

Board Meeting

Date of Meeting	Monday 29 January 2024
Paper Title	Committee Annual Reports to Board
Agenda Item	15
Paper Number	BM2-K
Responsible Officer	Board Secretary
Recommended Status	Disclosable
Action	For Noting

1. Executive Summary

1.1. Committee Annual Reports are presented for the Board's attention.

2. Recommendations

2.1 The Board is invited to **note** the reports provided by the Audit & Assurance Committee and Performance & Resources Committee.

3. Introduction

- 3.1.** All committees submit their annual reports to the Board at this time of year as part of the annual review and evaluation process.
- 3.2.** Performance & Resources Committee undertook its annual review on 13 December 2023 and Audit & Assurance Committee did so on 16 January 2024. Nominations & Remuneration Committee deferred its review to its next meeting in March, so that report will be submitted to the April meeting of the Board.
- 3.3.** The reports provide a summary of meetings, membership and attendance, together with an outline of business conducted under headings aligned to the committees' terms of reference and, where appropriate, decisions made over the course of the year.
- 3.4.** As part of their evaluation process, Committees consider whether there are any changes to their terms of reference that they would recommend to the Board. Neither committee has made any such recommendations this year.

4. Risk & Compliance Analysis

- 4.1.** The report is provided in compliance with Code of Good Governance guidance on evaluation.
- 4.2.** The report contributes to mitigation of Risk 012: The capacity and capability of the Board is inadequate and standards of governance fall below the level required and Risk 013: There is a breach of legislation/ guidance/code of practice, and this results in a failure of governance.

5. Financial & Resource Implications

- 5.1.** There are no new financial or resource implications associated with this report.

6. Equalities Implications

- 6.1.** There are no new equalities implications arising from this report.

7. Learner Implications

- 7.1.** There are no direct implications for the learner arising from this report.

Performance & Resources Committee Annual Report

December 2023

1. Background

- 1.1** It is good practice for committees to produce annual reports for their boards that review their activity over the course of the year and priorities for the year ahead.
- 1.2** Throughout the year, all committee meetings have continued to be conducted online via Teams.

2. Meetings and Membership

- 2.1** During the period from December 2022 to November 2023 the committee met on five occasions. An additional meeting was held in April, as was the case in the previous year, primarily to accommodate the SFC's timing with respect to the indicative funding allocation for the region. All meetings were quorate. Details of membership and attendance are provided in the table below.
- 2.2** There have been some changes to Committee membership over the course of the year. Dave Brown left the Board at the end of his first term of office on 31 July 2023. The vacancy created by his departure has not yet been filled due to the ongoing review of regional governance structures. Emma Leslie, who was re-elected as Student President for 2023-24 and re-nominated to serve on GCRB, remained on the Committee for the September 2023 meeting. Emma left her position as Student President of Kelvin College on 24 November 2023. A replacement Student Member of GCRB/PRC has yet to be confirmed.

Date of Meeting	Percentage Attendance	Total Members
14 December 2022	71%	7: Moira Connolly; David Brown; Sakshi Sircar; Paul Smart; Emma Leslie; Sheila Meikle; Anwulika Umeh
15 March 2023	86%	7: Moira Connolly; David Brown; Sakshi Sircar; Paul Smart; Emma Leslie; Sheila Meikle; Anwulika Umeh
26 April 2023	86%	7: Moira Connolly; David Brown; Sakshi Sircar; Paul Smart; Emma Leslie; Sheila Meikle; Anwulika Umeh

7 June 2023	57%	7: Moira Connolly; David Brown; Sakshi Sircar; Paul Smart; Emma Leslie; Sheila Meikle; Anwulika Umeh
27 September 2023	50%	6: Moira Connolly; Sakshi Sircar; Paul Smart; Emma Leslie; Sheila Meikle; Anwulika Umeh
Average attendance	70%	

- 2.3** Gender ratio has shifted from 5:2 women:men¹ to 5:1 women:men during the period of the report. (Further to Emma Leslie's departure, the gender balance is 4:1 women:men, i.e., 80:20%.)
- 2.4** All meetings of the Committee were attended by the Board Secretary and appropriate members of the Executive Team.
- 2.5** Assigned College Principals were invited to all meetings.
- 2.6** Committee minutes were a standing item on Board agendas throughout the period of the report.
- 2.7** Minutes and papers have been published on the website except where exemptions apply under the Freedom of Information (Scotland) Act 2002.
- 2.8** All papers presented to meetings of the Committee provided for consideration of strategic implications.

3. Terms of Reference

- 3.1** The Committee's terms of reference set out responsibilities in the following areas of Board activity:
- Finance
 - Performance
 - Projects
- 3.2** The Committee reviews its terms of reference at least annually, in the course of its self-evaluation.

