023 £000	2022 (restated) £000
Represented by:					
Unrestricted comprehensive income for the year		(8,945)	35,649	(8,924)	35,651
		<u>(8,945)</u>	<u>35,649</u>	<u>(8,924)</u>	<u>35,651</u>
(Deficit) for the year attributable to:					
College		(2,406)	(2,050)	(2,385)	(2,048)
		<u>(2,406)</u>	<u>(2,050)</u>	<u>(2,385)</u>	<u>(2,048)</u>
Total comprehensive (expenditure)/income for the year attributable to:					
Group/College		(8,945)	35,649	(8,924)	35,651
		<u>(8,945)</u>	<u>35,649</u>	<u>(8,924)</u>	<u>35,651</u>

The Statement of Comprehensive Income is in respect of continuing activities.

The Statement of Comprehensive Income is prepared under the FE/HE SORP. Colleges are also subject to Central Government accounting rules but the FE/HE SORP does not permit colleges to include Government non-cash allocations for depreciation in the Statement of Comprehensive Income. Note 2 provides details of the adjusted operating position on a Central Government accounting basis.

The accompanying notes form part of these financial statements.

Consolidated & College Statement of Changes in Reserves For the year ended 31 July 2023

	Income Expenditure Reserve	Revaluation Reserve	Total
	£000	£000	£000
Consolidated			
Balance at 1 August 2021	(2,370)	25,857	23,487
Surplus/(Deficit) from the Consolidated Statement of Comprehensive Income	(2,050)	-	(2,050)
Actuarial Gain/(Loss)	29,999	-	29,999
Revaluation surplus(restated)	-	7,700	7,700
Transfers between revaluation and income and expenditure reserve	695	(695)	-
Total comprehensive income for the year(restated)	28,644	7,005	35,649
Balance at 1 August 2022(restated)	26,274	32,862	59,136
Surplus/(Deficit) from the Consolidated Statement of Comprehensive Income	(2,406)	-	(2,406)
Actuarial Gain/(Loss)	(10,540)	-	(10,540)
Revaluation surplus	-	4,001	4,001
Transfers between revaluation and income and expenditure reserve	838	(838)	-
Total comprehensive income for the year	(12,108)	3,163	(8,945)
Balance at 31 July 2023	14,166	36,025	50,191
College			
Balance at 1 August 2021	(2,415)	25,857	23,442
Surplus/(Deficit) from the College Statement of Comprehensive Income	(2,048)	-	(2,048)
Actuarial Gain/(Loss)	29,999	-	29,999
Revaluation surplus(restated)	-	7,700	7,700
Transfers between revaluation and income and expenditure reserve	695	(695)	-
Total comprehensive income for the year(restated)	28,646	7,005	35,651
Balance at 1 August 2022(restated)	26,231	32,862	59,093
Surplus/(Deficit) from the College Statement of Comprehensive Income	(2,385)	-	(2,385)
Actuarial Gain/(Loss)	(10,540)	-	(10,540)
Revaluation surplus	-	4,001	4,001
Transfers between revaluation and income and expenditure reserve	838	(838)	-
Total comprehensive income for the year	(12,087)	3,163	(8,924)
Balance at 31 July 2023	14,144	36,025	50,169

There are no endowment or restricted reserves.

Consolidated & College Statement (continued)

Consolidated & College Statement of Financial Position as at 31 July 2023

		Consolidated		College	
	Note	2023 £000	2022 (restated) £000	2023 £000	2022 (restated) £000
Non-current assets					
Fixed assets	12	77,398	76,493	77,399	76,493
Trade & other receivables	13	452	552	452	552
		77,850	77,045	77,851	77,045
Current assets					
Stocks		12	10	9	7
Trade & other receivables	13	4,804	4,062	4,800	4,043
Cash and cash equivalents		5,533	6,248	5,504	6,188
		10,349	10,320	10,313	10,238
Creditors: amounts falling due within one year	14	12,306	11,019	12,293	10,980
Net current (liabilities)		(1,957)	(699)	(1,980)	(742)
Total assets less current liabilities		75,893	76,346	75,871	76,303
Less: Creditors falling due after more than one year	15	23,410	25,853	23,410	25,853
Net assets excluding pension (asset)/liability		52,483	50,493	52,461	50,450
Funded pension (asset)/liability	16	-	(11,313)	-	(11,313)
Unfunded pension (asset)/liability	17	2,292	2,670	2,292	2,670
Total net assets		50,191	59,136	50,169	59,093
Unrestricted reserves					
Income and expenditure reserve – unrestricted		14,166	26,274	14,144	26,231
Revaluation reserve		36,025	32,862	36,025	32,862
Total reserves		50,191	59,136	50,169	59,093

The financial statements were approved and authorised for issue by the Board of Management on 12 December 2023 and signed on its behalf by:

Laurie O'Donnell - Chair

Simon Hewitt – Principal

Consolidated Statement of Cash Flows For the year ended 31 July 2023

	Note	2023 £000	2022 £000
Cash flow from operating activities			
(Deficit) for the year		(2,406)	(2,050)
Adjustment for non-cash items			
Depreciation	12	3,770	2,258
Impairment reversal			-
(Increase) in stocks		(2)	(4)
(Increase) in debtors		(618)	(370)
Increase in creditors		837	2,980
Pension costs less contributions payable		395	3,402
Adjustment for investing or financing activities			
Investment income	7	(53)	(3)
Interest payable	11b	92	125
Gain on the sale of fixed assets		-	(4)
Release of deferred capital grants		(2,111)	(1,685)
Net cash inflow from operating activities		(96)	4,649
Cash flow from investing activities			
Proceeds from sale of fixed assets		-	4
Investment income		53	3
Deferred capital grants received		548	102
Non-government capital grants			
Payments made to acquire fixed assets		(675)	(3,785)
Net cash outflow from investing activities		(74)	(3,676)
Cash flow from financing activities			
Interest paid		(92)	(125)
Repayments of amounts borrowed		(453)	(453)
Net cash outflow from financing activities		(545)	(578)
(Decrease)/Increase in cash and cash equivalents in the period		(715)	395
Cash and cash equivalents at beginning of the period		6,248	5,853
Cash and cash equivalents at end of the period		5,533	6,248

NOTES TO THE FINANCIAL STATEMENTS

Note 1 Statement of Principal Accounting Policies

Charity Information The College was established under the Further and Higher Education Act 1992. The College is a registered charity (Scottish charity Number: SC021188) for the purposes of the Law Reform (Miscellaneous Provision) (Scotland) Act 2005. The registered office is Old Glamis Road, Dundee, DD3 8LE.

Basis of Preparation The financial statements are prepared in accordance with the requirements of the Further and Higher Education (Scotland) Act 1992, the Statement of Recommended Practice (SORP) 2019: Accounting in Further and Higher Education, and the Financial Reporting Manual 2022-23 issued by HM Treasury and in accordance with applicable Accounting Standards, including Financial Reporting Standard 102 – "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" ("FRS 102"), the Charities and Trustee Investment (Scotland) Act 2005, and regulation 14 of The Charities Accounts (Scotland) Regulations 2006. They conform to the Accounts Direction and other guidance issued by the Scottish Funding Council.

The college is a public benefit entity and therefore has applied the relevant public benefit requirement of FRS 102.

Basis of Accounting The financial statements are prepared in accordance with the historical cost convention modified by the revaluation of certain fixed assets.

The accounting policies contained in the FReM apply International Reporting Standards as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy the accounting policy which is judged to be most appropriate to the College for the purpose of giving a true and fair view has been selected. The particular policies adopted by the College in dealing with items that are considered material to the financial statements are set out.

The financial statements are presented in Sterling (£).

Significant judgements and estimates In the application of the Group's accounting policies, the Board of Management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Notes to the Financial Statements (continued)

Key sources of estimation have been applied as follows:

Non-Current Assets valuations and useful economic lives - College buildings are of a specialist nature and are valued on the depreciated replacement cost basis. Buildings are depreciated over their expected remaining useful economic life as assessed by an independent, qualified valuer.

Obligations under the LGPS - The Board has relied on the actuarial assumptions of independent, qualified actuaries. The assumptions interact in complex ways and the balance sheet position is dependent upon several factors. The key variables are Asset Returns, Discount Rate, Inflation and Mortality. Overall, it was the significant increase in the Discount Rate that was chiefly responsible for the improvement in the funded surplus, initially increasing the net funded asset from £11.313m last year to £25.469m at 31 July 2023. However, an Asset Ceiling has been applied by the scheme actuaries this year. The asset ceiling is the present value of any economic benefit available to the Employer in the form of refunds or reduced future employer contributions. Whilst it is potentially possible for employers to receive such benefit it is assumed that there is no prospect of an unconditional right to this as it is at the discretion of the fund. Furthermore, it is assumed that the employer will participate in the fund indefinitely and the present value of future accruals and primary contributions far exceed the value of the Asset Ceiling and consequently the economic benefit of future contribution reductions is nil. We have reviewed these assumptions and consider them reasonable and appropriate. A provision continues to be made for unfunded pension liabilities.

Continuing Activities The results reported in the financial statements are derived from the continuing activities of Dundee & Angus College.

Basis of Consolidation The consolidated financial statements for the Group bring together the financial statements of the College and its wholly owned subsidiary 'Gardyne Theatre Limited'.

Investment in Subsidiaries The consolidated financial statements incorporate the financial statements of the college and entities controlled by the Group. Control is achieved where the Group has the power to govern the financial and operating policies of an entity so as to obtain benefit from its activities.

The results of subsidiaries acquired or disposed of during the year are included in total comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate using accounting policies consistent with those of the parent. All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Investments in subsidiaries are accounted for at cost less impairment in the individual financial statements.

Recognition of Income Income from the sale of goods or services is credited to the Consolidated Statement of Comprehensive Income when the goods or services are supplied to the external customers or the terms of the contract have been satisfied.

Fee income is stated gross of any expenditure which is not a discount and credited to the Consolidated Statement of Comprehensive Income over the period in which students are studying. Where the amount of the tuition fee is reduced, by a discount for prompt payment, income receivable is shown net of the discount.

Notes to the Financial Statements (continued)

All income from short-term deposits and investments is credited to the Consolidated Statement of Comprehensive Income on a receivable basis.

Funds the College receives and disburses as paying agent on behalf of a funding body are excluded from the income and expenditure account.

Grant Funding Government revenue grants including the recurrent grants from the Scottish Funding Council (SFC) are recognised in income over the periods in which the College recognises the related costs for which the grant is intended to compensate. Where part of a government grant is deferred it is recognised as deferred income within creditors and allocated between creditors due within one year and due after more than one year as appropriate.

Grants from non-government sources are recognised in income when the College is entitled to the income and performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the statement of financial position and released to income as the conditions are met.

Donations and Endowments Non exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor imposed restrictions are recognised in income when the College is entitled to the funds. Income is retained within the restricted reserve until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

Donations with no restrictions are recognised in income when the College is entitled to the funds.

Investment income and appreciation of endowments is recorded in income in the year in which it arises and as either restricted or unrestricted income according to the terms of the restriction applied to the individual endowment fund. There are four main types of donations and endowments identified within reserves:

1. Restricted donations - the donor has specified that the donation must be used for a particular objective.
2. Unrestricted permanent endowments - the donor has specified that the fund is to be permanently invested to generate an income stream for the general benefit of the College.
3. Restricted expendable endowments - the donor has specified a particular objective other than the purchase or construction of tangible fixed assets, and the College has the power to use the capital.
4. Restricted permanent endowments - the donor has specified that the fund is to be permanently invested to generate an income stream to be applied to a particular objective.

Capital Grants Government capital grants are recognised in income over the expected useful life of the asset. Other capital grants are recognised in income when the College is entitled to the funds subject to any performance related conditions being met. The funds will be held in deferred income under creditors until conditions are met.

European Funded Projects Advances received in respect of European Funded projects, along with any relevant provisions against non-payment of claims or claw back of claims paid, are offset against the total European funding debtor in the Statement of Financial Position.

Notes to the Financial Statements (continued)

Foreign Currency Translation Transactions denominated in foreign currencies are recorded at the rate of exchange ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into sterling either at year end rates. The resulting exchange differences are dealt with in the determination of income and expenditure for the financial year.

Maintenance of Premises Property maintenance is carried out as a result of surveys, ongoing inspections and in accordance with the College Estates Strategy. The cost of the maintenance is charged to the Consolidated Statement of Comprehensive Income in the year in which it is incurred.

Pension Schemes The College participates in two multi-employer defined benefit pension schemes.

Teaching staff may join the Scottish Teachers' Superannuation Scheme (STSS), which is administered by the Scottish Public Pensions Agency. The College is unable to identify its share of the underlying assets and liabilities of the STSS and therefore, as required by FRS 102, accounts for its participation in the STSS as if it were a defined contribution scheme. Contributions are charged to the income and expenditure account as they arise. This is expected to result in the pension cost being a substantially level percentage of current and future pensionable payroll. The contributions are determined by qualified actuaries on the basis of periodic valuations using the projected unit basis.

Non-teaching staff may join the Tayside Superannuation Scheme which is administered by Dundee City Council and which requires contributions to be made to its number 1 fund. The Fund is a defined benefit pension scheme, contracted out of the State Earnings-Related Pension Fund. Benefits are provided based on length of service, together with final pensionable pay to 31 March 2015 and Career Average Revalued Earnings thereafter. Assets and Liabilities of the Fund are held separately from those of the College. Fund assets are measured using market values. Fund liabilities are measured using a projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability.

Contributions to the Fund are calculated so as to spread the cost of pensions over employees' working lives with the College. The contributions are determined by an actuary on the basis of triennial valuations using the Age Attained Method. The actuaries also review the progress of the scheme in each of the intervening years. Variations from regular costs are spread over the expected average remaining working lifetime of members of the Fund, after making allowances for future withdrawals. The expected cost of providing staff pensions to employees contributing to the Fund is recognised in the Consolidated Statement of Comprehensive Income on a systematic basis over the expected average remaining lives of members of the Fund in accordance with FRS 102 and recognises retirement benefits as the benefits are earned and not when they are due to be paid.

