NORTH EAST SCOTLAND COLLEGE

Board of Management

Meeting of 09 February 2015

NOTICE OF MEETING

A meeting of the Board of Management will take place at 1400 hours on Monday 09 February 2015 in Room G10 at Aberdeen City Campus.

MEMBERS OF THE BOARD OF MANAGEMENT

Ms. A Bell
Ms. S Cormack
Mr. B Dunn
Mr. D Duthie
Mr. I Gossip
Ms. K Gravells
Prof. J Harper
Mr. J Henderson
Ms. C Inglis
Ms. D Michie
Mr. K Milroy (Chair)
Mr. D Rennie
Ms. A Simpson
Mr. A Smith
Mr. S Smith
Mr. R Wallen
Ms. S Willox

IN ATTENDANCE

Mr. N Cowie, Vice Principal Organisational Development
Mr. R Scott, Vice Principal Finance
Mr. P Sherrington, Depute Principal
Ms. P Kesson, Minute Secretary
Ms. P May, Secretary to the Board of Management

IN ATTENDANCE FOR AGENDA ITEM 11.1

Ms. E Farquharson-Black, Burness Paull

09 February 2015

Agenda

1 Apologies for absence

2 Minute of previous meeting
2.1 Minute of the meeting of 08 December 2014 (paper enclosed)

3 Matters arising from previous meeting
3.1 To be raised at the meeting

4 Report to the Board by the Regional Chair (paper enclosed)

5 Report to the Board by the Principal (paper enclosed)

6 Reports by Chair and Convenors
6.1 Meetings of Standing and Ad Hoc Committees (paper enclosed)

7 Matters for decision
7.1 Project Governance, Fraserburgh Masterplan (paper enclosed)
7.2 Capital Programme (paper enclosed)
7.3 Aberdeen Skills & Enterprise Training Limited – Memorandum of Understanding (paper enclosed)
7.4 Policy on the Appointment of Directors, ASET (paper enclosed)

8 Matters for discussion
8.1 Planning Implications Resulting from the Change in the Funding Model for AY2015-16 (paper enclosed)
8.2 Draft Outcome Agreement 2015-16 (paper enclosed)
8.3 Update on Business & Community Development and Scottish Maritime Academy Activity (paper enclosed)

9 Matters for information
9.1 SFC Action-Learning Project Update (paper enclosed)
9.2 Project SEARCH Update (paper enclosed)

10 Summation of Business and Date of Next Meeting

Reserved Items of Business

11 Matters for discussion
11.1 Sale of the Former Balgownie Centre
11.2 Aberdeen Skills & Enterprise Training Limited - Report by Nominated Officer
11.3 Meetings of Standing and Ad Hoc Committees – Reserved Items of Business

12 Matters for information
12.1 Indicative Funding Decisions for AY2015-16
12.2 Financial Adjustments for Student Support and Other Purposes
12.3 Baseline Budget, 3 years to AY2017-18
12.4 Animal Care and Horticulture
12.5 National Collective Bargaining
12.6 Recognition and Procedures Agreement for Lecturing Staff

13 Matter for decision

13.1 Premature Retirement and Enhanced Pension Payments
13.2 Aberdeen Skills & Enterprise Training Limited – Banking Arrangements

14 Summation of Reserved Items of Business

Draft Minute of Meeting of 08 December 2014

The meeting commenced at 1400 hours.

PRESENT: A Bell, B Dunn, D Duthie, I Gossip, J Henderson, C Inglis, D Michie, K Milroy (Chair), D Rennie, A Simpson, A Smith, S Smith, R Wallen, S Willox
IN ATTENDANCE: P Sherrington, R Scott, P May, P Kesson, B Rattray (for items 2 and 3 only)

1. Apologies for Absence

Apologies were received from S Cormack, K Gravells, and J Harper.

2. Presentation from Police Scotland – An Overview of CONTEST Prevent

The Board noted a paper providing information on work being carried out by Police Scotland in relation to security issues which may impact on the FE and HE education sector.

Information was provided on training which had been delivered at the former Aberdeen College and the former Banff & Buchan College.

Police Scotland had agreed to give a short presentation to the Board to clarify the work being carried out with management and staff in relation to possible actions which can be taken to address high level security issues which could impact on the College and its governance.

Mr Duthie introduced Detective Sergeant Audrey Gibb of the Prevent Delivery Unit, Specialist Crime Division.

DS Gibb gave a very informative presentation which included details of work being undertaken to identify and manage the topical issue of radicalisation.

Mr Rennie informed DS Gibb that he would contact her to see how the Prevent Delivery Unit could work with the Students' Association.

DS Gibb offered to provide formal workshops at the College which are tailored to suit the relevant audience.

Mr Sherrington said that a new related Aberdeenshire strategy is being developed and confirmed he would update Members in due course.

Mr Wallen advised that the College's business continuity arrangements would be reviewed in the New Year. It was agreed that the Board would receive a presentation on the College's arrangements for responding to an incident.

The Chair thanked DS Gibb for her presentation and she left the meeting.

3. Presentation from SFC – Demographic Places and New Funding Model

Mr Milroy introduced Mr Gordon McBride, Assistant Director, Scottish Funding Council.

Mr McBride provided information on key aspects of the new demographic and funding models being introduced in 2015-16.

Mr McBride highlighted that the demographic model will be used as part of the discussion process between Colleges and their Outcome Agreement Managers in relation the setting of targets.

The Chair thanked Mr McBride and he left the meeting.
Mr Rattray also left the meeting at this time.

It was agreed that members of the Senior Management Team would explore the possible impacts of the new models on the College and provide a briefing to the Board.

4. Minutes of previous Meetings

4.1 Minute of Meeting of 16 September 2014

The Minute of Meeting held on 16 September 2014 was approved.

4.2 Minute of Planning Event of 10 and 11 October 2014

The Minute of the Planning Event held on 10 and 11 October 2014 was approved.

5. Matters arising from previous Meetings

There were no matters arising.

6. Report by the Regional Chair

The Board noted a report providing information on recent developments in the FE sector and at the College.

Information was provided on a recent event held at the College for MPs and MSPs and the date of a similar event planned for the New Year; appointment of a new Cabinet Secretary for Education and Lifelong Learning; Scotland Policy Conferences Keynote Seminar; phase two of NESC Board Member appointments process; and attendance of the Regional Chair at various meetings.

7. Report by the Principal

The Board noted a report providing information on significant recent developments.