4. Summary of Committee Activity between December 2022 and November 2023

The following is a summary of decisions made and items noted at each meeting, organised under headings taken from the Committee's terms of reference.

¹ Note: data include Co-opted Member.

Several items were considered as standing items at each meeting but did not give rise to decisions requiring individual reporting over the course of the reporting period. At each of its meetings, the Committee

- approved the minutes of the previous meeting;
- monitored GCRB running costs against budget;
- noted progress made by the colleges in respect of capital projects;
- reviewed and agreed the long term agenda;
- agreed the disclosability status of papers.

FINANCE

December 2022

4.1 The Committee **noted** for the record the decision taken by the Executive Director under approved delegation arrangements regarding the allocation of £84,500 in respect of free period products for 2022-23.

4.2 In respect of FWDF, The Committee **noted**:

- The Glasgow colleges were continuing to deliver FWDF activity, that was previously contracted but incomplete at 31 July 2022.
- The SFC had not yet completed the reconciliation of FWDF activity at 31 July 2022.
- Funding for FWDF from 1 August 2022 had yet to be confirmed, which was a cause for concern.

March 2023

4.3 The Committee **noted** the two decisions made by the Executive Director via the scheme of delegation relating to YPG funding and counsellor funding as follows:

- £663,912 allocation to the Glasgow college region for Young Person’s Guarantee 2022-23
- £136,000 of funding to the Glasgow college region for the period 1 August 2022 to 31 March 2023. In addition, allocation of remaining GCRB funding in this area of £18,950.

4.4 The Committee **noted** the current position of the issue at Anniesland campus, on-going partnership work between Glasgow Clyde College, GCRB and Scottish Funding Council, and that updates would be provided.

4.5 In respect of FWDF, The committee:

- **noted** that the full reconciliation of FWDF (to 31 July 2022) had been agreed with the Scottish Funding Council (SFC).
- **noted** that the underspend, and clawback, of regional funding (for the period ending 31 July 2022) was £99,256.
- **noted** that the total resources from earlier periods, held by GCRB at 28 February 2023, amounted to £305,856.

- **approved** that the historical resources from earlier periods were made available to the colleges for FWDF activity in 2022-23.
- **approved** the re-distribution of resources to City of Glasgow College (£193,616) and Glasgow Kelvin College (£112,240) for 2022-23.
- **noted** that (subject to approval of the previous recommendation) the total resources available for 2022-23 would be £1,881,938. This represented 67.3% of the total value of training in 2021-22¹
- **noted** that the Glasgow colleges would provide progress reports, on FWDF 2022-23, by 31 March 2023.

4.6 The Committee **approved** the Mid Year Return for GCRB for submission to SFC.

4.7 The Committee **considered** the indicative GCRB Budget for 2023-24 and **endorsed** its approach.

April 2023

4.8 The Committee:

- **noted** the indicative funding allocations for 2023-24 issued by the SFC on Thursday, 13 April 2023.
- **determined** the indicative regional funding allocations for 2023-24.
- **requested** that the regional indicative allocations for 2023-24 were considered by the Board at its next meeting.
- **requested** that the final allocations were presented to the next meeting of the Committee.
- **requested** that the three colleges provide their indicative capital plans, for 2023-24, to the GCRB Finance and Resources Director.

4.9 The Committee **noted** and **commented** on the mid-year return 2022-23, and financial trend information, for the Glasgow college region.

June 2023

4.10 In respect of FWDF, the committee **noted**:

- FWDF funds held by GCRB (at 31 May 2023) that related to earlier years were £200,608.
- Glasgow colleges provided the latest FWDF progress reports on 31 May 2023 with the next returns due by 31 July 2023.
- FWDF funds held by GCRB (at 31 May 2023) that relate to 2022-23 were £1,117,217.

4.11 The committee **considered** the final GCRB Budget for 2023-24 and **agreed** to recommend this to the Board for approval.

4.12 The committee:

- **Noted** the final funding allocations for 2023-24 issued by the SFC on Thursday, 25 May 2023.
- **Determined** the final regional funding allocations for 2023-24.

- **Requested** that the final regional allocations for 2023-24 be considered by the Board at its next meeting.

4.13 The Committee **approved** the GCRB financial forecast return 2023-24.

September 2023

4.14 The Committee **noted** for the record the decision taken by the Executive Director, via the scheme of delegation, in relation to the allocation of £639,908 in respect of capital funding to address digital poverty, and the distribution to the three Glasgow colleges, for 2023-24.

4.15 The Committee **noted** a verbal update from the GCRB Executive Director and Assigned College Principals on the challenging financial landscape and related regional matters.