Employment Benefits Short term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employees render service to the college. Any unused benefits are accrued and measured as the additional amount the college expects to pay as a result of the unused entitlement.

Notes to the Financial Statements (continued)

Property, Plant & Equipment

(a) Land and Buildings

Land and buildings inherited from the local education authority, inherited but not in use for education purposes and other acquired land and buildings since incorporation are stated in the statement of financial position at valuation. Land is not depreciated.

Buildings are depreciated over their expected useful economic life within the following major components:

Buildings and main sub-structure	50 years
Internal structure/Mechanical & Electrical	25 years
Internal Fixtures & Property Improvements	10 years
Information & Communications Infrastructure	5 years

Property improvements are depreciated on a straight line basis over ten years.

Depreciation is revised to amortise building components over remaining economic life when this has been identified as part of the revaluation process described below.

Assets may continue in use beyond their initial estimated useful life. Where this is the case an estimation of the remaining useful life will be made along with a subsequent adjustment to recognise the remaining value in use.

A review for impairment of a fixed asset is carried out if events or changes in circumstance indicate that the carrying amount of the fixed asset may not be recoverable.

Where land and buildings are acquired with the aid of specific Government grants, the related grants are credited to a deferred capital grant account and are released to the income and expenditure account over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

Assets under construction are accounted for at cost, based on the value of architects' certificates and other direct costs incurred. They are not depreciated until they are brought into use.

(b) Property Revaluation

In accordance with the 2022-23 Government Financial Reporting Manual (FReM) issued by the Scottish Government, the tangible fixed assets are required to be valued on the current value basis. As a minimum, quinquennial valuations are undertaken with interim valuations in year three by qualified surveyors. Fair value will however be considered annually, and this exercise will be supplemented by further interim valuations using either surveyor values or building price indexation.

(c) Subsequent Expenditure on Existing Fixed Assets

Where significant expenditure is incurred on tangible fixed assets it is charged to the income and expenditure account in the period it is incurred unless it meets one of the following criteria, in which case it is capitalised and depreciated on the relevant basis:

- Market value of the fixed asset has subsequently improved

Notes to the Financial Statements (continued)

- Asset capacity increases
- Substantial improvement in the quality of output or the reduction in operating costs
- Significant extension of the asset's life beyond that conferred by repairs and maintenance

(d) Equipment

Equipment costing less than £25,000 (inclusive of VAT) per individual item is written off to the income and expenditure account in the period of acquisition. All other equipment is capitalised at cost.

Capitalised equipment is depreciated over its useful economic life as follows:

Heavy plant	10 years
Light plant and equipment	5 years
Motor vehicles	4 years
Computer equipment	3 years

Assets may continue in use beyond their initial estimated useful life. Where this is the case an estimation of the remaining useful life will be made along with a subsequent adjustment to recognise the remaining value in use.

Where equipment is acquired with the aid of specific Government grants, the related grant is credited to a deferred capital grant account and released to the income and expenditure account over the expected useful economic life of the related equipment.

Equipment acquired by Non-Government Grants is carried at depreciated historical cost, which is used as a proxy for fair value. Depreciated historical cost is deemed to be more appropriate than revaluing for equipment as it is common for such assets to reduce in value, rather than increase, as they are utilised by the College.

Contracts providing a license to use software for a specific period are not capitalised where no ownership is acquired. The cost is charged to revenue and spread evenly over the term of the license with any prepayment included in Debtors.

Leased Assets Leases in which the College assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. Leased assets acquired by way of finance lease and the corresponding lease liabilities are initially recognised at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease.

Leasing agreements which transfer to the College substantially all the benefits and risks of ownership of an asset are treated as if the asset had been purchased outright. The assets are included in fixed assets and the capital element of the leasing commitments is shown as obligations under finance leases. Assets held under finance leases are depreciated over their useful life.

Where a lease covers both land and buildings, the land and buildings elements are considered separately for classification.

Notes to the Financial Statements (continued)

The lease rentals are treated as consisting of capital and interest. The capital element is applied to reduce the outstanding obligation and the interest element is charged to the Consolidated Statement of Comprehensive Income in proportion to the reducing capital element outstanding. Leases not meeting the criteria of a finance lease are treated as an operating lease. Costs in respect of operating leases are charged on a straight-line basis over the lease term. Any lease premiums or incentives are spread over the minimum lease term.

Arrangements that do not have the legal status of a lease but convey a right to use an asset in return for payment are accounted for under this policy where fulfilment of the arrangement is dependent on the use of specific assets.

Stocks are stated at the lower of their cost and net realisable value. Where necessary, provision is made for obsolete, slow moving and defective stocks.

Cash and cash equivalents Cash includes cash in hand and deposits repayable on demand. Deposits are repayable on demand if they are in practice available within 24 hours without penalty. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

The College is obliged to use the Scottish Government Banking Scheme and consequently utilises only current and special interest bearing accounts repayable on demand.

Debtors are measured at transaction price, less any impairment, unless the arrangement represents a financing transaction. If the arrangement constitutes a financing transaction, the college measures the financial asset at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Loan receivables are measured initially at the present value of cash receivable, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Financial assets identified as non-basic will be measured at fair value.

Creditors Short Term Creditors are measured at transaction price.

Other financial liabilities, including bank loans are measured initially at the present value of cash payable, and are measured subsequently at amortised cost using the effective interest method.

Financial liabilities identified as non-basic will be measured at fair value.

Agency Arrangements The College acts as an agent in the collection and payment of certain Student Support Funds. These funds are excluded from the Consolidated Statement of Comprehensive Income, and movements have been disclosed in the notes to the financial statements. Where the College has more discretion in the manner in which specific funds are disbursed, and those funds do not meet the definition of agency funds, the income and expenditure related to those funds are shown in the Consolidated Statement of Comprehensive Income.

Taxation The College is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable organisation for UK

Notes to the Financial Statements (continued)

corporation tax purposes. Accordingly, the College is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The College is partially exempt from VAT.

The College's subsidiary company is subject to corporation tax and VAT in the same way as any commercial organisation, although where profits are transferred by gift aid corporation tax will not be liable. Provisions are recognised when the College has a present, legal or constructive obligation as a result of a past event, it is probable that a transfer of economic benefit will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Reserves are classified as restricted or unrestricted. Restricted endowment reserves include balances which, through endowment to the college, are held as a permanently restricted fund which the college must hold in perpetuity.

Other restricted reserves include balances where the donor has designated a specific purpose and therefore the college is restricted in the use of these funds.

	Consolidated		College	
2	2023 £000	2022 (restated) £000	2023 £000	2022 (restated) £000
Government Non-cash allocation for depreciation				
Deficit before other gains and losses (FE/HE SORP basis)	(2,406)	(2,050)	(2,385)	(2,048)
Add back: Non-cash allocation for depreciation (net of deferred capital grant)	1,055	1,055	1,055	1,055
Operating (deficit) on Central Government accounting basis	(1,351)	(995)	(1,330)	(993)

Following reclassification, colleges received additional non-cash budget to cover depreciation but this additional budget is not recognised under the FE/HE SORP accounting rules. As a result, colleges show a deficit equivalent to net depreciation (where funds are spent on revenue items) in order to meet Government accounting rules and the requirement to spend the entire cash allocation.

The deficit is attributable to other factors reflected in the adjusted operating table and also the continued legacy impact of COVID-19 as explained in the performance report on pages 3 to 22.

Under the FE/HE SORP, the college recorded a consolidated operating deficit of £2,406,000 for the year ended 31 July 2023. After taking account of the Government non-cash budget, the college shows an "adjusted" consolidated deficit of £1,351,000 on a Central Government accounting basis.

Notes to the Financial Statements (continued)

	Consolidated		College	
	2023 £000	2022 £000	2023 £000	2022 £000
3 Scottish Funding Council grants				
SFC recurrent grant	31,853	33,011	31,853	33,011
SFC childcare funds	469	592	469	592
Release of deferred capital grants	1,917	1,581	1,917	1,581
Capital grants	3,055	1,746	3,055	1,746
Other SFC grants	2,109	1,369	2,109	1,369
	39,403	38,299	39,403	38,299

	Consolidated		College	
	2023 £000	2022 £000	2023 £000	2022 £000
4 Tuition Fees and Education Contracts				
FE fees - UK & EU	760	474	760	474
FE fees – non-EU	162	188	162	188
HE fees	2,320	2,574	2,320	2,574
Education contracts	1,797	1,968	1,797	1,968
Other contracts	9	6	9	6
	5,048	5,210	5,048	5,210

	Consolidated		College	
	2023 £000	2022 £000	2023 £000	2022 £000
5 Other Grants and Contracts				
European funds	48	55	48	55
Releases of deferred capital grants (non SFC)	194	104	194	104
Other grant income	872	1,818	842	1,752
	1,114	1,977	1,084	1,911

Notes to the Financial Statements (continued)

		Consolidated		College	
		2023	2022	2023	2022
6	Other Income	£000	£000	£000	£000
	Residences, catering and conferences	981	600	940	581
	Other income-generating activities	1,048	682	926	622
	Coronavirus Job Retention Scheme grant	-	165	-	165
	Other income	237	37	237	37
		<u>2,266</u>	<u>1,484</u>	<u>2,103</u>	<u>1,405</u>

		Consolidated		College	
		2023	2022	2023	2022
7	Investment Income	£000	£000	£000	£000
	Interest receivable	53	3	53	3
		<u>53</u>	<u>3</u>	<u>53</u>	<u>3</u>

		Consolidated		College	
		2023	2022	2023	2022
8	Donations and Endowment	£000	£000	£000	£000
	Donations	128	3,300	128	3,300
		<u>128</u>	<u>3,300</u>	<u>128</u>	<u>3,300</u>

A donation of £128,000 was received from Matthew Trust to fund capital equipment for the Skills Academy located within the Michelin Scotland Innovation Parc (2022: £3,300,000 was received from the Dundee and Angus Foundation towards the capital costs of the Kingsway development project).

Notes to the Financial Statements (continued)

9	Staff Costs	Consolidated		College	
		2023 £000	2022 £000	2023 £000	2022 £000
	Wages and salaries	26,245	27,019	26,142	26,942
	Social security costs	2,512	2,578	2,505	2,571
	Other pension costs	6,125	8,557	6,119	8,552
	Exceptional restructuring costs	1,501	1,287	1,501	1,287
		36,383	39,441	36,267	39,352
	Staff Costs (continued)	Consolidated		College	
		2023 £000	2022 £000	2023 £000	2022 £000
	Academic/Teaching departments	21,973	22,141	21,973	22,141
	Academic/Teaching services	680	743	680	743
	Administrative and central services	9,942	12,881	9,826	12,792
	Premises	1,657	1,688	1,657	1,688
	Catering and Residences	630	701	630	701
	Sub-total	34,882	38,154	34,766	38,065
	Exceptional restructuring costs	1,501	1,287	1,501	1,287
		36,383	39,441	36,267	39,352

The Exceptional restructuring costs relate to a Voluntary Severance Scheme.

Pension liabilities to present and former staff of £1,110,000 (2022: £3,517,000) and the Apprenticeship Levy of £102,000 (2022: £110,000) have been included within the category of Administrative and central services.

Notes to the Financial Statements (continued)

The average number of full-time equivalent employees (including higher paid employees) during the period was:

	Consolidated		College	
	2023 Number	2022 Number	2023 Number	2022 Number
Academic/teaching departments	352	398	352	398
Academic/teaching services	16	20	16	20
Administrative and central services	191	215	187	212
Premises	51	54	51	54
Catering and residences	20	27	20	27
Total	630	714	626	711

Pay awards are negotiated nationally for most staff. Both academic and support staff pay awards for the period 1 September 2022 to 31 August 2023 have yet to be settled. In the absence of agreement, provision has been based upon the latest offer of £2,000 per FTE.

The Board Chairs Committee have yet to agree the pay award for members of the Executive and Senior Leadership Team. Provision is currently made based upon the offer to all other staff as described above.

The number of staff, including the Principal, who received emoluments in the following ranges (above a threshold of £60,000) was:

	Senior Staff		Other Staff	
	2023	2022	2023	2022
£60,001 - £70,000	7	6	-	-
£70,001 - £80,000	-	-	-	-
£80,001 - £90,000	-	3	1	1
£90,001 - £100,000	3	-	-	-
£120,001 - £130,000	1	1	-	-
	<u>11</u>	<u>10</u>	<u>1</u>	<u>1</u>

Notes to the Financial Statements (continued)

10 Senior Post-Holders' Emoluments	Year to 31 July 2023 Number	Year to 31 July 2022 Number
The number of senior post-holders including the Principal was:	11	11
	£000	£000
Salaries	855	804
Pension contributions	181	170
Total emoluments	<u>1,036</u>	<u>974</u>

The above emoluments are for Key Management Personnel and include amounts payable to the Principal (who was the highest paid senior post-holders) of:

	Year to 31 July 2023 £000	Year to 31 July 2022 £000
Salary	130	130
Pension contributions	<u>30</u>	<u>30</u>
	<u>160</u>	<u>160</u>

The pension contributions in respect of the Principal and senior post-holders are in respect of employer's contributions to the Scottish Teachers' Superannuation Scheme or Local Government Superannuation Scheme, and are paid at the same rate as for other employees.

Other than as stated above, no member of staff received any payment from the institution other than the reimbursement of travel and subsistence expenses incurred in the course of their duties.

