

Nominations & Remuneration Committee

Date of Meeting	Wednesday 16 December 2020
Paper Title	Performance & Resources Committee Annual Report
Agenda Item	17
Paper Number	PRC3-L
Responsible Officer	Penny Davis, Board Secretary
Status	Disclosable
Action	For Decision

1. Report Purpose

- 1.1** Provide the Committee with a summary of membership, attendance, and business conducted during the past year to facilitate Committee self-evaluation, reporting to Board and forward planning.

2. Recommendations

- 2.1** The Committee is invited to:

- a) **consider** and **agree** the content of the summary report on its activity during the past year;
- b) **discuss** and **agree** its priorities for the coming year;
- c) **report** to the next meeting of the Board on activity during the past year and priorities for the year ahead.

3. Background

- 3.1** 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.
- 3.2** The report will also inform the Committee's annual review of its own performance.
- 3.3** The report seeks to provide the Committee with an overview of business conducted during the period from December 2019 to November 2020.
- 3.4** Meetings from April onwards were conducted via video-conference as a result of COVID-19 arrangements. This change did not appear to affect attendance, and a survey conducted over the summer indicated that there had been a smooth transition to online operation and that Board Members felt effective governance had been maintained.

4. Meetings and Membership

- 4.1. During the period from December 2019 to November 2020 the committee met on six occasions. All meetings were quorate. Details of membership and attendance are provided in the table below.
- 4.2. Committee membership and attendance have been relatively stable over the course of the year, the exception being the non-attendance by the Staff Member at three of the four meetings that were held prior to his resignation from the Board in June 2020. Student Member Aranka Szilassy left at the end of her term of office, and Nicolas Garcia joined the Committee as the new Student Member in September. The Board approved Anwulika Umeh's continued co-option to the Committee in October 2020.

Date of Meeting	Percentage Attendance	Total Members
18 December 2019	57%	7: Caroline Macdonald; Paul Buchanan; David Brown; Moira Connolly; Charlie Montgomery; Aranka Szilassy; Anwulika Umeh
16 March 2020	71%	7: Caroline Macdonald; Paul Buchanan; David Brown; Moira Connolly; Charlie Montgomery; Aranka Szilassy; Anwulika Umeh
14 April 2020	71%	7: Caroline Macdonald; Paul Buchanan; David Brown; Moira Connolly; Charlie Montgomery; Aranka Szilassy; Anwulika Umeh
1 June 2020	71%	7: Caroline Macdonald; Paul Buchanan; David Brown; Moira Connolly; Charlie Montgomery; Aranka Szilassy; Anwulika Umeh
26 August 2020 (additional meeting)	80%	5: Caroline Macdonald; Paul Buchanan; David Brown; Moira Connolly; Anwulika Umeh
30 September 2020	66%	6: Caroline Macdonald; Paul Buchanan; David Brown; Moira Connolly; Nicolas Garcia; Anwulika Umeh
Average attendance	69%	

- 4.3** Gender ratio has shifted from 4:3 women:men (57%:43%) to 3:3 women:men¹ during the period of the report further to the departure of the Staff Member and the appointment of a new Student Member between June and September.
- 4.4** All meetings of the Committee were attended by the Board Secretary and appropriate members of the Executive Team.
- 4.5** Representatives of Assigned College senior management, ordinarily the Principal, were in attendance at all meetings. Where a Principal was unable to attend a member of the College's senior management team attended in their place.
- 4.6** Committee minutes were a standing item on Board agendas throughout the period of the report.
- 4.7** Minutes and papers have been published on the website except where exemptions apply under the Freedom of Information (Scotland) Act 2002.
- 4.8** All papers presented to meetings of the Committee provided for consideration of risk, and strategic, equalities, and resource implications.

5. Terms of Reference

- 5.1** The Committee's terms of reference set out responsibilities in the following areas of Board activity:
- Finance
 - Performance
 - Projects
- 5.2** The Committee reviews its terms of reference at least annually (in the course of its self-evaluation).
- 5.3** A separate report has been provided on committee evaluation to which the Terms of Reference are appended.

6. Activity between December 2019 and November 2020

Finance

- 6.1.** A significant proportion of the Committee's work during the course of the year concerned capital funding decisions and monitoring of progress with capital projects:
- At its December meeting, the Committee agreed the reallocation of capital funds within Clyde College further to a reduction in the cost of previously identified top-priority capital projects, allowing additional work to be undertaken.
 - Clyde Colleges' Estates Strategy was also considered at the December meeting.

¹ Note: data include Co-opted Member.