Information was provided on a forthcoming event to celebrate the completion of the overclad of the Aberdeen City Campus Tower and East Blocks; recent open day held at Aberdeen City Campuses and an open evening held at Fraserburgh Campus; proposed move of the Scottish Rural University College (SRUC) from their Craibstone Campus; Chief Officers' Forum; the 157 Group; and the successful outcome of a recent BS 18001 assessment.

Mr Wallen provided further information on the implications for the College's Animal Care provision at the Craibstone Campus.

Mr Wallen also provided additional information on the Chief Officers' Forum.

8. Reports by Chair and Convenors

8.1 Meetings of Standing and Ad Hoc Committees

Members were informed that approved minutes of meetings of Standing and Ad Hoc Committees that had been held since the last meeting of the Board of Management had been circulated in hard copy to Members as appropriate.

Mr Milroy invited Members to comment or request further information on the business transacted in the Standing and Ad Hoc Committees of the Board of Management.

There were no matters raised by Members.

9. Matters for Decision

9.1 Revenue Budget

The Board considered the review of the College's revenue budget for the academic year ending 31 July 2015.

Information was provided on the opportunity presented to revise the revenue budget due to the change in the financial reporting date; the national context; revenue budget revision; and the budget going forward.

Mr Scott provided additional information on events happening in the national context with reclassification, and changes in financial reporting periods causing added complications. He said the fast moving pace since annual projections were made has led to costs being incurred at different times in the year. Mr Scott assured Members that the College is still on track to reach the planned financial outcomes set out in the business case which was approved by the Regional Partnership Board.

Mr Scott informed Members that the revised budget included provision for the pay settlement which the Board has already considered. He commented there will be a modest surplus as planned and the financial health of the College is still strong.

The Board noted that cuts in funding next year will mean purchasing power will be reduced and a direction of travel will need to be considered.

Mr Wallen stressed the need for the College to become less reliant on income generated from ASET.

It was noted that work is in progress to deliver savings which will allow the College to reduce its costs.

After some discussion the Board adopted the revised revenue budget for the financial year to 31 July 2015.

9.2 Governance Manual

The Board considered and approved the proposed amendments to the Governance Manual.

It was agreed that membership of the Audit Committee should be increased by one lay Member and the quorum should become three Members.

Mr Milroy advised that the Code of Good Governance for Scotland's Colleges had been finalised and published. It was agreed that the Governance Manual would be checked against the Code to ensure alignment.

10. Matters for Discussion

10.1 Draft Strategic Plan 2015-16

The Board considered the College's Draft Strategic Plan for 2015-16.

Members noted the amendments made to the Plan following discussions at the Planning Event in October 2014.

In response to a question from Ms Michie about rationalising key performance indicators, Mr Sherrington advised that the indicators included in the Plan were already reported on through other established procedures and documents, including the Outcome Agreement, and therefore did not cause any additional workload.

It was agreed that the Board would consider the key performance indicators it wishes to monitor going forward.

It was also agreed that the Plan would be renamed the Strategic Plan 2015-18 and would be reviewed on an annual basis.

After some discussion a number of additional minor amendments to the Plan and the High Level Strategic Risk Register were agreed and the Plan was approved.

10.2 Draft Outcome Agreement 2015-16

The Board considered the draft Outcome Agreement for 2015-16 and noted the progress that had been made since it was last discussed at the Board's Planning Event.

Mr Wallen commented there may be unforeseen consequences arising from the Scottish Funding Council's decision to replace weighted sums with credits.

A short discussion was held on the requirement to refer to actions the College will undertake in relation to Gaelic speakers. Ms Simpson commented that, in addition to Gaelic, she would also like to see references to English for Speakers of Other Languages (ESOL). Mr Sherrington noted that a meeting with the University of Aberdeen's Gaelic Language Officer had been arranged for the New Year.

The Board noted that there will be an opportunity to consider further changes before the document is signed off and submitted to the SFC in February 2015.

10.3 Non-SFC Funded Activity

Mr Milroy declared an interest in this item by virtue of his role as Chief Executive of Aberdeen Foyer.

The Board considered a paper providing information on key issues and developments relating to the work of Business Community Development and the Scottish Maritime Academy.

Information was provided on activity targets; activity to date; Scottish Maritime Academy key objectives and course provision; various contracts within Business and Community Development; and a summary of key actions for the Scottish Maritime Academy and Business and Community Development.

Mr Sherrington provided further contextual information.

Ms Bell commented that she would like to see a marketing campaign to increase awareness of Macduff Learning Centre. Mr Sherrington said that the College's Publicity and Marketing Team had undertaken some awareness raising work in the area following the merger but that a more comprehensive campaign was currently under discussion.

The Board noted the contents of the report and it was agreed that the Board would receive regular updates on these areas of activity.

10.4 Report by the Investment and Project Committee

The Board considered the work of the Investment and Project Committee.

Members noted the successful completion of works to over-clad and re-roof the Tower and East Blocks at Aberdeen City Campus and Mr Milroy commented that it had been highlighted as an example of good practice in the FE sector.

Mr Milroy commented that the work of the Committee had been helpful in progressing key contracts and the estates strategy.

11. Matters for Information

11.1 SFC Action-Learning Project Update

The Board noted a paper providing information on the progress of the College's participation in the Scottish Funding Council's Action-Learning Project and the development of the College's enhanced self-evaluation quality model.

Information was provided on the College's Project Management Group and Steering Group; proposed quality framework (Quality Criteria and Evidence); proposed quality cycle (Quality Timeline); proposed approaches to lesson observation; proposed composition for Validation Panel; and next steps.

Mr Wallen informed Members that both the SFC and Education Scotland have indicated that the College's approach is appropriate.

11.2 Internal Audit Programme, 16 months to 31July 2015

The Board noted a paper providing details of the internal audit programme for the financial reporting period of 16 months to 31 July 2015 adopted by the Committee.

11.3 NESC Committee Structure

The Board noted a paper providing information on the College's Committee Structure.

It was noted that reference to the Premature Retirement Committee would be removed from the structure.

12. Summation of Business and date of next Meeting

The Secretary gave a summation of the business conducted. The next meeting of the Board of Management is scheduled to take place on Monday 08 February 2014.

Reserved Items of Business

13. Matters for Decision

13.1 Lease of Premises, Gordon Centre

14. Matters for Discussion

14.1 Meetings of Standing and Ad Hoc Committees – Reserved Items of Business

14.2 ASET Limited – Report by Chair

14.3 The Living Wage

15. Matters for Information

It was agreed to take items 15.2 and 15.3 at this time.

15.2 Harmonisation Update

15.3 SMT Structure

15.1 Principal's Performance Management

The meeting concluded at 1710 hours.