Compensation for the loss of office paid to senior post holders:

	Year to 31 July 2023 £000	Year to 31 July 2022 £000
Compensation for the loss of office paid to senior post holders	88	-

Notes to the Financial Statements (continued)

11a	Other Operating Expenses	Consolidated		College	
		2023 £000	2022 £000	2023 £000	2022 £000
	Academic/teaching departments	1,111	994	1,111	994
	Academic/teaching services	131	130	131	130
	Administration and central services	3,516	3,884	3,516	3,884
	Premises costs	4,335	3,824	4,335	3,824
	Catering and residence operations	570	325	550	318
	Other Income Generating Activities	78	51	-	-
	SFC Childcare funds	469	592	469	592
	Agency staff costs	284	432	284	432
	Total	10,494	10,232	10,396	10,174

	Consolidated		College	
	2023 £000	2022 £000	2023 £000	2022 £000
Other operating expenses include:				
External Auditor's remuneration				
- in respect of these financial statements	50	28	41	25
Internal Auditor's remuneration				
- internal audit	12	10	12	10
- other services	7	12	7	12

Notes to the Financial Statements (continued)

11b	Interest and Other Finance Costs	Consolidated		College	
		2023 £000	2022 £000	2023 £000	2022 £000
	Loan	92	125	92	125
	Pension	(321)	271	(321)	271
		(229)	396	(229)	396

12	Property, Plant and Equipment	Consolidated		College	
		Land and Buildings £000	Assets under construction £000	Equipment £000	Total £000
	Valuation/Cost				
	At 31 July 2022	98,837	4,782	6,849	110,468
	Disposals	-	-	(3,043)	(3,043)
	Additions	-	32	642	674
	Transfers	4,814	(4,814)	-	-
	Revaluation Movement	100	-	-	100
	At 31 July 2023	103,751	-	4,448	108,199
	Depreciation				
	At 31 July 2022(restated)	28,195	-	5,780	33,395
	Disposals	-	-	(3,043)	(3,043)
	Charge for year	3,117	-	653	3,770
	Revaluation Movement	(3,901)	-	-	(3,901)
	At 31 July 2023	27,411	-	3,390	30,801
	Net Book Value				
	At 31 July 2022(restated)	70,642	4,782	1,069	76,493
	At 31 July 2023	76,340	-	1,058	77,398

Land and Buildings with a net book value of £49,664,000 have been financed by exchequer funds.

These assets can only be sold in accordance with the terms of the Procedure Notes for the Disposal of Exchequer-Funded Assets and the Retention of Proceeds by FE Colleges.

Notes to the Financial Statements (continued)

Land and Buildings were revalued at 31 July 2023 at depreciated replacement cost by Graham & Sibbald, a firm of independent chartered surveyors regulated by RICS. This valuation produced a substantial unrealised gain which suggested that the value at July 2022 may have been inadvertently under stated. by £7,700,000. This adjustment does not alter the net book values at July 2023.

Prior year adjustment

An indexation exercise confirmed that a significant proportion of the gain applied to the previous year and, in order to correct a material misstatement, prior year value have been restated. This increased both the net book value and revaluation reserve by £7,700,000. All areas impacted in 2022 are designated “restated” throughout, including the Statement of Comprehensive Income and Statement of Changes in Reserves. This adjustment does not alter the net book values at July 2023.

Unoccupied properties, being former outreach centres at Kirriemuir and Montrose, were valued at market value. The property at Montrose is being actively marketed and Kirriemuir is being prepared for sale.

The carrying value of the revalued assets, had they not been revalued, would have been:

	2023	2022
	£000	£000
Cost	86,158	81,345
Aggregate depreciation based upon cost	(43,937)	(41,660)
Net book value	<u>42,221</u>	<u>39,685</u>

13 Debtors	Consolidated		College	
	2023	2022	2023	2022
	£000	£000	£000	£000
Amounts falling due within one year:				
Trade Debtors	302	325	303	317
Prepayments / Accrued Income	4,502	3,737	4,497	3,726
	<u>4,804</u>	<u>4,062</u>	<u>4,800</u>	<u>4,043</u>
Amounts falling due after more than one year:				
Prepayments / Accrued Income	452	552	452	552
	<u>452</u>	<u>552</u>	<u>452</u>	<u>552</u>

Debtors include £3,914,000 (2022: £3,045,000) due from the Scottish Funding Council, which includes non-cash allocations for the implementation of Job Evaluation for support staff amounting to £3,325,000. An equivalent amount is accrued within Creditors.

Notes to the Financial Statements (continued)

	Consolidated		College	
14 Creditors: amounts falling due within 1 year	2023	2022	2023	2022
	£000	£000	£000	£000
Deferred income and payments received in advance	1,431	2,391	1,429	2,375
Trade creditors	522	483	534	489
Other creditors	38	37	25	30
Other tax and Social Security	666	986	672	984
Accruals	6,619	4,489	6,603	4,469
Bursaries and Access Funds for future disbursement	466	495	466	495
Bank Term Loan	453	453	453	453
Deferred Capital Grant	2,111	1,685	2,111	1,685
	12,306	11,019	12,293	10,980

Creditors includes £934,000 (2022: £1,544,000) relating to Scottish Funding Council grants.

Creditors include funds held for Energy Skills Partnership, an independent strategic partnership established by the Scottish Funding Council, of £444,000 (2022: £730,000). At 31 July the College has no beneficial interest and acts as host for the partnership's activities disbursing these funds to third parties. This is matched by corresponding Cash and cash equivalent balance, resulting in a net Nil impact upon the College's financial statements.

	Consolidated		College	
15 Creditors: amounts falling due after 1 year	2023	2022	2023	2022
	£000	£000	£000	£000
Deferred Capital Grant	21,590	23,580	21,590	23,580
Bank Term Loan	1,820	2,273	1,820	2,273
	23,410	25,853	23,410	25,853

Analysis of borrowings

Bank loans are repayable as follows:	2023 £000	2022 £000
Between one and two years	453	453
Between two and five years	1,359	1,359
In five years or more	461	914

Initially borrowed as a revolving credit facility, on 29th June 2012 this sum transferred to a term loan repayable over 15 years commencing July 2014. Amount repayable within one year is shown within Creditors: amounts falling due within one year.

16 Pension and Similar Obligations

The College's employees belong to two principal pension schemes; the Scottish Teachers' Superannuation Scheme (STSS) and the Local Government Pension Scheme (LGPS).

The total pension contributions paid for the period was £5,009,000 (2022: £5,035,000).

	2023 £000	2022 £000
STSS: contributions paid	3,241	3,242
LGPS: contributions paid	1,768	1,793
Total pension contributions paid for the year	5,009	5,035

Scottish Teachers' Superannuation Scheme –

- a) Dundee & Angus College participates in the Scottish Teachers' Superannuation Scheme. The scheme is an unfunded statutory public service pension scheme with benefits underwritten by the UK Government. The scheme is financed by payments from employers and from those current employees who are members of the scheme and paying contributions at progressively higher marginal rates based on pensionable pay, as specified in the regulations. The rate of employer contributions is set with reference to a funding valuation undertaken by the scheme actuary. The previous four-yearly valuation was based on scheme data as at March 2016. This valuation informed an increase in the employer contribution rate from 17.2% to 23.0% of pensionable pay from September 2019 and an anticipated yield of 9.4% employees' contributions.

The results of the actuarial valuation as at 31 March 2020 has recently been published and increase employer contribution to 26% from 1 April 2024 to 31 March 2027. The anticipated average yield employee's contribution is 9.6%. The level of contributions depends upon many factors but the change in financial assumptions and cost of future pension benefits has had the greatest impact upon the increase in employer contributions.

(b) The College has no liability for other employers' obligations to the multi-employer scheme.

(c) As the scheme is unfunded there can be no deficit or surplus to distribute on the wind-up of the scheme or withdrawal from the scheme.

(d) (i) The scheme is an unfunded multi-employer defined benefit scheme.

(ii) It is accepted that the scheme can be treated for accounting purposes as a defined contribution scheme in circumstances where Dundee & Angus College is unable to identify its share of the underlying assets and liabilities of the scheme.

(iii) The employer contribution rate for the period from 1 April 2022 is 23% of pensionable pay. The employee rate applied is variable and is anticipated to provide a yield of 9.4% of pensionable pay. As described above, these rates increase to 26% and 9.6% from April 2024.

(iv) The College's level of participation in the scheme is 0.48% based on the proportion of employer contributions paid in 2022-23"

£3.241/ £667.7 million = 0.48% (per SPPA 2021-22 accounts)

Local Government Pension Scheme - The LGPS is a defined benefit statutory scheme, with the assets held in separate trustee administered funds. It currently provides benefits based on career average revalued earnings. The scheme is subject to triennial valuations by independent actuaries, with the most recent results available from a valuation carried out as at 31 March 2020. The employer contribution was maintained at 17% until 31 March 2024. The results of the valuation as at 31 March 2023 are not yet known.

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	2023	%	2022	%
	£000		£000	
Equities	58,300	73	54,583	70
Gilts	1,715	2	1,961	3
Other Bonds	9,759	12	10,253	13
Property	7,545	9	9,295	12
Cash	2,136	3	1,549	2
Alternatives	136	0	52	0
Total	79,591	100	77,693	100

Principal actuarial assumptions at the Statement of Financial Position date (expressed as weighted averages):

	2023	2022
Discount rate at 31 July	5.15%	3.40%
Future salary increases	3.80%	3.75%
Future pension increases	2.80%	2.75%

Life expectancy from age 65 years:

Notes to the Financial Statements (continued)

Retiring today:		
Male	18.8	19.0
Female	21.6	22.3

Retiring in 20 years:		
Male	20.2	20.4
Female	23.1	23.9

Statement of Financial Position	2023	2022
	£000	£000
Net Pension Asset as at:		
Present value of the defined benefit obligation	(54,122)	(66,380)
Fair value of Fund assets (bid value)	<u>79,591</u>	<u>77,693</u>
Notional Surplus	25,469	11,313
Unrecognised past service cost	-	-
Impact of actuarial asset ceiling cap calculation	<u>(25,469)</u>	<u>-</u>
Net defined benefit asset/(liability)	<u>-</u>	<u>11,313</u>

The application of an Asset Ceiling at 31 July 2023 is disclosed within Note 1. The scheme actuaries have determined that an Asset Ceiling was not appropriate for 2022.

Employer membership statistics

The table below summarises the membership data at 31 March 2020 for members receiving funded benefits, and as at 31 July 2021 for any members receiving unfunded benefits.

Member data summary	Number	Salaries/Pensions £000s	Average age
Actives	486	8,334	46
Deferred pensioners	445	649	44
Pensioners	216	985	70
Unfunded pensioners	102	396	80

This includes membership under the following employers in the Fund: (236) Dundee and Angus College, (402) Angus College, and (202) Dundee College.

Notes to the Financial Statements (continued)

Amounts recognised in the Consolidated Statement of Comprehensive Income	2023 £000	2022 £000
Service cost	3,378	5,342
Net interest on the defined (liability) / asset	(405)	221
Administration expenses	31	27
Total cost	3,004	5,590

Asset and benefit obligation reconciliation

Reconciliation of opening and closing balances of the present value of the defined benefit obligation

	2023 £000	2022 £000
Opening defined benefit obligation	66,380	94,001
Current service cost	2,716	5,213
Interest cost	2,244	1,497
Change in financial assumptions	(19,971)	(33,417)
Change in demographic assumptions	(1,754)	-
Experience loss/(gain) on defined benefit obligation	5,687	208
Liabilities assumed / (extinguished) on settlements	-	-
Estimated benefits paid net of transfers in	(2,447)	(1,858)
Past service cost, including curtailments	662	129
Contributions by scheme participants and other employers	605	607
Closing defined benefit obligation	54,122	66,380

Changes in the fair value of scheme assets

	2023	2022
	£000	£000
Reconciliation of opening and closing balances of the fair value of scheme assets		
Opening fair value of scheme Assets	77,693	79,508
Interest on assets	2,649	1,276
Return on assets less interest	(1,177)	(3,606)
Other actuarial (losses)	-	-
Administration expenses	(31)	(27)
Contributions by employer included unfunded	2,693	2,179
Contributions by scheme participants and other employers	605	607
Estimated benefits paid unfunded net of transfers in	(2,841)	(2,244)
Fair value of scheme assets at end of period	79,591	77,693

The total return on the fund assets for the year to 31 July 2022 is £1,472,000

Re-measurements in other comprehensive income

Re-measurement of the net assets / (defined liability):

	2023	2022
	£000	£000
Return on Fund assets in excess of interest	(1,177)	(3,606)
Other actuarial gains/(losses) on assets	-	-
Change in financial assumptions	19,971	33,417
Change in demographic assumptions	1,754	-
Experience gain/(loss) on defined benefit obligation	(5,687)	(208)
Changes in effect of asset ceiling	(25,469)	-
Re-measurement of the (defined liability)/net assets	(10,608)	29,603

Notes to the Financial Statements (continued)

17 Provisions for Liabilities and Charges	Unfunded Pension £000	2023 Total £000	2022 Total £000
Balance at 1 August	(2,670)	(2,670)	(3,402)
Payments made in period	394	394	386
Provision adjustment required in period	(16)	(16)	346
Balance at end of period	<u>(2,292)</u>	<u>(2,292)</u>	<u>(2,670)</u>

The unfunded pension liability is in respect of future pension liabilities arising from early retirals. The valuation of the College's liabilities has been undertaken by independent actuaries.