4.16 In respect of FWDF, the committee **noted** that the:

- FWDF funds held by GCRB (at 31 August 2023), that related to 2021-22, were £184,473.
- Glasgow colleges provided the latest FWDF progress reports on 31 July 2023, with the next returns due by 30 September 2023.
- SFC allocated a further £106,930 for FWDF activity in 2022-23 on 10 July 2023.
- FWDF funds held by GCRB (at 31 August 2023), that related to 2022-23, were £843,125.
- Of the funds held by GCRB (at 31 July 2023), £232,445 was paid to the Glasgow colleges in August 2023 for activity claimed at 31 July 2023.
- Funds for 2023-24 had yet to be confirmed by the Scottish Funding Council.

4.17 The Committee **noted** the Glasgow region financial forecast return 2023-24.

PERFORMANCE

December 2022

4.18 The Committee **endorsed** the completed version of the Glasgow Region Outcome Agreement 2021-2022 Evaluation, and noted that final feedback would be provided by SFC in early 2023.

4.19 The Committee **noted** that they would be keen for digital learning and teaching and lessons learned from the pandemic to remain a priority for the GCG Learning and Teaching group.

4.20 The Committee **endorsed** the completed Glasgow Region Outcome Agreement 2022-2023, which has been submitted to SFC and shared with the Glasgow region colleges, and **noted** that final feedback would be provided by SFC in early 2023.

4.21 The Committee **noted** the information contained in the 2022-23 progress update and that subsequent updates would be provided as data became available.

4.22 The Committee **endorsed** the proposed GCRB submission to the national Skills Review.

March 2023

4.23 The Committee **noted** the update on the delivery of the Outcome Agreement 22-23.

June 2023

4.24 The committee **noted** the update on the delivery of the Outcome Agreement 22-23.

4.25 The committee **endorsed** the approach to the OA for 23-24. They discussed the recently published independent review of the skills delivery landscape (Withers Report) and the key recommendations from this report and potential implications.

4.26 The committee **noted** the publication of the Outcome Agreement guidance 23-24 and the proposed deadline for development and submission.

September 2023

4.27 With regard to the evaluation of the delivery of the 2022-23 Outcome Agreement, the Committee noted the available data presented.

4.28 The Committee **agreed** to recommend the draft Outcome Agreement 2023-24 to the board, subject to the additions outlined in the discussion, and **approved** its submission to Scottish Funding Council in draft form.

PROJECTS

December 2022

4.29 The Committee **noted** the update in relation to 2021-22, and planning of future Programme of Action activity, and **agreed** to recommend the indicative future approach for consideration by the GCRB Board.

March 2023

4.30 The Committee **endorsed** the proposed approach to the Programme of Action 2023-24 (which included increased mental health funding and continuation of environment and sustainability projects with a reduced budget), subject to final budget allocation, and **recommended** its approval to GCRB board.

September 2023

4.31 The Committee **noted** the update in relation to evaluation of the regional Programme of Action for 2022-23.

4.32 The Committee received a presentation from the Project Manager, Environment & Sustainability, and **noted** the progress of the regional environment and sustainability strategy.

COMMITTEE GOVERNANCE

December 2022

4.33 The Committee:

- considered and **agreed** the content of the summary report on its activity during the past year;
- **agreed** its priorities for the coming year;
- **agreed** to report to the January 2023 meeting of the Board on activity during the past year and priorities for the year ahead.

4.34 The Committee **considered** its performance and **agreed** that no changes were required to the Committee Terms of Reference at that point.

4.35 The Committee **agreed** to have a longer discussion to review its practice to ensure it was fit for purpose, and to invite the Chair of the Board to attend that meeting.

January 2023

4.36 Further to a pre-meeting to consider its operation, the committee **agreed** that the Board Secretary, in consultation with the Committee Chair, should revise the terms of reference to make clear the decision making powers of all those who attend committee meetings and also to include that the committee would meet in private annually as part of its self-evaluation.

April 2023

4.37 The Committee **agreed** changes to the Terms of Reference for recommendation to the next meeting of the Board.

5 Priority issues for 2022/23

5.1 Members reflected on progress in the past year and significant developments within GCRB or externally impacting on its area of remit, and discussed and identified priorities for the year ahead as follows.

- The SFC's ongoing review of the funding model and Regional Outcome Agreement development;
- The ongoing review of tertiary education across Scotland and implications for the Glasgow college system;
- The focus of Programme of Action activity;
- Student funding.

**Audit & Assurance Committee Annual Report
January 2024**

1. Introduction

- 1.1 It is good practice for committees to produce annual reports for their boards that review their activity over the course of the year and priorities for the year ahead.
- 1.2 Throughout the year, Audit & Assurance Committee meetings have been conducted online via Teams.