Report to the Board by the Regional Chair

1. Introduction

1.1 The purpose of this paper is to update the Board on recent developments in the FE sector and at the College.

2. A Celebration of the Aberdeen City Campus Transformation

2.1 On Friday 23 January, an event was held to celebrate the completion of the £8m project to transform the exterior of the Aberdeen City Campus.

2.2 The event was attended by a variety of key stakeholders and current and former members of College staff.

2.3 The Lord Provost of Aberdeen City and the Provost of Aberdeenshire unveiled a plaque to commemorate the transformation.

3. NESC Board Member Appointments Process – Phase Two

3.1 The second phase of appointments to the Board of Management is now complete. A further six appointments have been made, with those appointed commencing their term of office at the beginning of March 2015.

3.2 These appointments and those made in the first phase mean that as of March 2015 the Board of Management will be at its full complement of twelve lay members

4. SCDI Influencers' Dinner

4.1 On 21 January, the Regional Chair attended an SCDI Influencers' Dinner at which the guest speaker was Roseanna Cunningham MSP, Cabinet Secretary for Fair Work, Skills and Training.

4.2 The Dinner focused on how all sectors of the Scottish economy can take forward the recommendations of the Commission for Developing Scotland's Young Workforce and the Working Together review to improve Scotland's productivity. Discussions were also held on progressive workplace policies which make the most of people and their capacity for innovation as a key asset for an organisation.

5. Attendance at Meetings

5.1 The Regional Chair has attended various meetings since the last Board Meeting, including:

- Colleges Scotland Board Meetings,
- A Programme Board Meeting for Developing the Young Workforce.

6 Recommendation

6.1 It is recommended that the Board consider the information in this report.

Ken Milroy
Regional Chair

Report to the Board by the Principal

1. Introduction

1.1 The purpose of this paper is to provide information to the Board of Management on significant recent developments.

2. Marketing Awards

2.1 The College has been shortlisted for two of the College's Scotland marketing awards, the winners of which will be announced shortly at an awards dinner.

3. Chief Executives' Forum

3.1 The Principal attended an evening meeting of the North East Chief Executives' Forum. Other participants included Chief Executives of the three local authorities, the Principals of the two local universities and senior officers of the police and fire services in the region. Given that health, fire and police service areas all include Moray and that the Chief Executive of Moray Council is involved, Frank Hughes, Principal of Moray College (and formerly of Aberdeen College and North East Scotland College) has now also been invited to join the group.

3.2 Meetings of the group take place in the evenings, and will be roughly every three months. While there may be specific agenda items for discussion, there is also an opportunity for a more wide-ranging discussion covering issues of concern to individuals.

3.3 Given the high degree of operational interaction between the various bodies involved, this opportunity to develop a common perspective and reflect on the broader issues affecting the region is very welcome.

4. Question laid before Parliament

4.1 Following a visit to the College by a number of MSPs in the middle of January 2015, Mr Stewart Stevenson MSP laid a question before the Scottish Parliament enquiring about circumstances in North East Scotland College following the merger.

4.2 The response provided by Angela Constance MSP Cabinet Secretary for Education and Lifelong Learning was extremely positive about how the College had developed since the merger.

4.3 The matter was reported in the local press.

5. Regional Skills Assessment

5.1 The Principal is chairing the committee that will oversee the production of the Regional Skills Strategy for the Aberdeen and Aberdeenshire region – as part of his role as Skills Champion for Aberdeen City and Shire Economic Future (ACSEF).

6 Recommendation

6.1 It is recommended that the Board note the contents of this report.

Rob Wallen
Principal

Meetings of Standing and Ad Hoc Committees

1. Introduction

1.1. The purpose of this paper is to assist the Board of Management to consider the business conducted at meetings of the Board's Committees.

2. Background

2.1. The Board's Governance Manual states that "Minutes of meetings of Committees of the Board shall be presented to the next available meeting of the Board".

2.2 The inclusion of this item of business as part of the agenda of meetings of the Board of Management provides the Chair and Committee Chairs the opportunity to bring matters considered at meetings of standing and ad hoc committees to the attention of Members and to afford Members the opportunity of asking the Chair and Committee Chairs for further information on business that has been transacted.

2.3. The approved minutes of meetings held since the last meeting of the Board of Management have been circulated in hard copy to Members as appropriate.

2.4. Members have the opportunity to discuss matters designated as 'reserved items of business' as a separate item in this agenda.

3. Recommendation

3.1. It is recommended that the Board consider business conducted at meetings of the Board's Committees.

Rob Wallen
Principal

Project Governance, Fraserburgh Masterplan

1. Introduction

1.1. The purpose of this report is to assist the Board to consider matters related to the project to refurbish and extend facilities for engineering technologies training at the Fraserburgh Campus.

2. Background

2.1. At meetings in 2014, the Board of Management considered and approved the progression of a project to develop and improve facilities for engineering technologies training for the School of Engineering, Science and Technology at Fraserburgh. These facilities fell outwith the scope of the College 2012 project that was undertaken at the Campus between 2010 and 2012. The purpose of the project is to ensure that the College's objectives are underpinned by appropriate and safe equipment, facilities and working environments.

2.2. The adopted scope of the project is such that the budget is £8,200,000 and the works are planned to be undertaken in a number of phases; the first beginning this summer and the final ending with the completion of the project by the end of August 2016.

2.3. Key dates in the project are:

- Enabling works complete – August 2014
- Design team appointment – October 2014
- Phase 1 works – July 2015 to June 2016
- Phase 2 works – March 2016 to July 2016
- Phase 3 works – June 2016 to August 2016.

2.4. The North East Scotland Foundation for Further Education has agreed to fund the project and has already contributed £736,000 to meet the costs of enabling works undertaken in the current financial year.

2.5. The procurement of professional services has been progressed. The design team has been appointed and the next stage of project development is underway. This is RIBA 'stage 2' and includes: user discussion groups; scheme design (building upon the agreed masterplan); public consultation; and client design acceptance.

3. Guidance from Central Authorities

3.1. The Construction Procurement Manual issued by the Scottish Government sets out mandatory policy and procedures for construction works projects. The Manual contains a document entitled 'Construction Works Procurement Guidance', which defines the 3 key functions in major construction projects. Explanation is also given of the respective roles and responsibilities that attach to each function. These functions are:

- Investment Decision Maker;
- Project Owner; and,
- Project Sponsor.