Amounts recognised in the Income and Expenditure Account	2023 £000	2022 £000
Interest cost	84	50
Total cost	<u>84</u>	<u>50</u>

Benefit obligation reconciliation

Reconciliation of opening and closing balances of the present value of the defined benefit obligation

	2023 £000	2022 £000
Opening defined benefit obligation	2,670	3,402
Interest cost	84	50
Change in financial assumptions	(242)	(405)
Change in demographic assumptions	(80)	-
Experience loss/(gain) on defined benefit obligation	254	9
Unfunded pension payments	(394)	(386)
Closing defined benefit obligation	<u>2,292</u>	<u>2,670</u>

Notes to the Financial Statements (continued)

Re-measurements in other comprehensive income

Re-measurement of the net assets / (defined liability):

	2023	2022
	£000	£000
Change in financial assumptions	242	346
Change in demographic assumptions	80	-
Experience gain/(loss) on defined benefit obligation	(254)	(9)
Re-measurement of the (defined liability)/net assets	68	337

	2023	2023
	£000	£000
18 Capital Commitments		
Commitments contracted for at period end	-	81

	2023	2022
	£000	£000
19 Financial Commitments		

At period end the College had annual commitments under operating leases as follows:

Payable During the year

Land and Buildings	106	94
Others	37	48
	143	142

Land and Buildings

Not later than 1 year	119	79
Later than 1 year and not later than 5 years	303	257
Later than 5 years	458	515
	880	851

Others

No later than 1 year	20	35
Later than 1 year and not later than 5 years	-	20
Later than 5 years	-	-
	20	55

Land and Buildings includes £32,000 payable during the year and £439,000 within future year's commitments in respect of leasehold construction costs paid previously and amortised over 30 years.

20 Post Balance Sheet Events

No events have occurred, since 31 July 2023 and the date of signing the Financial Statements, that would materially affect the information provided.

21 Contingent Liability

Full provision has been made for all known liabilities.

A contingent liability requires to be noted but cannot be estimated with sufficient accuracy. It affects future employer pension liabilities to LGPS members following a recent employment tribunal (the Goodwin Tribunal) changing the pension entitlement of male survivors in opposite sex marriages to take account of the female member's service from 6 April 1978 rather than 6 April 1999. Whilst the government have confirmed that a remedy will be required for all public sector pension schemes, this change is not reflected in the valuation of pension liabilities at 31 July 2023. Insufficient data is available to precisely ascertain the impact, however the scheme actuaries believe that the impact of this decision is likely to be minimal for LGPS schemes.

22 Related Party Transactions

The Board of Management of Dundee & Angus College is a body incorporated under the Further and Higher Education (Scotland) Act 1992 sponsored by the Scottish Funding Council (SFC), who in turn are sponsored by the Scottish Government Learning Directorate.

SGESLLD is regarded as a related party. During the period the College had various material transactions with other entities for which SGESLLD is regarded as the sponsor Department, viz; Students Awards Agency for Scotland and Scottish Enterprise Tayside and Scottish Funding Council. Of all these public bodies, transactions with SFC are the most significant to the College, and all income from SFC is disclosed in Note 3.

In addition, Dundee & Angus College has had a number of material transactions with other Government Departments and other central government bodies.

Due to the nature of the College's operations and the composition of the Board of Management (being drawn from local public and private sector organisations), it is inevitable that transactions will take place with organisations in which a member of the College's Board of Management or key Managers of the College may have an interest.

During the period under review, transactions with bodies in which a member of the Board of Management or key managers of the College had an interest are noted below:

Notes to the Financial Statements (continued)

Member	Organisation	Position in Organisation	Nature of Transaction	College Income	College Expenditure	Balance as at 31st July
				£	£	£
Michael Thomson	DC Thomson	Chief Financial Analyst and Planner	Advertising, Sponsorship		7,247	-
Margo Williamson	Angus Council	Chief Executive	Grant income and service charges	180,352	65,384	85
Jackie Buchanan	Angus Council	Director of Legal & Democratic Services	Grant income and service charges	180,352	65,384	85
Simon Hewitt	SAAS	Principal (D&A College)	Student Course Fees	1,562,010		17,990
Sam Stirling	College Development Network	Board Member	Staff CPD, Training	47,880	6,740	-
George Robertson	Gardyne Theatre Ltd	Director	Staff Salaries, Licence to Operate and Service Level Agreement yearly charges	80,946	-	-
Jaki Carnegie	Gardyne Theatre Ltd	Director	Staff Salaries, Licence to Operate and Service Level Agreement yearly charges	80,946	-	-
Simon Hewitt	Gardyne Theatre Ltd	Director	Staff Salaries, Licence to Operate and Service Level Agreement yearly charges	80,946	-	-

Other Related Parties:

Dundee & Angus Foundation. The Foundation is a registered charity, and its objective is to advance education and in particular the enhancement of the learning experience of students in Dundee and Angus. Its trustees include representatives of the College serving alongside independent trustees. Details of donations received from the Foundation is provided in note 8.

23 Bursaries and other student support funds	Year ended 31 July 2022			Year ended 31 July 2021	
	FE Bursary £000	EMA's £000	Other £000	Total £000	Total £000
Balance b/fwd	3	12	463	478	565
Allocation received	5,563	338	1,304	7,205	7,853
Expenditure	(5,553)	(338)	(889)	(6,780)	(7,557)
Repaid to Funding body as Clawback	-	-	(452)	(452)	(383)
Virements	-	-	-	-	-
Balance c/fwd	13	12	426	451	478
Represented by :					
Repayable to Funding body as clawback	13	-	426	439	458
Retained by College for students	-	12	-	-	20

Repayments to Funding body as clawback within the year relate to a surplus of funds available from the prior year.

Grants and bursary funds received from both SFC and the Students Award Agency for Scotland are available solely for students; the College acts only as paying agent. The funds and related disbursements are therefore excluded from the Consolidated Statement of Comprehensive Income, with the exception noted below.

In accordance with Accounts Direction for 2022/23 issued by the SFC, Further Education Childcare Funds have been included in the Consolidated Statement of Comprehensive Income. The Childcare funds reported in Note 24 below now incorporate both Higher and Further Education funds.

Notes to the Financial Statements (continued)

24 FE & HE Childcare Funds	Year Ended 31 July 2022 £000	Year Ended 31 July 2021 £000
Balance b/fwd	-	-
Allocation received	469	592
Expenditure	(469)	(592)
Repaid to Funding Body as Clawback	-	-
Virements	-	-
Balance c/fwd	-	-
Represented by:		
Repayable to Funding body as clawback	-	-
Retained by College for students	-	-

25 Subsidiary Undertakings

Details of the subsidiary company, which is registered in Scotland and 100% owned by the College, is as follows:

Company	Principal Activity
Gardyne Theatre Limited	Promotion of performing arts

The company has no share capital but is limited by guarantee. The ultimate controlling party is Dundee & Angus College, the only member, and control is exercised by virtue of the provisions of the Memorandum and Articles of Association.

The trading results of the subsidiary have been included in the consolidated results.

Appendix – 1 Accounts direction for Scotland’s colleges 2022-23

1. It is the Scottish Funding Council's direction that institutions comply with the 2019 Statement of Recommended Practice: Accounting for Further and Higher Education (SORP) in preparing their annual report and accounts.
2. Institutions must comply with the accounts direction in the preparation of their annual report and accounts in accordance with the Financial Memorandum with the Scottish Funding Council (SFC) or the Regional Strategic Body (RSB) (for assigned colleges).
3. Incorporated colleges and Glasgow Colleges' Regional Board are also required to comply with the Government Financial Reporting Manual 2022-23 (FReM) where applicable. In cases where there is a conflict between the FReM and the SORP, the latter will take precedence.
4. Incorporated colleges and Glasgow Colleges' Regional Board are reminded that they must send two copies of their annual report and accounts to the Auditor General for Scotland by 31 December 2023.
5. The annual report and accounts should be signed by the chief executive officer / Executive Director and by the chair, or one other member of the governing body.
6. Incorporated colleges and Glasgow Colleges' Regional Board should reproduce this Direction as an appendix to the annual report and accounts.

Scottish Funding Council
20 July 2023

BOARD OF MANAGEMENT

Tuesday 12 December 2023



FINANCE & INFRASTRUTURE ITEMS

PAPER J

**12.5 – FINANCE & PROPERTY COMMITTEE
MANAGEMENT ACCOUNTS (FOR
INFORMATION ONLY)**

Finance & Property Committee

Tuesday 5 December 2023



Management Accounts & Forecast Outturn

Paper O for information

1. Introduction

This report brings to the Committees attention the management accounts for Month 3 (August – October) which incorporates the budget that was approved in June 2023 together with the latest forecast for the year. The final audited Outturn position for the year to July 2023 is reported for comparative purposes.

2. Recommendation

Members are asked to note the Month 3 position.

3. Context

The budget was prepared in May 2023 following publication by The Scottish Funding Council (SFC) of the Indicative College Funding Allocations, establishing that there would be no increase in core funding. Final allocations subsequently announced by SFC revealed no further change and confirmed that the additional £26m of strategic funding initially included in the Scottish Government budget for 2023/24 had been withdrawn.

This 'flat cash' settlement represented a substantial real reduction against a backdrop of high inflation, and it was clear that savings would have to be secured. This process had already begun, aided in part by the 10% reduction in the Credit target. The College determined that minimum savings of £2.5m would be required and this was reflected in our budget. The savings exercise 'Creating a More Successful and Sustainable College' was successful and in September the Principal was able to report final progress and savings (and additional income) improvement of circa £2.7m. As a consequence, voluntary severance costs exceeded forecasts, but this is dealt with wholly within the last academic year. However, with further 'flat cash' settlements predicted for the next two years, in keeping with Scottish Government's spending review and as directed by SFC for the Financial Forecast Return submitted in July, it is deemed prudent to introduce a voluntary severance contingency into this forecast to enable future cost reductions to be made. The adequacy of this provision will continue to be reviewed. The existing severance scheme has been re-opened this month and applications will be looked upon favourably where savings can be made.

When preparing the budget several non-core allocations were unknown. SFC have since confirmed a number of these, including funding for student counsellors and Digital Poverty and these are embedded within this forecast. Regrettably no 2023-24 allocation has been confirmed for Flexible Workforce Development Fund (FWDF). Indications are that the sector may receive a reduced allocation, and this has been reflected in the forecast estimate.

The most significant uncertainty remains the unsettled pay award for both this year and last. For forecasting purposes, we have assumed that both 22-23 and 23-24 are settled on the basis of the current, and final, offer, with the former adding additional cost and the latter providing a saving.

This forecast does benefit from greater certainty following the conclusion of the savings exercise and the restructure has also allowed for greater budget holder engagement.

Since finalising the budget in May we have delivered an outturn that is significantly better than previously forecast despite both increased VS costs and provision for clawback, and, in some respects, there are recurrent elements that provide us with greater confidence about achieving targeted forecasts. Furthermore, even at this comparatively early stage in the academic year, available student data has further bolstered a greater optimism.

We are also now able to ascertain the impacts of the additional flexibilities afforded by SFC and this suggests that our Credit target will be achieved and indeed may be surpassed, thus reducing the risk of clawback of grant funding. As stated above, provision has been made in 2022-23 for potential Clawback. This remains an estimate and any deviation from this will have an impact upon the current year.

Whilst we continue to take a cautious approach, we can however more confidently predict outputs from certain strategic projects in this forecast, most notably from 'Tay Cities Supporting SME Skills' which has received approval from both government and the TCRD Management Group. It should be finally signed off by the Tay Cities Regional Deal Joint Committee in December, with retrospective affect to cover direct staffing costs already incurred this year. Our Business Justification Case for the 'Tay Cities Life Sciences, Biotechnology and Medical Technology' was also recently approved by the Management Group but is omitted from this forecast due to the greater uncertainty that we had experienced. If also approved by the Joint Committee, it will be incorporated into the half-yearly forecast.

An assessment of the risks from key areas is included within the Management Accounts to both complement this paper and provide more details of mitigation and contingencies. Possible cash deviations are estimated to provide some indication of likely impacts, both favourable and adverse.

4. Summary of results

A **Cash-backed surplus of £131K** is forecast, an improvement upon the budgeted deficit of £15K. If our VS provision could be discounted, this would represent an improvement of £446K. As a reminder, the college requires to generate a surplus of at least £457K to service our annual loan repayment.

Subject to the inherent risks and uncertainties, management will continue to seek to achieve a more sustainable position in year.

Actual operating performance to date is a surplus of £1.5m, some £0.5m better than budget. This is primarily due to the timing and recognition of income and expenditure, and any significant permanent deviation is factored into the new forecast.

A summary of the main net movements from the budget for 2022/23 is given in the table below and explained in more detail within the relevant sections. A high level analysis of both income and non-pay provides detail of gross movements across the main categories.

	£000's
Cash-backed deficit per Budget for 2023/24	(15)
SFC: FWDF reduction	(100)
Tuition fees - full-time increase	235
Apprentice income increase	131
UKSPF Projects - additional contribution	69
Bank Interest receivable	35
IT Network replacement - current year savings	367
Pay award changes	109
Teaching pay - additional pension contributions	(150)
Teaching pay	(216)
Support pay	(92)
Voluntary Severance provision	(300)
Other net movements	58
Cash-backed surplus per Forecast for 2023/24	131

5. Income

Income increases by over £1.3m in this forecast, to £45.2m, although a substantial portion of income attracts additional cost of circa £1m.

Other SFC grants increase by £521K. Capital & Maintenance Funding benefits by £150K brought forward from SFC's FY23-24 allocation along with an additional allocation of £300K following a successful bid to fund an Automatic Fire Alarm Systems Upgrade project. SFC have also now allocated £183K for Digital Poverty, following a similar allocation last year. These all attract equivalent cost.

SFC have been unable to confirm any allocations for 2023-24 from Flexible Workforce Development Fund (FWDF) and are still in discussion with Scottish Government. Continued uncertainty and negative messaging have occasioned us to downgrade our expectations, originally budgeted in line with last year's allocation. The college did receive a late supplementary allocation from 2022-23 funds, and this can be delivered in the current year. The impact is a gross reduction in grant funding of £192K.

SFC have now allocated £115K from the new Student Mental Health and Wellbeing Transition Fund, replacing Funding for Counsellors. The college have taken a prudent approach to income recognition and associated costs due the difficulty in recruiting / retaining suitable staff. Unspent funding can be carried forward into next year.

Tuition Fees have increased by £209K. More full-time HE students have increased income by £235K, offset slightly by small reductions in commercial and overseas.