2. Meetings and Membership

- 2.1 During the period from January to December 2023 the committee met on four occasions. All meetings were quorate and attendance levels were exceptionally good. Dates, membership and attendance levels are provided in the table below.
- 2.2 Committee membership has not changed over the course of the past year.
- 2.3 In November 2023, Chris Bones announced his decision to leave the Board at the end of January 2024. Minimum membership is three non-executive members and a quorum is two. It is anticipated that the recruitment round planned for early 2024 will result in new appointments to GCRB before the end of April and that the Board will approve new committee membership at its April meeting.

Date of Meeting	Percentage Attendance	Total Members
17 January 2023	100%	4: Ed McGrachan; Alastair Milloy; Helyn Gould; Chris Bones
18 April 2023	100%	4: Ed McGrachan; Alastair Milloy; Helyn Gould; Chris Bones
30 May 2023	100%	4: Ed McGrachan; Alastair Milloy; Helyn Gould; Chris Bones
10 October 2023	75%	4: Ed McGrachan; Alastair Milloy; Helyn Gould; Chris Bones
Average attendance	94%	

- 2.4 Gender ratio has remained at 3:1 men:women during the period of the report (75:25%).

- 2.5 All meetings were attended by the GCRB Board Secretary and appropriate members of the GCRB Executive.
- 2.6 Representatives of Internal and External Audit attended all meetings and in May a private meeting with the External and Internal Auditors was held without members of the Executive present.
- 2.7 Committee minutes were a standing item on Board agendas throughout the period of the report.
- 2.8 Minutes and papers have been published on the website except where exemptions apply under the Freedom of Information (Scotland) Act 2002.
- 2.9 All papers presented to meetings of the Committee provided for consideration of strategic implications.

3. Terms of Reference

- 3.1 The Committee's terms of reference set out responsibilities in the following areas of Board activity:
 - Regularity, Compliance and Risk
 - Internal Audit
 - External Audit
 - Corporate Governance
- 3.2 The Committee reviews its terms of reference at least annually (in the course of its self-evaluation).

4. Summary of Committee Activity between January 2023 and December 2023

Regularity, Compliance and Risk

- 4.1. At each meeting the Committee received updates from the most recent meetings of the Assigned College audit committees. The Committee also received the annual reports from the audit committees of the Assigned Colleges and a summary of the annual internal audit reports of each college. In 2023, receipt of City of Glasgow College's audit committee annual report was delayed. Receipt was noted at the May 2023 meeting.
- 4.2. The Committee also considered, and reviewed, GCRB's arrangements for risk management and monitored the risk registers of the assigned colleges.
- 4.3. The Committee received annual updates on fraud and whistleblowing, GDPR arrangements, and compliance with the Code of Good Governance. The Committee recommended refresher training for Board Members on GDPR. (Training is scheduled for 29 January 2024.)

- 4.4. At its January meeting, the Committee agreed to refine its approach to receiving risk assurance reports from the Assigned Colleges.
- 4.5. At its March meeting, the Committee received a lessons learned report following the City of Glasgow College fraud matter and noted its dissemination to the sector. At its May meeting, the Committee requested a report on the final summary position.
- 4.6. In March, the Committee was advised of a breach of the Financial Memorandum at City of Glasgow College relating to a single source justification and noted that the Internal Auditor had been commissioned to conduct an investigation. Resolution of the matter was reported to the Committee in October.
- 4.7. In October, a breach of the Financial Memorandum at Glasgow Clyde College relating to settlement agreements was reported. The matter had been resolved.

Internal Audit

- 4.8. Henderson Loggie are GCRB’s internal auditor having been re-appointed in August 2021.
- 4.9. At each of its meetings, the Committee reviewed progress with audit recommendations. At its January meeting the Committee agreed to consider a process whereby Internal Audit recommendations that could not be taken forward due to the ongoing regional review process could be suspended in the interim.
- 4.10. Internal Audits completed during 2023 are listed below with the respective audit findings in terms of overall level of assurance:

Audit Area	Audit Grading
Disaster Recovery	Satisfactory
Financial Sustainability	Satisfactory
Funding Allocations	Good

External Audit

- 4.11. The External Auditor is responsible for the audit of the GCRB Annual Report and Accounts 2022-23. The Annual Report of the External Auditor is considered by the Audit Committee at its January meeting each year.
- 4.12. Audit Scotland were appointed GCRB’s External Auditors for 2022-23 and attended meetings from March 2023.
- 4.13. In May the Committee noted a 31% increase in the External Audit fee for 2022-23.

5 Priority issues for 2024

- 5.1 Members reflected on progress in the past year and significant developments within GCRB or externally impacting on the Committee’s area of remit, and discussed and priorities for the year ahead, including:

- ensuring that GCRB has in place the appropriate arrangements for the management of risk and internal control framework;
- consideration of detailed internal audit reports;
- implementation of internal, and external, audit recommendation; and
- oversight of the risk matters relating to the outcome of the regional review.