3.2. In terms of the Guidance, it is proposed that the governance arrangements followed by the Board in recent projects are applied in relation to this project. The proposed arrangements are that the Investment and Project Committee carries out the functions of 'Investment Decision Maker' and 'Project Owner'; College management carries out the role of 'Project Sponsor'.

3.3. The Board has been advised previously of the critical importance of having the right level of professional advice and management in these matters so that the Board has reassurance on the progression of the Estates Development Strategy.

3.4. In addition to the work of the Investment and Project Committee, regular reports will be provided to the Board of Management on the progression of the project using established arrangements.

4. Recommendation

4.1. It is recommended that the Committee:

4.1.1. note the information provided in this report; and

4.1.2. adopt the proposed project governance arrangements and project timetable.

Rob Wallen
Principal

Roddy Scott
Vice Principal - Finance

Capital Programme

1. Introduction

1.1. The purpose of this paper is to assist the Board of Management to consider North East Scotland College's capital programme.

2. Capital Programme

2.1. The capital programme for the College has been revised and is presented as appendix 1 to this paper.

2.2. The capital plan reflects:

- the results of the condition survey of College campuses that was undertaken in November and December 2014;
- the inclusion of works to complete the refurbishment of the Fraserburgh Campus (augmenting the work undertaken in the College 2012 project and the Fraserburgh Masterplan project);
- the commitment by the NES Foundation, made in June 2014, to fund the Fraserburgh Masterplan project;
- the proposed upgrade and extension of the AbCol process plant at Aberdeen Altens Campus; and
- an anticipated delay in the timing of the sale proceeds of the site of the former Balgownie Centre.

3. Estates Strategy and Masterplanning

3.1. The procurement of professional services to prepare a revised estates strategy and masterplans for the College's major campuses in Aberdeen is in hand.

3.2. Information has been gathered to support this work; this includes the completion of the condition survey of all College campuses (covering the next 20 years), and advice on the development options of the Gordon Centre.

3.3. The purpose of the condition survey is to provide advice on the general condition of the College's campuses and to identify and cost proposals for remedial works and necessary maintenance works to maintain the life of the estate. The cost estimates provided by the condition survey are shown as 'Backlog Investment' in the capital programme.

3.4. For the purposes of this version of the capital programme, these data are used as a surrogate measure of the costs of completing the transformation of the City, Altens and Clinterty Campuses in Aberdeen and Fraserburgh Campus.

4. Investment Proposal – AbCol Production Plant

4.1. The AbCol Production Plant is housed in Block C at the Aberdeen Altens Campus. The facility is used primarily to deliver the College's training programmes to students on the OPITO UOGITTS scheme (an oil and gas industry technician training scheme). ASET, the College's wholly owned subsidiary company, operates the training facility on behalf of the College. When not used for College programmes, the facility is available for use by ASET to train its own commercial customers.

4.2. The Board of Directors of ASET has considered the future of the AbCol Plant and decided to make recommendation to the Board of Management on an investment proposal to upgrade and extend the facility at a budget cost of £1,500,000. The business case in support of the proposal is set out in a report prepared by ASET and attached as appendix 2.

5. Constraints arising from Reclassification of Colleges

5.1. Under the system of financial accountability and management applying from 01 April 2014 (when Scottish colleges were reclassified as 'public bodies'), the amount that a board of management is authorised to spend on capital works is limited to the amount of the Scottish Funding Council's (SFC's) capital grant allocation to the college for the year.

5.2. The SFC's capital grant allocation to the College is £1,395,000 for 2014-15 and is forecast, for the purposes of preparing the capital programme, to be the same in subsequent years. The SFC also provides colleges with grant towards estates maintenance costs. The College's allocation for maintenance is £725,000 for 2014-15 and is forecast, for the purposes of preparing the capital programme, to be the same in subsequent years.

5.3. That said, external funding, such as donations and property sale proceeds might be used to augment the allocation. (SFC approval must be obtained to apply property sale proceeds to fund capital works.)

6. Funding the Capital Programme

6.1. In 2015-16, SFC funding for capital and maintenance together with funds already committed by the NES Foundation are sufficient to finance projects proposed for the year.

6.2. In 2016-17, funding from the SFC and NES Foundation is augmented by an allocation from the College's revenue budget towards project costs that might be classified as 'revenue'. These funds are sufficient to finance projects proposed for the year.

6.3. The position from 2017-18 onwards is unclear. No indication is available to the College of the level of SFC funding for capital works in subsequent years. The amount of uncommitted funds held by the NES Foundation is some £2,000,000. There is now uncertainty over the level and timing of property sales income that might be realized from the sale of the site of the former Balgownie Centre.

6.4. For the purposes of the capital programme, it is assumed that the proceeds of sale of the site will be at the same level as offered by the preferred bidder in 2014, however receipt will be delayed by 2 years. No income from the sale of the Gordon Centre has been assumed.

7. Recommendation

7.1. It is recommended that the Board:

7.1.1. note the information provided in this paper;
7.1.2. adopt the capital investment proposal made by the Board of Aberdeen Skills and Enterprise Training Limited;
7.1.3. adopt the proposed capital programme.

Rob Wallen
Principal

Roddy Scott
Vice Principal - Finance

NORTH EAST SCOTLAND COLLEGE
CAPITAL PROGRAMME
COLLEGE ONLY

	Capital Works £000s	Minor Works £000s
Spending by Financial Year		
FY2013-14 & prior	9,097	
FY2014-15	6,045	
FY2015-16	4,535	1,035
FY2016-17	10,901	1,000
FY2017-18 & beyond	36,871	1,000
Total Spending	**67,449**	**3,035**
Funding		
College Reserves	5,186	0
Revenue budget	340	860
SFC Grant (2015-16) (estimated)	1,395	725
SFC Grant (2016-17) (estimated)	1,395	725
SFC Grant (2017-18) (estimated)	1,395	725
NES Foundation - Inherited Reserves	11,361	0
NES Foundation/Property Sale Proceeds	13,006	0
Funding not yet identified	33,371	
	67,449	**3,035**
	-	-

Note: All figures include project costs, fees and VAT

All figures include project costs, fees and VAT

NORTH EAST SCOTLAND COLLEGE

CAPITAL PROGRAMME

ESTATES CAPITAL PROGRAMME

FISCAL YEARS 2014-15 TO 2016-17 (Year to 31 March)