Forecast Non-core income is £684K greater than budget. Income from apprenticeships has risen, by £131K, but non-SFC funded programmes and projects contribute the bulk of this increase, amounting to £570K. Tay Cities Supporting SME Skills adds £164K and the new Multiply project funded but both Dundee and Angus Councils from UK Shared Prosperity funds adds a conservative £167K.

Catering & other income sees a net reduction in this forecast. There are increases in Sports Centre income and bank interest receivable, off-set by certain reductions, most notably a downgrading of catering revenues.

The performance metric 'Proportion of income that is SFC grant funded' continues to reduce and is now 78%, compared to a budget of 79% and a 2022-23 actual of 82%. A target of 79% had been established last year.

6. Pay Costs

Total Pay costs are forecast to be just under £34.3m, an increase of £912K over budget, whilst including a new voluntary severance provision of £300K. When also taking movements in pay award and pension contributions into consideration along with funded posts, the 'real' increase reduces to circa £300K.

Several new posts have been created that were not present in the budget, whilst some are removed.

Teaching pay costs are now also more closely aligned with the curriculum activity and should be viewed in totality following both the impact of the restructure and the annual 'transfer to permanency' exercise which shifts variable cost to established.

As noted above, pay award assumptions, previously 5%, now reflect the current and final offer made by College Employers Scotland of £2,000 and £1,500 per FTE for 2022-23 and 2023-24 respectively. This produces a net saving from budget of just over £100K.

During November, and with no advance warning, SPPA announced an increase in employer's pension contributions of 3%, to 26%, from April 2024. This will add approximately £450K per annum to teaching pay and increases this forecast by approximately £150K for the final four months of the year. Conversely, we have been advised that a reduction in LGPS contribution rates, arising from the triennial Tayside Pension Scheme as at 31 March 2023, is very likely. If confirmed this will go some way to off-set the increased costs of the teacher's scheme. Any change will be reflected in the half-yearly forecast.

As previously explained, a non-specific provision has been introduced for voluntary severance costs. It is currently included at a nominal £300K to highlight the fact that there appears a certain inevitability about reducing staffing levels if core funding is not increased. It may be necessary to increase this provision in future forecasts following a further financial planning process, but the full extent of saving required may not be known until we receive indicative funding allocations for 2024-25.

The performance metric 'Proportion of expenditure that is staff costs' is monitored. The latest forecast is unchanged at 76% when excluding VS and unfunded pensions, down from 77% last year. Historically the national average has been significantly lower.

7. Non Pay Costs

Non-pay costs are almost £10.9m, an increase of £318K.

In most cases, costs are only increasing because of additional funding. Property and ICT budgets are increasing in line with additional grant funding described above. In the case of the latter, a net reduction arises due to the absorption last year of accelerated expenditure relating to the network replacement project, saving £367K this year.

8. Subsidiary Company

Gardyne Theatre Limited was budgeted to break-even and this position is maintained in this forecast. The draft, unaudited, outturn for 2022-23 was a disappointing deficit of £21K. However, current year activity is more buoyant and a surplus of £5K has been achieved in the first quarter of this year.

9. Student Support Funding

SFC funding allocations are adequate but SAAS allocations for HE Discretionary funding has reduced this year. The College has assumed a similar level of funding and consequently is now over committed, potentially by approximately £40K. To avoid disadvantaging HE students and to safeguard enrolments, a decision was made to fund an overspend of up to £50K. It is hoped that this can be vired from other budgets and so no forecast adjustment has been made at this time.

10. Capital Expenditure

Currently, and as per usual, no capital expenditure is budgeted, with all property works presumed to be revenue in nature. Any expenditure deemed to be capital will, unless funded by third party sources, result in SFC's Capital & Maintenance grant being diverted. This will reduce revenue but should have no effect on operating position or cash. Funding for capital expenditure from non-government sources would be fully recognised in year of receipt but would also feature as a necessary adjustment to derive an Adjusted operating result.

The cash flow forecast includes estimated proceeds from the disposal of outreach centres at both Montrose and Kirriemuir. Little interest has been shown in Montrose since it has been offered for sale and marketing of Kirriemuir, jointly with Angus Council had stalled but it is hoped that it would be available soon.

11. Cash Flow Forecast

The current cash position, with balances at nearly £4.8m, is underpinned by an exceptionally high level of restricted funds. This is supplemented by cash set aside to settle the pay ward, with accumulated arrears of 14 months as at the end of October.

The anticipated cash balance at July 2024 is cautiously projected at £3.1m, up from £2.5m in the budget. Working capital movements are expected to be significantly negative this year given the high level of restricted cash, but the improved operating performance both in terms of last year's outturn and this year's forecast more than compensates.

12. Conclusion

This forecast reflects an improved operating position even after allowing for a new VS provision and we are pleased to note that, with the singular exception of VS, risk of material adverse deviation is considered to be low. Management recognise however that further improvements and efficiencies are required to achieve a truly sustainable position and will strive to do so whilst not underestimating the extent of the challenge within the current financial landscape.

13. Link to Strategic Risk Register

This report supports in mitigation the following risk identified within the Strategic Risk Register namely;

2.2 – failure to achieve institutional sustainability

Authors: Brian Ferguson, Head of Finance
Rhonda Bissett, Senior Management Accountant

Executive Sponsor: Steven Taylor, Vice Principal Support Services and Operations

Dundee and Angus College
Latest Forecast for the year to 31 July 2024
Risk Assessment of key volatile areas

Income/Expenditure Category	Latest Forecast £000's	Possible Cash		Controllable?	Adverse Risk Assessment			Comments and mitigations
		Favourable £000's	Adverse £000's		Likelihood £000's	Impact £000's	Overall £000's	
SFC Credit income	31,371	300	100	Controllable in terms of activity delivered but not fully in control of demand.	Low	Low	Low	Credit Guidance published by SFC provides additional flexibilities and combined with this year's lower target, substantially reduces exposure to potential clawback. Early modelling using current student data provides further reassurance that credit target will be achieved, although there remains some risk around January recruitment.
Other SFC grants	3,991	200	100	Provision of funding is uncontrollable but College can stimulate demand.	Low	Low	Low	Capital & Maintenance funding, awarded on an FY basis, accounts for 75% and includes an estimate for the final four months. Movement here will however likely be off-set by equivalent cost. Most other streams are confirmed with exception of FWDF which has been downgraded in forecast and activity suspended pending confirmation of this year's allocation.
Tuition Fees	3,411	100	100	Yes, in terms of marketing, recruitment delivery and retention but limited influence over demand.	Low	Low	Low	Student enrolment and retention is encouraging, reflected in an increased forecast, but managing SAAS cut-off for fees remains important.
Non-Core income	3,710	200	100	Partly, varies across such a disparate category ranging from apprentice income to Trust funding.	Low	Low	Low	This category contains a disparate range of activities. The most unpredictable elements in terms of gross movement are funding streams that will attract increased, often equivalent, marginal cost and so these are largely discounted in this assessment. Apprentice income, although increased, and vocational courses are prudently estimated and thus offer relatively more scope for improvement.
Catering & other income	2,095	100	100	Yes	Low	Low	Low	Forecasts tend to be comparatively stable and continued focus upon site based activities suggest that favourable movement is now more likely.
Total Pay (exc. VSS & unfunded pensions)	33,565	200	300	Largely yes but subject to pay and conditions negotiated centrally.	Low	Mid	Low	In most respects we now have more certainty following the restructure. The more detailed approach to pay budget aided by greater visibility of actual curriculum activity should ensure greater accuracy. Whilst there is little contingency imbedded in the forecast, equally there is no allowance for vacancy savings and so favourable movement may be just as likely. Whilst the pay award is not settled there must be risk of higher cost but we believe that this is low. The employer offer is final and the likelihood of this being revised for 22-23 and 23-24 in particular is believed to be remote. The possibility of lower pension contributions for support pay from April offers further potential for savings.
VSS	300	100	500	Yes	Mid	High	High	Whilst a notional provision has been included in this forecast, the possible adverse movement has been retained given costs incurred during each of the previous two years and indicative costings from the recent FFR to secure future savings. Any costs incurred before the end of the year are however likely to yield in-year savings.
Property cost	4,348	100	100	Yes, subject to inherent risks of the usual unpredictable factors exacerbated this year by exceptional price rises.	Low	Low	Low	Property works inherently attract some risk of overspend but this would be managed in-year with careful monitoring and works budgets adjusted accordingly as far as possible so mitigate risk of material over spend. Utility costs account for a large portion of this budget and heating in particular can be unpredictable, but we have price certainty until March 2024.
Non-pay costs excluding property	6,514	100	150	Yes, with limited exceptions, but inflationary pressures have increased risk of over spend.	Low	Low	Low	Departmental budgets are generally well controlled and the prospect of material unfunded over spend is unlikely. Inflationary pressures do increase risk however. Effective budget monitoring and sound procurement practices will provide further mitigations.

Dundee and Angus College
Latest Forecast for the year to 31 July 2024
Risk Assessment of key volatile areas

Income/Expenditure Category	Latest Forecast £000's	Possible Cash		Controllable?	Adverse Risk Assessment			Comments and mitigations
		Favourable £000's	Adverse £000's		Likelihood £000's	Impact £000's	Overall £000's	
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Dundee and Angus College
Management Accounts for the year to 31 July 2023
Summary Analysis - Income
Month 3, October 2023

	Prior Year	Month 3, October 2023			Full Year 2023/24		
	Actual	Budget	Actual	Variance from Budget	Budget	Forecast Q1	Variance from Budget
		£000's	£000's	£000's	£000's	£000's	£000's
Teaching Grant	30,987	7,843	7,843	0	0	31,371	31,371
SFC ESF Credits	189	-	-	-	-	-	-
SFC YPG 2022-23	190	-	-	-	-	-	-
SFC Capital & Maintenance grants	3,055	650	800	150	2,588	3,038	450
SFC Digital Poverty as capital	182	-	183	183	-	183	183
SFC-Flexible Workforce Dev. Fund	1,109	-	97	97	493	301	(192)
SFC-Reducing Child Poverty	125	-	-	-	-	-	-
SFC-Funding for Counsellors	116	-	-	-	-	80	80
SFC-ESP Funding	350	100	-	(100)	350	350	-
SFC - Access to sanitary products	23	6	-	(6)	23	23	-
SFC: EMA Admin grant	14	-	1	1	16	16	-
Other SFC grants	5,164	756	1,081	325	3,470	3,991	521
HE Full-time	1,525	1,421	1,533	112	1,421	1,554	133
HE Associates & collaborations	652	-	24	24	639	741	102
Part-time Fees	268	82	175	93	268	272	4
Commercial and Leisure	635	259	212	(47)	700	686	(14)
International Fees	162	174	150	(24)	174	158	(16)
Other fees	-	-	1	1	-	-	-
Tuition Fees	3,242	1,936	2,095	159	3,202	3,411	209
Commercial: Work-Based	255	82	114	32	180	180	-
Managing Agents	646	47	16	(31)	474	481	7
Skills Dev Scotland: MAs	696	45	119	74	450	520	70
SDS Foundation Apprentices L6	164	-	35	35	-	54	54
Other Public Sector contracts	23	6	5	(1)	40	30	(10)
Schools Senior Phase	162	-	-	-	162	162	-
Non-funded tuition	15	1	-	(1)	6	6	-
European Projects	49	-	-	-	-	-	-
Energy Skills Partnership (non-SFC)	282	64	141	77	258	251	(7)
SDS for MSIP	(2)	-	-	-	-	-	-
MSIP Management Fee	15	11	11	-	44	44	-
Northwood Trust	81	28	28	-	110	110	-
Seagreen funding	155	1	-	(1)	8	112	104
Tay City Deals	108	13	13	-	104	268	164
Multiply project (UKSPF)	-	-	159	159	-	417	417
MSIP Improvement Woks (UKSPF)	-	-	31	31	-	50	50
SportScotland - Active Sports	-	-	40	40	-	40	40
Government Energy Efficiency grants	-	100	91	(9)	643	643	-
Misc. grants, funding and sponsorships	26	75	-	(75)	302	57	(245)
Other grants - ESP	7	-	-	-	270	270	-
Other misc. income	21	1	-	(1)	15	15	-
Non-Core income	2,703	474	803	329	3,066	3,710	644
Consultancy	40	-	-	-	-	-	-
Catering	903	247	234	(13)	1,033	935	(98)
Training Restaurants	37	5	1	(4)	40	40	-
Nursery	192	37	27	(10)	220	220	-
Retail shops	1	-	-	-	-	-	-
Salon revenues	24	5	4	(1)	40	28	(12)
Gardyne Sport facilities	264	60	64	4	234	268	34
General Lets hire of space	94	23	21	(2)	96	105	9
Staff secondments	21	-	1	1	13	13	-
Support cost grants	132	5	-	(5)	120	120	-
GTL revenue from LTO and SLA	20	5	3	(2)	20	20	-
Library charges	18	2	-	(2)	12	12	-
Photocopy charges	3	1	1	-	4	4	-
Sale of materials, produce, scrap etc.	68	8	14	6	20	20	-
Biomass RHI & EDEFE FIT charges	37	10	7	(3)	52	52	-
Wage Subsidy/CIRS	133	20	34	14	115	149	34
Insurance Claims	4	-	-	-	-	-	-
Thrive@D&A Donations	38	-	-	-	-	-	-
Bank Interest	53	10	23	13	25	60	35
Other misc.	68	10	8	(2)	49	49	-
Catering & other income	2,150	448	442	(6)	2,093	2,095	2

Dundee and Angus College
Management Accounts for the year to 31 July 2023
Summary Analysis - Expenditure
Month 3, October 2023