- Over the course of the year, the Committee received reports on the impact of the pandemic situation on timescales for planned capital activity, and monitored risks associated with delays.
- 6.2.** At its December 2019 meeting the Committee received a report on Financial Forecast Returns for the region.
- 6.3.** The Committee received an analysis of mid-year returns for 2019-20 at its June meeting and considered the impact of COVID-19, the UK Government's furlough scheme, and Assigned Colleges' cashflow. The Committee requested that the Executive continue to engage closely with Glasgow Kelvin College regarding its financial situation.
- 6.4.** An analysis of Financial Forecast Returns for 2019-20 was presented to the September 2020 meeting of the Committee.
- 6.5.** The indicative Budget for 2020-21 was considered by the Committee at its March meeting (issue of the Scottish Government's budget was delayed), and the Committee agreed at its June meeting to recommend the draft 2020-21 Budget to the Board for approval.
- 6.6.** Indicative Funding Allocations for 2020-21 were considered at the March meeting, and the Committee agreed the need for dialogue between the GCRB Executive and the Sustainability Group and for dialogue with the SFC regarding flexibility between financial years. Final funding allocations were agreed at the June meeting for recommendation to the Board. Recommendations included a proposal, agreed by the Colleges, to transfer some capital funds from Glasgow Clyde to Glasgow Kelvin College, and modifications to the budget resulting from previously over/underestimated pension costs.
- 6.7.** The Committee made a decision by correspondence on 8 July 2020, with delegated authority from the Board, to determine ESF allocations to the Assigned Colleges.
- 6.8.** An additional single-item meeting was convened on 26 August to discuss the urgent allocation of additional grant received from the SFC to tackle digital exclusion. The Committee received verbal reports from each of the colleges and agreed a recommendation to the board to allocate funds in accordance with Scottish Government methodology.
- 6.9** The Committee received a report at each of its meetings on GCRB running costs. A reduction in running costs resulting from the vacancy in the Executive Director post for part of the year resulted in some additional funding being passed to the Assigned Colleges.
- 6.10** The Committee received regular reports on progress with the Flexible Workforce Development Fund. At its June meeting, the Committee considered a report on the significant impact of COVID-19 on FWDF activity and the need to carry activity over into the next financial year. At its September meeting, the Committee received confirmation of an increase in FWDF funding for 2020-21 to address the carry-over of 2019-20 activity and discussed challenges to the region in terms of delivery.

Performance

- 6.11** The Committee received a report at its December meeting on the Glasgow College Region Skills Assessment.

- 6.12** An ongoing element of the Committee's remit is the review, monitoring and development of the Regional Outcome Agreement. The Committee routinely received reports on three key aspects over the course of the year:
- a. The evaluation of the previous year's ROA.
 - b. In-year monitoring reports on progress against the current ROA.
 - c. The development and recommendation to the Board of the following year's ROA. The Committee agreed at its June meeting to recommend the 2020-21 ROA to the Board.
- 6.13** At its September meeting the Committee received reports from the three College Principals on the impact of COVID-19 on their financial position and implications for student enrolment.

Projects

- 6.14** During the period of the report the Committee received regular updates on progress with the Programme for Action.
- 6.15** At its June meeting the Committee was informed of an underspend in the Programme for Action and agreed to recommend to the Board that underspent funds be reallocated to the Assigned Colleges to help to address key needs, in particular, digital exclusion.

Committee Governance

- 6.16** With reference to the foregoing report, the Committee has acted in accordance with its terms of reference throughout the period of the report.
- 6.17** Review of the Committee's 2019 annual report and self-evaluation including evaluation of the Committee Chair were undertaken in December 2019. The Committee noted the dominance of financial matters at its meetings and agreed that additional meetings to consider learning and teaching matters would be beneficial.
- 6.18** The Committee's annual report was presented to the Board in January 2020.
- 6.19** The Committee was asked by the Board to consider whether there should be a standing item on Board agendas for Trade Union/staff matters and agreed at its March meeting to recommend to the Board that it should await Scottish Government guidance on the role of incoming Trade Union members on Regional Strategic Bodies.

7 Priority issues for 2020/21

- 7.1** Members are invited to reflect on progress in the past year and significant developments within GCRB or externally impacting on its area of remit, and discuss and identify priorities for the year ahead.

Members may wish to consider the known and as yet unknown implications of the following in considering its role in the year ahead.

- The SFC's review of the funding model and Regional Outcome Agreements;

- The SFC’s review of tertiary education and GCRB’s own consultation on the college region;
- The external context, including Brexit and the ongoing pandemic.
- Committee may wish to consider the on-going development work associated with the Programme of Action, including the commencement of the sustainability focus; opportunity to continue support for mental health-related issues; update on current position with ESOL.
- In terms of regional curriculum planning, the current curriculum plan strategy ends in the current year. Initial discussion with SFC, SDS and the Glasgow colleges indicates that work on the refreshed strategy should start in 2021, and that a three-wave approach should be adopted:
 - i. Covid-19 response and immediate changes, including rapid-response, upskilling, reskilling and meeting immediate emerging needs;
 - ii. Medium-term response, making use of emerging data, including Covid-19 longer-term economic impact and response;
 - iii. Longer-term strategic regional curriculum planning, projecting forward to ensure effective coverage based on regional skills need as well as emerging strategic requirements including green economy.

8 Risk Analysis

- 8.1** Performance review and reporting is key to effective systems of governance and internal control. Therefore, this report contributes to the mitigation of *GCRB Risk 012: the capacity and capability of the Board is inadequate and standards of governance fall below the required level.*

9 Legal Implications

- 9.1** No legal implications are identified.

10 Resource Implications

- 10.1** There are no specific resource considerations arising from this paper.

11 Strategic Implications

- 11.1** Through the conditions of grant associated with the Regional Outcome Agreement, GCRB and the assigned colleges are required to conduct their affairs in accordance with the expected standards of good governance

12 Equalities Implications

- 12.1** The evaluation process includes consideration of gender balance.