Capital Works	Altens	City	Clinterty	Fraserburgh	Learning Centres	Project Total	Comments	FY14-15 & prior	FY15-16	FY16-17	FY17-18	FY18-19 & beyond
	£000s	£000s	£000s	£000s	£000s	£000s		£000s	£000s	£000s	£000s	£000s
High Priority Items (works started prior to April 2015)												
Overclad and reroof Tower and East Blocks (retention)	-	8,050	-	-	-	8,050	Began in Aug 13, completion Oct 14	7,930	120	-	-	-
Fraserburgh Engineering Masterplan	-	-	-	8,200	-	8,200	Began in June 14, completion August 16	750	4,650	2,800	-	-
	-	8,050	-	8,200	-	16,250		8,680	4,770	2,800	-	-
Essential items (to begin in 2015-16)												
AbCol Plant upgrade and extension	1,500	-	-	-	-	1,500	Investment proposal prepared by ASET	-	1,000	500	-	-
Ellon Academy (College Learning Centre)	-	-	-	-	417	417	Paid to Aberdeenshire Council - March 2015	417	-	-	-	-
Spray Booths, Motor Vehicle Training	275	-	-	-	-	275	Summer 2015	-	275	-	-	-
	1,775	-	-	-	417	2,192		417	1,275	500	-	-
Desirable but not yet essential items (to begin in 2016-17)												
Gym Hall and Changing Rooms	-	-	-	350	-	350	Summer 2016	-	-	350	-	-
Catering Training Facilities	-	-	-	720	-	720	Summer 2016	-	-	720	-	-
Cycle Park Upgrade		165	-	-	-	165	Summer 2016	-	-	165	-	-
Backlog investment, derived from condition surveys (next 5 years)	5,107	14,780	7,079	1,252	75	28,293	Phased programme up to 2021	-	-	-	10,901	17,392
Backlog investment, derived from condition surveys (beyond 5 years)	6,693	8,671	602	2,723	790	19,479	Phased programme beyond 2021	-	-	-	-	19,479
	11,800	23,616	7,681	5,045	865	49,007		-	-	1,235	10,901	36,871
Totals	**13,575**	**31,666**	**7,681**	**13,245**	**1,282**	**67,449**	**Taken to Summary**	**9,097**	**6,045**	**4,535**	**10,901**	**36,871**
							Funding					
						5,186	College Reserves	5,186	-	-	-	-
						340	Revenue budget	-	-	340	-	-
						1,395	SFC Grant (2015-16) (estimated)	-	1,395	-	-	-
						1,395	SFC Grant (2016-17) (estimated)	-	-	1,395	-	-
						1,395	SFC Grant (2017-18) (estimated)	-	-	-	1,395	-
						11,361	NES Foundation - Inherited Reserves	3,911	4,650	2,800	-	-
						13,006	NES Foundation/Property Sale Proceeds	-	-	-	9,506	3,500
						33,371	Funding not yet identified	-	-	-	-	33,371
						67,449		**9,097**	**6,045**	**4,535**	**10,901**	**36,871**

All figures include project costs, fees and VAT

NORTH EAST SCOTLAND COLLEGE
CAPITAL PROGRAMME
FINANCIAL YEARS 2014-15 TO 2016-17

ESTATES MINOR WORKS

MINOR CAPITAL WORKS	Altens	City	Clinterty	Fraserburgh	Learning Centres	Total	Comments	FY15-16	FY16-17	FY17-18	CONTROL
MiNOR WORKS	**£000s**	**£000s**	**£000s**	**£000s**	**£000s**	**£000s**		**£000s**	**£000s**	**£000s**	
											OK
External and Internal redecoration	50	50	25	-	15	140	Scope to be determined	140	-	-	OK
Fixed electrical installation works (specific)	0	78	-	25	-	103	Switches and emergency lighting	103	-	-	OK
Fixed electrical installation works (provision)	25	25	25	25	-	100	Scope to be determined	100	-	-	OK
Heating & cooling repair replacement	30	50	30	50	-	160	Scope to be determined	160	-	-	OK
Classroom reconfiguration	-	-	-	85	-	85	Completed in May 2014	85	-	-	OK
General provision	100	150	72	100	25	447	Scope to be determined	447	-	-	OK
	205	353	152	285	40	1,035		1,035	0	0	OK
Other items in future years											
Unallocated budget (FY2016-17)	250	350	100	250	50	1,000	Not yet specified	-	1,000	-	OK
Unallocated budget (FY2017-18)	250	350	100	250	50	1,000	Not yet specified	-	-	1,000	OK
Totals	**705**	**1,053**	**352**	**785**	**140**	**3,035**	**Taken to Summary**	**1,035**	**1,000**	**1,000**	OK
							Funding				
						860	Revenue budget	310	275	275	
						725	SFC Grant (2015-16) (estimated)	725	-	-	
						725	SFC Grant (2016-17) (estimated)	-	725	-	
						725	SFC Grant (2017-18) (estimated)	-	-	725	
						3,035		**1,035**	**1,000**	**1,000**	
								-	-	-	

aset
International Oil & Gas Training Academy
www.aset.co.uk

Discussion Document

Prepared for the Board of Management
North East Scotland College

ABCOL Oil and Gas
Production Training Platform

Proposed Upgrade and Enhancements

CAPITAL INVESTMENT PLAN

NORTH EAST SCOTLAND COLLEGE

BOARD OF MANAGEMENT

CAPITAL INVESTMENT PLANNED EXPENDITURE

INTRODUCTION

The purpose of this paper is to provide information to the Board of Management of North East Scotland College (NESCol) on the proposed Capital Investment Plan to meet the course delivery requirements of the ASET Strategic Development Plan, both for long term contracts and short course programmes. It also provides for the delivery of Aberdeen College contracts with the Offshore Petroleum Industry Training Organisation (OPITO).

The installation of the proposed enhancements to the ABCOL Oil & Gas Production Training Platform, as detailed below, would provide for additional process training capability by installing a gas processing and production system integrated into the ABCOL Platform infrastructure and control system.

This proposal involves the capital expenditure required for the acquisition and installation of the proposed enhancements.

1. EXECUTIVE SUMMARY

1.1 North East of Scotland College (NESCol) and its subsidiary Company Aberdeen Skills and Enterprise Training (ASET), delivers competence based education and training for the oil and gas industry both for UK based and international clients.

1.2 The College and ASET's reputation and competitive advantage relies on the provision of hands-on training using actual and simulator training equipment, replicating the oil and gas working environment, meeting the needs of industry and comply with international standards.

1.3 To maintain the College and ASET's ability to compete for contracts, and to protect their present market position, it is essential that the equipment for Oil & Gas practical training reflects the actual equipment and processes in use in the industry worldwide.

1.4 For the continued viability of current contracts and for potential future business, it has become necessary to consider investment in enhancing specific areas of the ABCOL Oil & Gas Production Training Platform.