	Prior Year	Month 3, October 2023			Full Year 2023/24		
	Actual	Budget	Actual	Variance from Budget	Budget	Forecast Q1	Variance from Budget
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Mileage	111	19	18	1	111	125	(14)
Travel & Accommodation	29	4	3	1	30	30	-
Overseas Travel	2	-	-	-	-	-	-
Staff welfare and other expenses	21	4	2	2	24	24	-
Recruitment	3	-	-	-	4	4	-
Organisational Development	124	59	36	23	130	130	-
Staff related costs	290	86	59	27	299	313	(14)
Course Consumables etc.	378	125	130	(5)	354	359	(5)
Project Materials, Equipment etc.	111	2	-	2	72	143	(71)
Catering supplies	574	129	105	24	575	476	99
Library	29	8	4	4	32	32	-
Stationery & Printing	15	5	3	2	22	21	1
Equipment purchase & maintenance	265	62	53	9	265	269	(4)
Other misc.	38	10	10	-	266	266	-
Consumables and Equipment	1,410	341	305	36	1,586	1,566	20
SQA Fees	453	10	9	1	447	447	-
Other fees	168	78	94	(16)	180	180	-
Accred/Regn/Assess/Verification	105	18	14	4	113	121	(8)
Exam Fees	726	106	117	(11)	740	748	(8)
Residentials, travel etc.	26	3	3	0	28	29	(1)
Foundation Apprentice travel	-	-	-	-	-	-	-
Student placement costs	6	1	0	1	6	6	-
Student Counselling	23	5	7	(2)	21	21	-
Student Support costs	31	7	7	-	30	30	-
Student Bursary materials	-	-	50	(50)	-	-	-
Miscellaneous costs (inc.PVG)	85	20	27	(7)	75	73	2
Student related costs	171	36	94	(58)	160	159	1
Maintenance, high priority works, etc.	1,567	316	517	(201)	1,765	2,176	(411)
Building rentals and rates	324	92	95	(3)	378	378	-
Utilities	1,383	340	330	10	1,575	1,575	-
Cleaning, waste management etc.	204	37	37	-	160	161	(1)
Transport costs	87	6	10	(4)	33	33	-
Health & Safety costs	20	3	1	2	10	10	-
Other	16	2	2	-	14	15	(1)
Property Cost	3,601	796	992	(196)	3,935	4,348	(413)
ICT hardware, software, etc.	976	415	427	(12)	1,087	907	180
ICT Maintenance & Licences	625	153	168	(15)	612	612	-
Web Development	8	2	-	2	15	15	-
Telephony & data line rentals	74	21	32	(11)	79	90	(11)
ICT & Telephony	1,683	591	627	(36)	1,793	1,624	169
Consultancy (inc.projects)	26	5	1	4	22	22	-
Audit Services	60	16	-	16	66	66	-
Bad Debts and collection fees	(43)	8	-	8	30	30	-
Legal & other professional fees	41	9	4	5	73	73	-
Professional fees	84	38	5	33	191	191	-
Photocopying, copyright & postage	98	38	39	(1)	114	114	-
Sponsorship, subscriptions, Licences	121	32	35	(3)	127	130	(3)
Hospitality and events	57	5	8	(3)	40	42	(2)
Miscellaneous and other	26	3	5	(2)	16	17	(1)
General Overheads	302	78	87	(9)	297	303	(6)

Dundee and Angus College

Management Accounts for the year to 31 July 2023

Cash Flow Forecast

Month 3, October 2023

	2022/23	Full Year 2023/24		
	Actual	Actual	Budget - year	Q1 Forecast - year
	£000's	£000's	£000's	£000's
Cash backed surplus/(deficit)	(553)	1,527	(15)	131
Loan repayment	(457)	(457)	(457)	(457)
Capital Expenditure	675	-	-	-
Capital funding	(675)	-	-	-
Asset Disposals		-	260	260
Working capital movements	294	(1,814)	(200)	(2,400)
Net Movement in cash balances	(716)	(744)	(412)	(2,466)
Opening cash balances	6,248	5,532	2,979	5,532
Closing cash balances	5,532	4,788	2,567	3,066

Note

We hold restricted cash funds of £4.4m at 31 October 2023 (£2.9m at 31 July 2023), with an accrued provision for pay award representing a substantial portion.

BOARD OF MANAGEMENT

Tuesday 12 December 2023



GOVERNANCE ITEMS

13.1- MEMBERSHIP UPDATE

PAPER K

BOARD OF MANAGEMENT

Tuesday 12 December 2023

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.

A list of current board members is included as Appendix A.

The Scottish Government has now signed the draft order laid before parliament to include academic and support trade union nominated members of boards of management. This order will increase the minimum and maximum membership to 17 and 20 respectively. This order will come into effect on 31 January 2024.

3 Support Staff Board Member

Following the expiry of the period of office for Sam Stirling on 30 September 2023, we can confirm that Matthew Beattie has been elected as Support staff Board Member in October 2023. Board members have already endorsed this membership.

4 Union Nominated Board Members

As outlined above, the Scottish Government has confirmed arrangements for the addition of two union nominated members of college boards with effect from 31 January 2024. These members (one nominated by recognised academic union(s) and one nominated by recognised support union(s)) will be confirmed through nationally approved nomination (and election if required) processes.

Arrangements for these nominations are underway and will be finalised and progressed once the revised legislation is in place at the end of January 2024 for implementation by 31 March 2024.

As these arrangements will amend the number and designation of board members, they will have an impact on the Articles of Governance and Governance Manual operated by the Board.

To ensure that all arrangements remain compliant, the following updates are proposed.

- Update all current references to 'elected staff member of the board' to 'elected staff and trade union nominated members of the board'.
- Update reference to the composition of the board to include union nominated members, and update all references to the minimum and maximum membership from 15 to 18 by replacing with 17 and 20 respectively.
- Update the indicative membership of each Board Committee to reflect the introduction of trade union nominated board members whilst also maintaining the principle of having a minimum of 50% membership by 'ordinary' Board Members.

An updated copy of the Articles of Governance and Governance Manual will be shared with all Board members and published on the College website.

5 D&A Foundation Trustee Nominee

As part of the arrangements in place with the D&A Foundation, the Board of Management may nominate one of its members to be a Trustee of the Foundation. Following discussions in respect of volunteers for this role, Brian Lawrie has been put forward and Board members are asked to formally endorse this nomination.

6 Approvals

In summary, approval is sought for the following:

- Endorsement of the nomination of Brian Lawrie as Trustee of the D&A Foundation.
- Noting arrangements for the nomination and election of trade union nominated Board Members.
- Endorsement of the changes to the Articles of Governance and Governance Manual as proposed.

7 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:

- 3.2** Failure to achieve/maintain compliance arrangements, e.g. contracts; awarding bodies; audit.

Author and Executive Sponsor: Steve Taylor, Vice Principal

Board of Management Membership and Skills Mix as at December 2023

Name	Appointment	Member Until	Profession/Specialism
1. Laurie O'Donnell	Regional Chair July 2022	Scottish Government Appointment until 10/07/2026	Learning & Teaching, Digital, Management
2. Margo Williamson	Vice Chair June 2021	31/05/2025	Public Service Management, Education, Learning & Teaching
3. Donna Fordyce	April 2017	31/04/2025	Economic Development/ Enterprise, Fisheries, Retail Management
4. Helen Honeyman	January 2019	31/12/2026	Risk, Governance, HR Management
5. Donald Mackenzie	April 2019	31/03/2027	HR & OD, Corporate Communications, Management
6. Neil Lowden	January 2019	31/12/2026	Educational Management, Learning & Teaching, Educational Policy
7. Kevin Ditcham*	April 2021	31/03/2025	Community Learning & Engagement, Management, Third Sector
8. Sally Middleton*	June 2021	31/05/2025	HE Learning & Teaching, Management, Access & Articulation
9. Brian Lawrie*	May 2022	31/04/2026	Finance, Public Service Management
10. Roy McLellan*	May 2022	31/04/2026	Business, Management, Enterprise
11. Jackie Buchanan*	February 2023	31/01/2027	Public Service Management, Legal, Governance & Procurement
12. Carri Cusick*	April 2023	30/04/2027	Economic Development/ Enterprise, Digital, Management
13. Daniel Rosie*	May 2023	31/05/2027	Marketing, Promotions, PR, Enterprise, Management
14. Simon Hewitt	August 2020	--	Principal
15. Matthew Beattie	November 2023	31/10/2027	Non-Teaching Staff Member
16. Derek Smith	April 2023	31/03/2027	Teaching Staff Member
17.			Teaching staff union nominee
18.			Non-teaching staff union nominee
19. Colin Ogilvie	August 2023	31/08/2024	Student Member
20. Fatima Khan	September 2023	31/08/2024	Student Member

* eligible for reappointment

BOARD OF MANAGEMENT

Tuesday 12 December 2023



GOVERNANCE ITEMS

13.2- BOARD METRICS

PAPER L

BOARD OF MANAGEMENT

Tuesday 12 December 2023

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

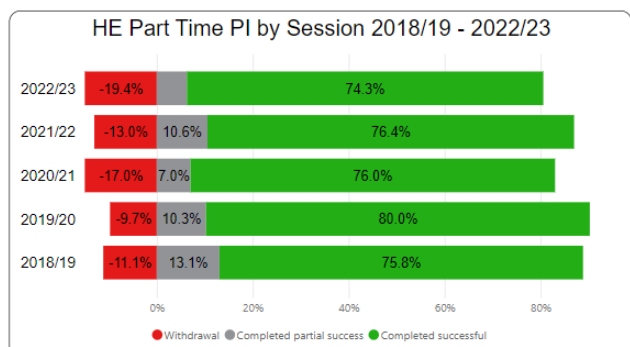
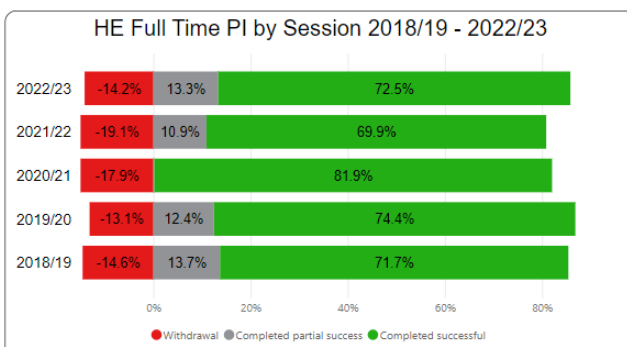
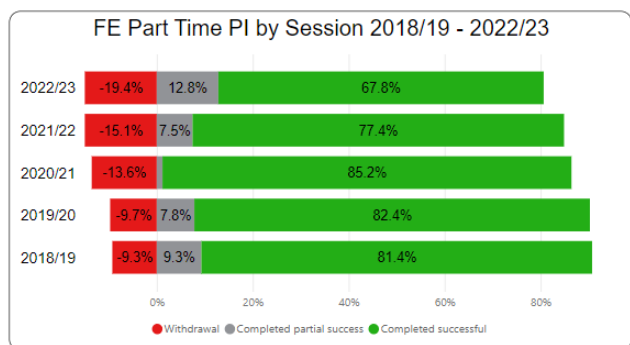
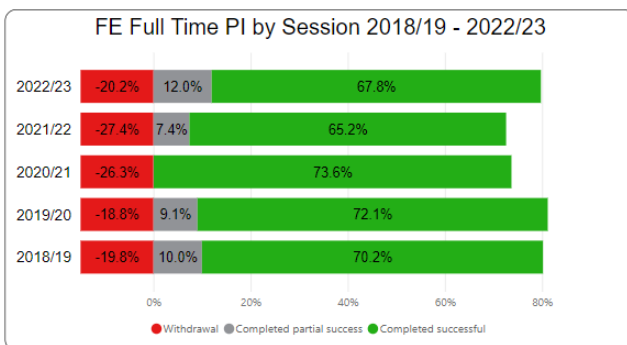
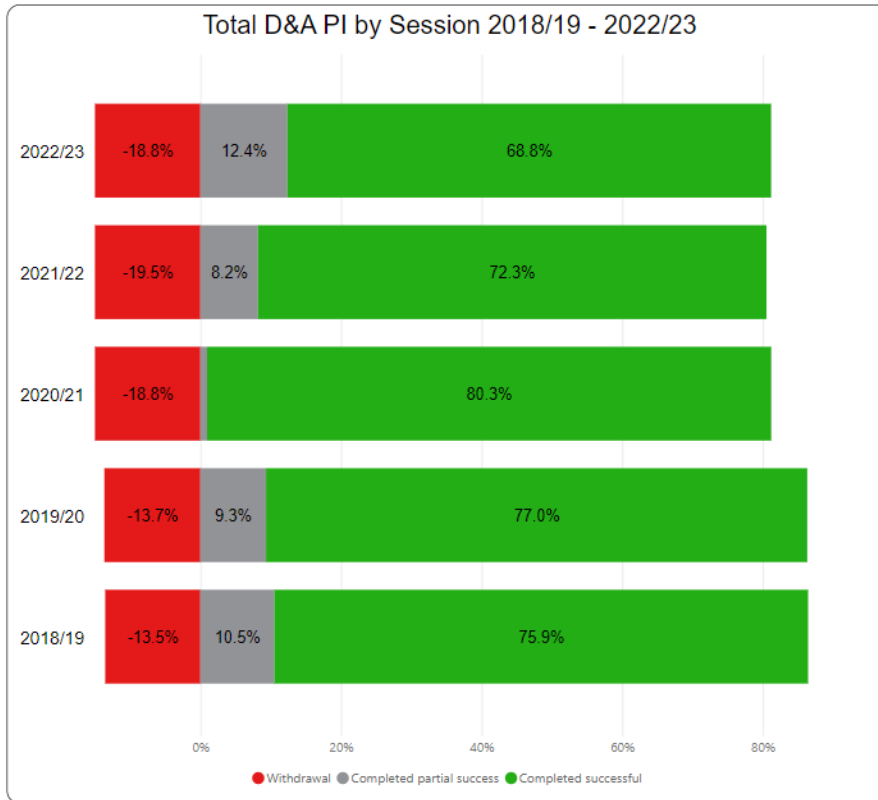
Information in this report is intended to provide Board members with reassurance that actions and activities are being progressed and addressed that support the mitigation of a range of risks identified within the Strategic Risk Register namely;