1.5 The provision of Oil & Gas training makes a large contribution to both College and ASET's financial position and reputation.

The proposed enhancements would increase the number of oil and gas processes which can be carried out on the ABCOL Platform and thus add value to ASET's proposals to meet client needs. These additions would also enhance the training available to Oil & Gas Technician trainees and delegates at apprenticeship, semi-skilled and skilled levels. Investment is essential in these new areas of provision to maintain programme viability and credibility designed to sustain income in the short, medium and long term.

2. THE PROPOSED ENHANCEMENTS

2.1 Oil and Gas Technician Training is an increasingly competitive market with new entrants from public and private organisations developing publically funded facilities and equipment to compete for training contracts..

2.2 ASET International Oil &Gas Training Academy has established a world-wide reputation as a centre of excellence for oil and gas technician training and for the quality and integrity of assessment and qualifications.

2.3 As a premium provider ASET is able to command a premium price for its training programmes. In contract negotiations ASET's ability to add value to a proposal can be decisive.

2.4 With the entry of additional competitors ASET has taken a strategic decision to propose enhancements to the existing ABCOL Oil & Gas Production Training Platform to protect NESCol and ASET's leading market position and to raise the bar to market entry for potential competitors.

2.5 The ABCOL Oil & Gas Production Training Platform provides a safe and environmentally friendly process training environment. The platform pumps water and air to replicate crude oil and gas.

2.6 The proposed upgrade and enhancement involves the acquisition and installation of a gas (air) processing system, including:

(1) Tri-ethylene Glycol (TEG) Dryer and Regeneration Air Drying System
(2) Degasser unit (removing any residual air dissolved in water)
(3) Two Stage Gas (Air) Compression
(4) Heat Exchange System (shell tube/plate) heat exchangers

In addition the proposal includes:

- A Pigging Loop System

This demonstrates the cleaning and maintenance of pipework.

Almost all Oil & Gas Technician training depends on the availability of the ABCOL Platform to reflect the working environment and equipment and this involves:

(a) Mechanical Technicians
(b) Electrical Technicians
(c) Instrumentation Technicians
(d) Process Technicians

The upgraded and enhanced training platform will also:

- Provide gas processing practical hands-on experience for the OPITO UOGITTS Modern Apprentices, the majority of whom are likely to be contracted to NESCol and ASET in academic years 2015/16 and beyond.

- Support the ASET Short Technical Course programme designed for up-skilling and professional development of oil and gas technicians and support ASET specialist courses e.g. Process Isolation courses.

3. PROJECT ANALYSIS

Please see Appendix 1 (Project Analysis) which outlines the Income and Expenditure associated with the ABCOL Platform Enhancements project.

4. RECOMMENDATION

It is recommended that the Board of Management of North East Scotland College (NESCol) approve the estimated Capital Expenditure sum of £1,313,400, including VAT at 20%, for the supply and installation of the enhancements for the ABCOL Oil & Gas Production Training Platform as detailed above.

5. CAPITAL INVESTMENT PLAN PROPOSED EXPENDITURE

The Total estimated price for the proposed Plant enhancements including installation and integration to the Platform is **£1,355,400.**

This figure is based on a basic estimated cost of £995,000 plus a contingency of 10%, £99,500, together with a cost of £35,000 to link the new installation to the electrical supply totalling £1,355,400 (inclusive of 20% VAT).

The basic estimated cost was based on preliminary figures provided by Cordell Ltd.

The final price project price is subject to the responses received from the issue of an open Invitation to Tender (ITT).

Appendix 1

Project Analysis

ALL FIGURES £000s

PROJECT TITLE: ABCOL OIL & GAS PRODUCTION TRAINING PLATFORM - PROPOSED UPGRADE AND ENHANCEMENTS

WORK TO START: 01/02/2015

DATE CREATED 19/11/2014

DESCRIPTION OF PROJECT:

To install a gas processing and production system integrated into the ABCOL platform infrastructure and control system including: TEG Glycol and Regeneration Skid System; Degasser Unit; Gas Compression; Heat Exchange System and Pigging Loop System.

The installation of the proposed enhancements will upgrade the ABCOL platform to reflect the equipment in use in the Oil & Gas Industry worldwide. Investment in the above areas is essential in order to maintain present levels of business within the College and ASET and the ability to compete for contracts in the future.

LOCATION

MINTO [ ] NTH.AMER [ ] F. EAST [ ]

COLLEGE [X] STH.AMER [ ] GULF [ ]

BUSINESS LINE:

MANAGER: Atholl Menzies

PRIORITY CLASSIFICATION:

[ ] 2. Replacement

[ ] 3. Regulatory Compliance

[X] 4. Customer Requirement

1. Economic Advantage

[ ] a) Increase in Income

[ ] b) Decrease in Costs

[X] c) Course / Market Development

CASH FLOW BENEFITS:	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Total
Incremental Effect on Revenue											
From Increased Capacity	0	0	0	0	0	0	0	0	0	0	0
From New Products	0	0	0	0	0	0	0	0	0	0	0
Savings in Annual Maintenance	0	0	0	0	0	0	0	0	0	0	0
Total New Revenue	0	0	0	0	0	0	0	0	0	0	0
Incremental Effect on Operating Costs											
Total Operating Savings	147.5	147.5	147.5	147.5	147.5	147.5	147.5	147.5	147.5	147.5	1475
Net Pre-Tax Income	-147.5	-147.5	-147.5	-147.5	-147.5	-147.5	-147.5	-147.5	-147.5	-147.5	-1475
Add Back Depreciation	135.5	135.5	135.5	135.5	135.5	135.5	135.5	135.5	135.5	135.5	1355
Total Cash Flow	-12	-12	-12	-12	-12	-12	-12	-12	-12	-12	-120
Return on Investment (%)	-1%	-1%	-1%	-1%	-1%	-1%	-1%	-1%	-1%	-1%	-9%
Present Value (@ 5% - 10 Yrs)	-11	-11	-10	-10	-9	-9	-9	-8	-8	-7	-93
Project Capital Cost											1355.4
Net Cash Advantage											-1314

PROJECT COSTS:

CAPITAL	
Abcol Platform	1129.5
VAT @ 20%	225.9
Total Capital Requested	1355.4
Previous Approvals	£0
EXPENSE	
Total Expense Requested	0
Previous Approvals	£0
TOTAL PROJECT:	1355.4

PROJECTED CASH EXPENDITURES:

Current Year	Next Year
1355.4	nil

ACCOUNTING DISPOSITION:

CAPITALIZE £1355.4 EXPENSE £nil

PURCHASING INFORMATION:

P.O. No. Date

Vendor Vend.No.