- 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

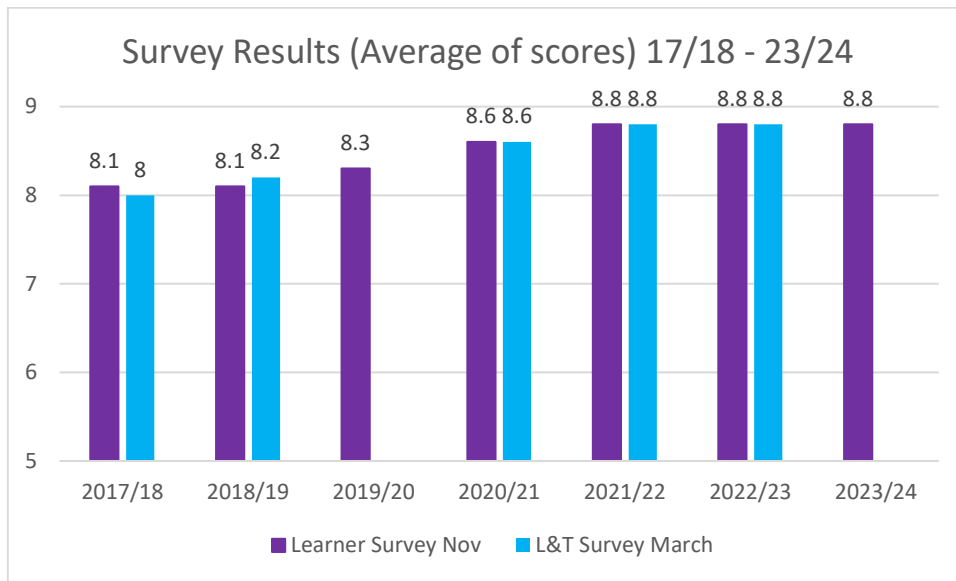
Author Colin Lynagh, Business Intelligence Officer
Executive Sponsor: Steve Taylor, Vice Principal

Performance Indicators

The 2022/23 PI's noted below remain provisional.



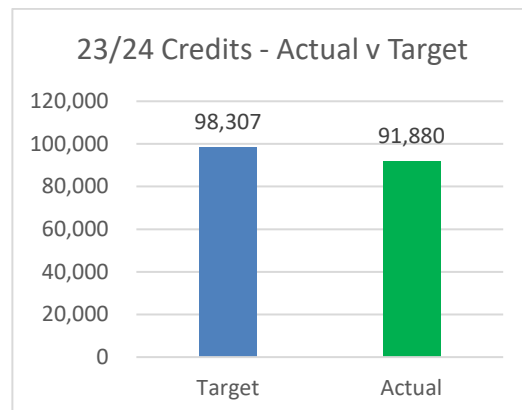
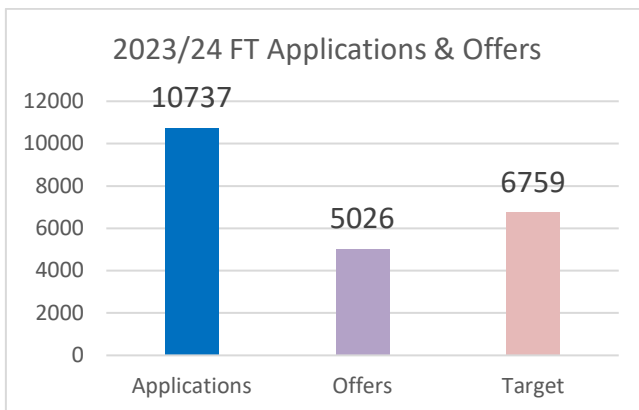
Student Survey Results



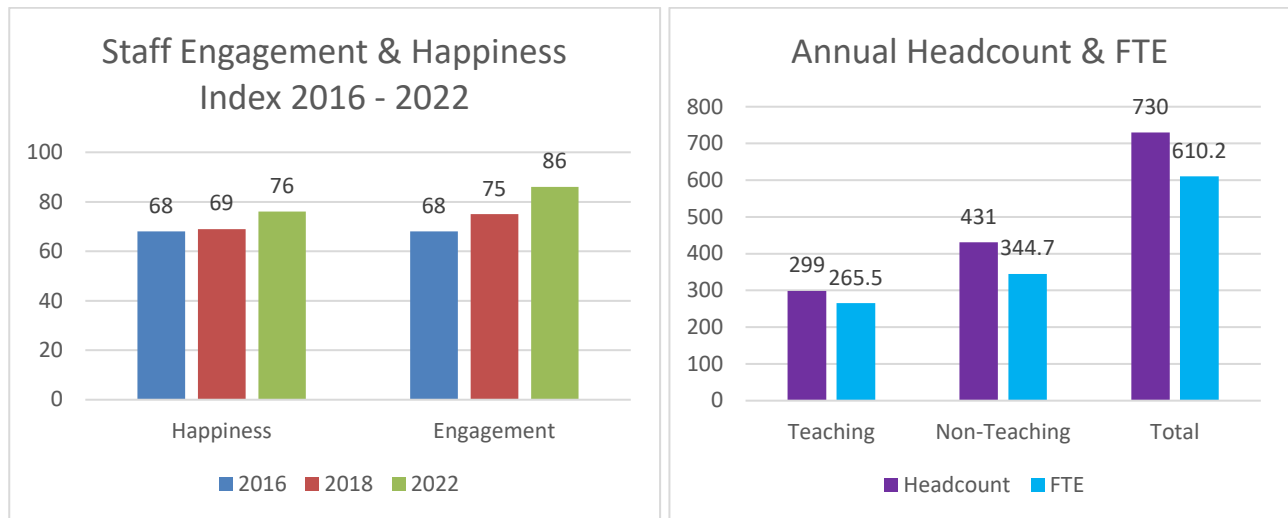
Note: The 2019/20 L&T Survey was not completed. The Learner Survey is now scored out of 5 but the results are scaled up to be consistent with prior years. The overall 2023/24 Autumn survey score was 8.8 (4.4 out of 5).

SFC Student Satisfaction & Engagement Survey – Positive response rate

	D&A	National
Overall Satisfaction 2020/21	92.4%	85.9%
Overall Satisfaction 2021/22	96.3%	90.2%
Overall Satisfaction 2022/23	96.7%	93.4%



Staff – Engagement and Happiness Index, FTE & Headcount and Absence

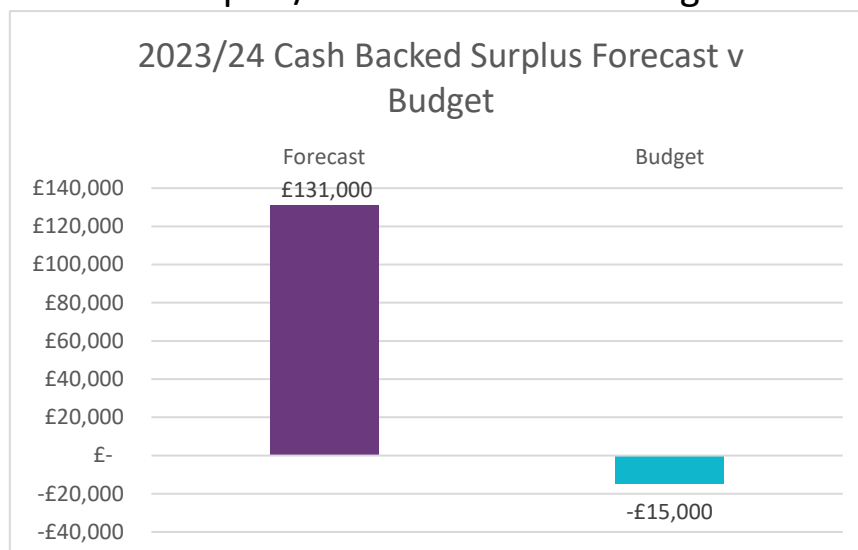


	Staff Absence Rolling Year to 26/10/23	Staff Absence Rolling Year to 31/07/23
Average working days lost per headcount	9.21 days*	7.98 days
Working time lost	5.27%*	3.07%
Comparison with sector/national rates	3.3% (2.6% CIPD 2020)	
UK All Sector rate (CIPD 2016)	3.4%	
UK Public Sector rate (Unison 2016)		

*As reported to the HR&D Committee, the staff absence rolling year figures and the long-term absences (including stress related absences) have been inflated due to an element of double counting arising from the transition from Hydrogen to ITrent. The reports from both systems for the month of August vary and it has not been possible to identify the variances without incurring significant individual checking.

Absence management and reporting launched on the 1st of September and Hydrogen will not be referred to for future papers however August's impacts may affect the remainder of the rolling year (this will be reviewed further as staff time allows).

Finance – Surplus/Deficit v Planned Budget out-turn



	2023/24	2022/23
RIDDOR – Reportable Accidents	1	4

2022/23	Completed	Planned
Audits Completed v Planned	7	7

BOARD OF MANAGEMENT

Tuesday 12 December 2023



MINUTES OF COMMITTEE MEETINGS

PAPER M

14.1 LEARNING, TEACHING & QUALITY- 1 NOVEMBER 2023

14.2 HUMAN RESOURCES & DEVELOPMENT- 9 NOVEMBER 2023

14.3 AUDIT & RISK- 5 DECEMBER 2023

14.4 JOINT AUDIT & RISK AND FINANCE & PROPERTY- 5 DEC 2023

14.5 FINANCE & PROPERTY- 5 DECEMBER 2023

BOARD OF MANAGEMENT



Learning, Teaching and Quality Committee Wednesday 1 November 2023

Draft

Minute of the Learning, Teaching and Quality Committee meeting held on Wednesday 1 November 2023 at 5.00pm in Room A625 Kingsway campus and via Microsoft Teams.

PRESENT:

N Lowden	S Hewitt
K Ditcham	M Beattie
M Williamson	D Fordyce

IN ATTENDANCE: S Taylor (Vice Principal / Secretary to the Board)
J Grace (Vice Principal Curriculum & Attainment)
J Roscoe & S Toms (Directors of Curriculum and Partnerships)
K Baxter (Learner Engagement & Community Partnerships Manager)
A Monks (DASA Team Leader)
P Muir (Board Administrator)

1. WELCOME

N Lowden welcomed Committee members and welcomed M Beattie to his first Learning, Teaching & Quality Committee meeting.

2. APOLOGIES

Apologies were received from L O'Donnell, S Middleton, D Smith, C Ogilvie, H Honeyman, F Khan, L Crichton, and L Lappin.

3. DECLARATIONS OF INTEREST & CONNECTION

There were no declarations of interest or connection.

4. MINUTE OF THE PREVIOUS MEETING

The minute of the meeting held on Wednesday 13 September 2023 was approved as an accurate record.

5. MATTERS ARISING

There were no matters arising.

6. CURRICULUM REPORT – COLLEGE COMMUNITY COLLABORATIVE & CREATING SUPPORTED PATHWAYS INTO COLLEGE

N Lowden welcomed K Baxter to the meeting.

K Baxter presented her College Community Collaborative (CCC) report. She highlighted the commitment of Dundee & Angus (D&A) College to individuals who have encountered barriers to the conventional pathways to learning.

K Baxter highlighted the ever-increasing network of c40 partners who have fostered inclusive and empowering learning experiences for individuals from our communities. K Baxter noted having a presence in these third sector organisations has allowed more engagement with students; utilising appropriate community partners to nurture and empower learners and support enhanced transition pre-college.

K Baxter highlighted that Dundee & Angus College Community Collaborative (CCC) has developed innovative and creative approaches to engage, support, and empower community learners through embracing the power of Service Design. Thirteen outcomes were agreed to strengthen the partnership working and provide better outcomes for our young people. To fulfil the outcomes, it was agreed that meetings would be held every quarter to work through a packed agenda, tailoring the journey to each person.

K Baxter explained that by widening the access, and working in collaboration with the community, more than 150 young people are studying full-time college courses, 39 have secured employment, 18 are pursuing further training, and 2 have progressed to university. The commitment offered and provided to these individuals has engaged and empowered them to embark on their own D&A College journey despite the challenges of the post-Covid landscape.

D Fordyce commended the report and the ongoing story of young people making a difference within Dundee & Angus College. D Fordyce asked if there were any gaps that made these journeys more difficult or were hampering progress. K Baxter noted that the funding had created new pathways for students, however, this was time limited, and the model used did not fit well within the normal credit-based funding system.

S Hewitt highlighted how Dundee & Angus College were using mixed funding to support the work and stated that there are ongoing discussions with the funding council around the credit-based funding model to better support different types of provision.

M Williamson asked if there is anything more the Community Planning Partnerships can do. K Baxter stated that there were good links with the employability forum, but that funding was always a challenge. J Grace confirmed that the funding was restricted, with this often very focused directly on employment outcomes, rather than study.

K Ditcham queried how the local community partnerships work, and if this is reflected in the Community Learning & Development plans in each area? K Baxter highlighted the recent HMI inspection of CLD which highlighted the value in the work being undertaken.

K Baxter noted that the team were cautious of not over promoting the work they do as they are a small team and don't have the capacity. K Baxter also highlighted the benefit achieved from the Northwood Trust funding, which would support the work through until the end of March 2024, with discussions around future potential funding. S Taylor highlighted the fragmented funding across all of the child poverty and related service and outlined work the College was trying to progress to better align shorter programmes with the third sector to fit into the College recruitment cycle, maximising partnership working and seeking to minimize gaps in provision.

N Lowden praised the report and highlighted how essential work of this type was.

7. STUDENTS' ASSOCIATION REPORT

A Monks presented this report given the absence of C Ogilvy and F Kahn. She stated there has been a recruitment of over 240 class reps from every department with over 185 class reps already fully trained.