Value Delivery

Buyer

JUSTIFICATION: *** ATTACH ADDITIONAL PAGE(S) AS REQUIRED ***

Aberdeen Skills & Enterprise Training Limited - Memorandum of Understanding

1. Purpose of this Report

1.1. The purpose of this report is to enable the Board to review the operation of the Memorandum of Understanding established between the Board of Management and Aberdeen Skills and Enterprise Training Limited (ASET), its wholly owned subsidiary company.

2. Background to the Memorandum

2.1. The Board of Management of Aberdeen College, at its meeting on 17 August 1998, first adopted a Memorandum of Understanding between the Board and its subsidiary company, which was also adopted by the Board of Directors of ASET.

2.2. The operation of the Memorandum is reviewed annually by the Board of Management (now of North East Scotland College) and the Board of Directors of ASET

2.3. The purpose of the Memorandum is to define the relationship between the College and the Company. The document, given as an appendix to this paper, details:

- the obligations of both parties;
- the scope of the Company's activity;
- financial arrangements;
- the adoption of the College's financial and other relevant regulations by the Company;
- the management structure of the Company; and,
- actions of ASET requiring prior approval of the Board of Management.

3. Review

3.1. The Memorandum is due for review in February 2015.

3.2. At its meeting on 30 January 2015 the Board of Directors of ASET shall consider the operation of the Memorandum of Understanding. That meeting has yet to take place at the time of writing this report. An oral update on the decision taken by the Board of Directors shall be provided to this meeting of the Board.

3.3. The current Memorandum is attached as an appendix to this paper. No amendments are proposed at this review.

4. Recommendation

4.1. It is recommended that the Board of Management:

4.1.1. review the operation of the Memorandum of Understanding;

4.1.2. consider whether changes are required to the document;

4.1.3. decide if the Board of Management wishes to adopt the Memorandum of Understanding for the coming year.

Rob Wallen
Principal

Roddy Scott
Vice Principal - Finance

Memorandum of Understanding

between the Board of Management of North East Scotland College and Aberdeen Skills and Enterprise Training Limited (ASET).

Document status: Current version for review by the Board of Management and Board of Directors of ASET
Date first established: August 1998
Date of version: January 2014
Responsibility for document: Board of Management and Board of Directors of ASET
Responsibility for implementation: Board of Management and Board of Directors of ASET
Responsibility for review: Board of Management and Board of Directors of ASET
Date for review: February 2015

1. Purpose of the Memorandum

1.1. The purpose of this memorandum is to define the relationship between the Board of Management of North East Scotland College and Aberdeen Skills and Enterprise Training Limited.

2. Definitions

2.1. 'Board' or 'Board of Management' or 'College' means the Board of Management of North East Scotland College.

2.2. 'ASET' means Aberdeen Skills and Enterprise Training Limited.

2.3. 'Directors' or 'Board of Directors' means the Board of Directors of Aberdeen Skills and Enterprise Training Limited.

2.4. 'Nominated Officer' means a senior manager of North East Scotland College as designated by the Board from time to time.

3. Governance

3.1. The Board of Directors shall consist of a majority of Directors who are Members of the Board of Management.

3.2. A Member of the Board of Management shall hold the Office of Chair of the Board of Directors.

3.3. A Director, who is a Member of the Board of Management, shall resign from the office of Director when he/she ceases to be a Member of the Board of Management.

4. Obligations of ASET to the Board

4.1. To be accountable to the Board through the Chair of the Board of Directors.

4.2. To provide management information to the Board to enable the Board to maintain a clear understanding of the Company's financial and operational position.

4.3. To adopt the Board's operational policies and procedures such as those on quality assurance, finance, health and safety, human resources and procurement. The Directors shall consult with the Nominated Officer to ensure compliance with the Board's operational policies and procedures.

5. Obligations of North East Scotland College to ASET

5.1. To co-operate with College Schools in identifying commercial education and training opportunities for College and ASET programmes of Study.

5.2. To promote efficient use of College academic, administrative and material resources to maximise efficiency.

6. ASET Scope of activity

6.1. To maximise commercial income to the College through marketing an agreed range of courses to commercial clients.

6.2. To develop and market a range of appropriate business and industry related knowledge and skill based programmes employing Industry standard resources wherever possible.

6.3. To expand business opportunities through the development of qualifications, training materials and other educational and training activities utilising the skills available

within the Company and the College for which there is a demonstrable demand but which are outwith the range of North East Scotland College existing provision.

7. Scope of activity

7.1. To make use of the academic resources of North East Scotland College by identifying and exploiting commercial training opportunities.

7.2. To develop business and generate income from activities outwith the range of College activities.

8. Financial Arrangements

8.1. ASET shall establish and maintain a gift aid arrangement with the Board of Management. ASET is required to return all profits to the Board, or to any another charity as the Board might require, by means of gift aid. Any amendment to this requirement will require the prior approval of the Board.

8.2. ASET will operate its own bank accounts without requiring the Board to act as guarantor.

8.3. Loan arrangements, i.e. borrowings from or loans to third parties, may only be undertaken by ASET if the Company's Directors have first obtained approval from the Board of Management. The Directors shall consult with the Nominated Officer in considering such arrangements.

8.4. ASET shall comply with the framework provided by the Financial Regulations adopted by the Board.

9. Human Resources Arrangements

9.1. ASET shall comply with the framework provided by the Human Resources Policies adopted by the Board.

10. Actions of the Directors requiring the approval of the Board

10.1. Appointment of Directors may only be undertaken if the Company's Directors have first obtained approval from the Board of Management.

10.2. Acquisition or disposal of assets of more than £25,000 in value.

10.3. The Company's annual business plan (for the forthcoming three years) and the annual revenue and capital budgets.

10.4. The Directors' annual report and financial statements at the Company's annual general meeting.

11. Review

11.1. This memorandum will be reviewed annually by the Directors of ASET and the Board of Management prior to the preparation of the Company's business plan and budget.

Policy on the Appointment of Directors, ASET

1. Introduction

1.1. The purpose of this paper is to assist the Board of Management to consider the governance arrangements of ASET.

2. Policy on the Appointment of Directors

2.1. The Board of Management of North East Scotland College and the Board of Directors of ASET are responsible for the review of the Policy on the Appointment of Directors of ASET, which was first established in 2000. The Policy is due for review.

2.2. At its meeting on 30 January 2015 the Board of Directors of ASET shall consider the Policy. That meeting has yet to take place at the time of writing this report. An oral update on the decision taken by the Board of Directors shall be provided to this meeting of the Board.