A Monks highlighted the success of the DASA induction video which gave students an insight into D&A College, A Monks stated it worked well, with just under 400 individual students engaging with the quiz and 280 classes engaged as a group.

A Monks emphasised the success of the Feedback Friday - utilizing the My D&A Life App to all students. Feedback shared with relevant teams and any issues flagged and action taken/questions answered.

The Students Association Team are continuing their initiatives under the Thrive Project to support students and staff. Breakfast clubs have reopened to students, in the hope of expanding these times more frequently during the week.

N Lowden praised the Students Association report and thanked Amy Monks for her input to the 10th anniversary dinner the previous evening. N Lowden also praised the students' association and their continuous, never-ending hard work and achievement over three campuses.

8. CURRICULUM & PARTNERSHIPS REPORT

J Grace presented the report for noting.

Figures for full-time course recruitment have remained similar to figures of 2022-23. Early retention is more positive than at the same point last year with support services continuing to provide personal phone calls to support students to return to College.

J Grace highlighted the official launch of 'The Skills Academy' in partnership with Dundee and Angus College and Michelin Scotland Innovation Parc was held on 24 October 2023. The event was well-attended with just under 200 people from industry, public and education sectors in attendance.

J Grace highlighted the positive work of the NHS Tayside collaboration, highlighting the new initiative: the implementation of a Professional Development Award (PDA) in Acute and Community Care. This PDA is tailored for Healthcare Support Workers operating in various departments within NHS Tayside. Its primary aim is to upskill their existing expertise and competencies and enable them to advance to a Band 4 Assistant Practitioner position.

The first cohort, celebrating the successful completion of the award in August, saw 35 newly qualified assistant practitioners, now actively serving in both community and mental health, as well as acute care units across NHS Tayside.

J Grace highlighted the success of prize-giving and graduation.

The report was praised and welcomed by the Committee.

9. STRATEGIC RISK REGISTER

The strategic risk register was noted, although there were changes made, there were no immediate impact on the Learning, Teaching and Quality Committee and no changes proposed to the risks allocated to the Committee.

10. LT&Q METRICS

The range of LT&Q metrics were noted.

S Taylor highlighted that the 2022/23 performance indicators were almost finalised (as they had been delayed by the resulting boycott) and suggested that an update to the metrics be issued, rather than wait until the next meeting. This was agreed. **S Taylor to progress.**

11. DATE OF NEXT MEETING

Wednesday 7 February 2024 at 5.00pm in room A625 Kingsway campus.

Action Point Summary

Action

Circulate update of LT&Q metrics

Responsibility

Date

S Taylor

17 November 2023

BOARD OF MANAGEMENT

Human Resources and Development Committee



Thursday 9 November 2023

Draft

Minute of the Human Resources and Development Committee meeting held on Thursday 9 November 2023 at 5.00pm, in Room A625, Kingsway Campus.

PRESENT:

N Lowden	D Smith
B Lawrie	S Hewitt
K Ditcham	M Beattie
C Cusick	

IN ATTENDANCE: S Taylor (Vice Principal / Secretary to the Board) P Muir (Board Administrator)
J Grace (Vice Principal Curriculum & Attainment) K Buchan (HR Manager)
B Grace (Head of Estates)

1. WELCOME

N Lowden noted that he was chairing the meeting in the absence of D Mackenzie and welcomed committee members and welcomed M Beattie to his first Human Resources and Development Committee.

2. APOLOGIES

Apologies were received from D Mackenzie, J Carnegie, J Buchanan, and D Rosie.

3. DECLARATIONS OF CONNECTION & INTEREST

There were no declarations of interest or connection.

4. MINUTE OF THE PREVIOUS MEETING

The minute of the meeting held on Thursday 7 September 2023 was approved as an accurate record.

5. MATTERS ARISING

There were no matters arising.

6. PEOPLE AND PERFORMANCE REPORT

S Taylor summarised and highlighted the final elements of the College savings plan and how they have progressed decisions in respect of the remaining pending applications have been made as final staffing and structure changes are progressed.

This has resulted in two further Voluntary Severance (VS) applications being progressed since the last meeting, bringing the total VS savings achieved to c£2.1 million at an estimated VS cost of c£976k.

Given the on-going need for savings, it is proposed that the voluntary severance scheme will reopen again in late 2023 through to early 2024. This would be on an enabling basis, with no specific savings targets or areas to be reduced.

B Lawrie asked if the number of future VS applications could be a concern given recent schemes and asked about the ability to fund future VS. S Taylor noted that as an enabling scheme there were no specific targets, so no specific level of interest was needed. It was noted that future funding of VS was challenging as cash reserved diminished, however, this will continue to be monitored. The scheme generated savings, so was a necessary step going forward.

S Taylor highlighted the Scottish Government is in the process of amending legislation to create the roles of Trade Union Nominated Board Members for Colleges. This new legislation has been delayed slightly by the government and was expected to be approved around the end of January 2024.

S Taylor noted the developments in the iTrent HR/Payroll system and noted that these changes should support better reporting. As part of this transition, it is proposed that the current structure and format of the HR metrics provided to the HR Committee will be reviewed and any changes brought forward to a future meeting, probably in May 2024. As part of this development, it is anticipated that clearer data will be able to be provided on a basis that requires significantly less manual manipulation. A proposal in respect of planned changes will be brought forward to the Committee once finalised.

S Taylor highlighted the ten-year anniversary for Dundee & Angus College and the recognition of its success.

N Lowden thanked S Taylor for the report.

7. NATIONAL BARGAINING

S Taylor highlighted the paper, summarising recent developments around a range of national bargaining points. Following conclusion of the 2021/2022 academic and support staff negotiations, arrangements were progressed in respect of the 2022/2023 and then 2023/2024 settlements (effective from 1 September 2022 and 1 September 2023 respectively). This offer equates to almost 10% at the lowest academic salary point. Despite on-going national discussions, no settlements have yet been reached and details around the current situation for each staff group are summarised below.

Negotiations for the 2022/23 and 2023/24 academic staff salary settlements remained difficult, with a final offer of £2000 for 2022/23 and £1500 for 2023/24 on all salary points being rejected and ballots on industrial action returning a majority vote. Notification of planned action consisting of a 'work to rule' and action to withhold student results was enacted for Academic Staff from 2 May 2023 with some staff taking part in this action and work was undertaken to minimise the impact (particularly of the resulting boycott) on student progression. Strike action by academic staff was confirmed, with strikes undertaken on 7 and 21 September 2023 and on 2,3 and 4 October 2023. The College remained open on these dates with c30% of academic staff involved in the action and steps were taken to minimise disruption to learning.

Action by support staff on 7 and 21 September 2023 and on 4 October 2023 had resulted in c14% of support staff being on strike.

S Taylor reported further national discussions and the intervention of the Minister, it was proposed that a three-year deal to be considered (2021/22, 2022/23 and 2023/24) with an offer of £1500 on all salary points being made for year 3 alongside the £2000 and £1500 offers for years 1 and 2. This had been rejected by EIS/FELA and Unison, with a counter offer of £8000 being made by EIS/FELA. Discussion in respect of the year 3 settlements are ongoing with no immediate signs of a resolution being imminent.

It has been advised nationally that a further EIS/FELA ballot on strike and action short of strike action is likely to be announced in the near future. Assuming this meets the required threshold then further action would be likely to be announced at some point in the new year. A further ballot by Unison was already underway.

Alongside discussion on pay, dispute has also arisen, and discussions are ongoing for a national sector wide guarantee on no compulsory redundancies.

S Taylor highlighted the National Job Evaluation, with work continuing to progress slowly. Concerns have been reported to support unions nationally regarding the accuracy and validity of the job evaluation outcomes created and concern exists that this data (as of September 2018) is reaching a point where it may be too out of date to be reasonably used to inform job evaluation outcomes.

Alongside these issues, concerns also exist around the availability and security of SFC funding that has been ringfenced since 2018 to support the costs of moving to a new pay and grading system. The substantial funds nationally (c£61million) and the current funding crisis across the public sector present a greater risk around: retention, the agreement, and access to these funds.

Brian Lawrie asked about the value to the College of the funds held by SFC to support the implementation of national job evaluation. These amount to £676k per year and are backdated to 1 September 2018 so amounted to £3.3million at 31 August 2023. These funds are held by SFC (not the College) and would be allocated on implementation of the project with the final arrangements and methodology for this not yet known.

S Taylor noted that National Policy discussions were ongoing. These policies have proven to be challenging with only one policy having been agreed- National Menopause Policy. K Buchan highlighted that the Discipline and Grievance policy is currently sitting with the union, and it was hoped that these would be agreed without too much delay.

The report was welcomed by the Committee.

8. HEALTH & SAFETY ANNUAL REPORT

B Grace highlighted the Health & Safety Annual Report. He stated the ongoing mandatory training is held through EduCare/TES Institute which is the current Mandatory Training Provider for the College. Training has moved into reoccurring 'themed years' with different health and safety themes covered within the mandatory training. This will then form the basis of the ongoing update of mandatory training across the College for all staff, subject to Estates Monthly Monitoring procedure.

Further to the ongoing review of Fire Risk Assessment Procedures within all campuses, it was identified that (with the expansion of hybrid working) there were possible gaps in the availability of staff on campuses to perform the roles of Fire Reporting Officer, Fire Warden, trained Evac Chair operator during an emergency evacuation. To address this, a draft Fire Emergency Evacuation Procedure proposal has been developed with new procedures supported by the placement of 75 new EES boards (Evacuation Emergency Stations) within all 3 campuses.

B Grace reported that Fire evacuation drills were successful and carried out on all three campuses with buildings efficiently evacuated. The arrangements in place had also been identified as good practice by the fire service.

B Grace highlighted the success of the audit undertaken by Henderson Loggie during the early months of 2023. The final report was positive; various strengths demonstrated with two minor recommendations identified, which have been implemented and closed out.

B Grace highlighted the Estates team have managed to successfully secure additional funding to upgrade all current fire alarm systems within the college to the new multi-sensor fire alarms, this allows direct contact and a response to the fire service.

D Smith noted that the volume of the fire alarm was quite low in some areas. B Grace stated he will investigate this and adjust the volume accordingly.

N Lowden praised the report, the developments taking place and the clear and structured approach to these.

9. STRATEGIC RISK REGISTER

S Taylor highlighted that no changes were proposed in respect of the risks allocated to the Human Resource and Development Committee.

The paper was approved.

10. HR METRICS

S Taylor highlighted the HR metrics to the Committee, discussing the FTE and headcount data. This data is easier to gather, giving a more accurate record of staffing data each time.

S Taylor noted that there was an error within the staff absence data arising from double counting due to the transition from Hydrogen to iTrent systems. It was noted that this could be corrected, but would require significant manual intervention to do so. S Taylor asked if the Committee were comfortable to leave this data as it was and transition to the new data. This was agreed and S Taylor and K Buchan assured the Committee that the absence figure differences would rectify over time. Following discussion the Committee confirmed unanimous approval for this approach to be taken.

11. MEETING MINUTES/UPDATES

Updates from the Joint Consultative Committee and Health, safety and wellbeing Committee were noted with interest.

12. Date of Next Meeting

Thursday 15 February 2024 at 5.00pm in room A625, Kingsway Campus.

Action Point Summary

Action	Responsibility	Date
No action points noted		

BOARD OF MANAGEMENT

Tuesday 12 December 2023



CORRESPONDENCE

PAPER N

BOARD OF MANAGEMENT
Tuesday 12 December 2023



Correspondence – SFC Communications

Paper N for information

<p>Reports and Publications Listing</p>	
<p><u>Childcare Policy 2023-24</u> Publication Type: Guidance, Reports and publications SFC/GD/16/2023 Date: 30/10/2023</p>	<p>This guidance sets out the conditions for use of Childcare funds for FE/HE college students in Academic Year 2023-24</p>
<p><u>College Foundation Apprenticeship places 2023-24</u> Publication Type: Guidance, Reports and publications SFC/GD/30/2023 Date: 10/11/2023</p>	<p>Guidance for colleges on the delivery of Foundation Apprenticeships in the Academic Year (AY) 2023-24.</p>
<p><u>Education Maintenance Allowance Guidance 2023-24</u> Publication Type: Guidance, Reports and publications SFC/GD/31/2023 Date: 21/11/2023</p>	<p>Guidance on the Education Maintenance Allowance (EMA) programme for colleges in the Academic Year 2023-24</p>
<p><u>In-year management of student support allocations 2023-24</u> Publication Type: Calls for Information, Reports and publications SFC/CI/05/2023 Date: 23/11/2023</p>	<p>Invitation to colleges to relinquish unspent student support funds or request an increase to their support funding allocations for AY 2023-24.</p>
<p><u>College Financial Statements and Returns 2022-23</u> Publication Type: Calls for Information, Reports and publications SFC/CI/06/2023 Date: 24/11/2023</p>	<p>This Call for Information requests copies of audited 2022-23 financial statements and associated supporting information.</p>
<p><u>College Leaver Destinations 2021-22</u> Publication Type: Reports and publications, Statistical publications SFC/ST/08/2023 Date: 28/11/2023</p>	<p>To inform stakeholders of the publication of the 2021-22 College Leaver Destinations measurements.</p>
<p><u>Student Satisfaction and Engagement Survey 2022-23</u> Publication Type: Reports and publications, Statistical publications SFC/ST/07/2023 Date: 29/11/2023</p>	<p>To inform stakeholders of the publication of the college 2022-23 Student Satisfaction and Engagement Survey outcomes.</p>

Further details on the above Communications can be accessed via:

<http://www.sfc.ac.uk/publications-statistics/sector-communications.aspx>

Author: Penny Muir (Board Administrator)
Executive Sponsor: Steve Taylor, Vice Principal

BOARD OF MANAGEMENT

Tuesday 12 December 2023



DATE OF NEXT MEETING

**Tuesday 12 March 2024 at 5.00pm, in Room A605, Kingsway campus
and hybrid on MS Teams**