2.3. The current Policy is attached as an appendix to this paper. No changes to the Policy are proposed at this review.

3. Articles of Association

3.1. The Company's Articles of Association set the maximum number of Directors at 7. The Articles provide that the Directors of the Company shall retire by rotation every 3 years.

4. Composition of the Board of Directors

4.1. The current composition of the Board of Directors of ASET is:

- Mr. Doug Duthie
- Mr. Ian Gossip
- Mr. Atholl Menzies
- Ms. Deirdre Michie
- Mr. David Morgan
- Mr. Adrian Smith.

4.2. Mr Menzies serves as Chief Executive and executive Director. The other Directors serve in a non-executive capacity. Messrs Duthie, Gossip, Smith and Ms Michie serve as Members of the Board of Management of North East Scotland College.

5. Recommendation

5.1. It is recommended that the Board review the Policy on the Appointment of Directors.

Rob Wallen
Principal

Roddy Scott
Vice Principal – Finance

Policy on the Appointment of Directors

Document status: Current version for review by the Board of Directors of ASET and by the Board of Management of North East Scotland College
Date first established: June 2000
Date of version: December 2011
Responsibility for document: Board of Directors and Board of Management
Responsibility for implementation: Board of Directors
Responsibility for review: Board of Directors and Board of Management
Date for review: February 2015 (Board of Management)

1. Introduction

1.1. This document sets out policy with regard to the appointment of Directors of Aberdeen Skills and Enterprise Training Limited (the Company).

2. Background

2.1. The Policy is the product of consideration by the Board of Directors and Board of Management of Aberdeen College. The Boards, in considering this matter, had regard to the reports published by the Committee on Standards in Public Life.

3. Policy on the Appointment of Non-Executive Directors

3.1. In appointing non-executive Directors, the Board shall comply with the provisions of the Companies Acts, other applicable regulations and the Company's Articles of Association.

3.2. The appointment of Directors may only be undertaken if the Company's Directors have first obtained approval from the Board of Management.

3.3. Directors shall have regard to the need for openness, transparency and accountability in selecting nominees to serve as Directors.

3.4. Directors shall select individuals rather than representatives.

3.5. Directors will consider skills deficiencies that may have been identified in the composition of the Board as a result of the skills audit that has been undertaken.

3.6. Appointed Directors will be provided with:

- A letter of engagement
- A job description
- An induction pack
- An induction programme

4. Policy on the Appointment of Executive Directors

4.1. The appointment of executive Directors of the Company shall be subject to the approval of the Board of Management.

Planning Implications Resulting from the Change in the Funding Model for AY2015-16

1 Introduction

1.1 For Academic Year 2015-16 the formula that generates the learning and teaching grant for colleges will change.

1.2 Board Members received a presentation on this change by the Scottish Funding Council (SFC) at a meeting on 20 January 2015.

1.3 This paper considers implications for College planning that result from this change and proposes some critical actions for senior managers.

2 Context

2.1 The SFC has a clear remit and ambition to simplify the way in which the learning and teaching grant for each College is calculated.

2.2 The majority of the learning and teaching grant is determined by a formula. There are other fixed elements such as the rural funding premium but this paper focuses on the element that has changed.

2.3 There are two key elements to this formula; the volume of activity the SFC will fund and the price the SFC will pay a college to deliver.

2.3.1 **Volume**

In the past the volume was expressed in wSUMs but in the future it will be expressed in credits.

The credits to be claimed for each programme will be equal to the number of planned SQA (or other awarding body) credits to be delivered. A credit is a nominal 40 hours of learning. Where the programmes delivered do not have a credit value a calculation of the total course hours (planned learning hours) divided by 40 will generate the credit value.

So for example

- a student studying for an SQA unit of 1 credit – the College claims 1 credit
- a student on an 80 hour college devised programme with no awarding body – the College claims 2 credits
- a student on a full time engineering programme which delivers 18 SQA credits – the College claims 18 credits.

In simple terms we get paid for what we deliver. The total credit volume that NESCol will be asked to deliver for AY2015-16 will be determined by previous levels of activity as indicated by previous statistical returns.

2.3.2 **Price**

Not all subject areas require the same level of resource, some subjects/learners require more equipment/support, so the new formula has 5 different price groups to accommodate variations:

Price group	1	2	3	4	5
Price per credit £	185	216.69	260	347	360
Examples of subjects in this price band.	Business Management Social Sciences Core Skills	Arts and Crafts Music Sport Sciences Care Computing Pets/ Domestic animal care	Hair Beauty Catering Engineering Technology Building	Agriculture Vet Services	Students with additional support needs

A College will be given an overall credit target within which there will be five credit sub-targets categorised by price band.

The funded credit allocation within these five price groups will be determined by previous curriculum activity.

The total credit volume in each price band multiplied by the credit price will generate the overall grant.

Price Group	1	2	3	4	5	Total Credits	Credit Funding	Average Funding per credit
Price per credit	185	216.69	260	347	360			
Profile A	20,000	35,000	22,000	1,000	22,000	100,000	25,271,150	252.7
Profile B	19,000	30,000	28,000	0	23,000	100,000	25,575,700	255.8
Profile C	26,000	31,000	26,000	2,000	15,000	100,000	24,381,390	243.8

"To aid planning, SFC will pay the same average price per credit for a period of three years. Colleges will be able to negotiate a change to that price over that period if the price group profile changes substantially"[1]

This undertaking to extend the planning horizon should mitigate against the inevitable reality that the end year profile will not match the planned profile.

3 Implications for Planning

3.1 The price is fixed nationally but the volume is negotiable. The College should monitor both the total volume of credits and also the volume within the price bands. Adjustments to volume can be negotiated within the Regional Outcome Agreement process. The SFC is working on a three year planning horizon. Minor fluctuations between price bands will be inevitable, and will be for the college to manage with a fixed overall annual budget.

[1] SFC Guidance Autumn 2014

3.2 Initial analysis suggests that the conversion from our current levels of activity to credits might advantage the College (see table below showing what would have been the credit output based on AY2013-14 FES return):

	Funded enrolments	SUMs	wSUMs	Assumed Credits	Reported Credits
Price Group 1	4,100	25,721	22,786	23,948	24,805
Price Group 2	8,042	71,884	78,253	63,809	65,267
Price Group 3	6,742	52,524	67,940	46,153	47,639
Price Group 4	67	1,004	1,897	804	804
Price Group 5	608	4,577	8,238	4,577	4,577
All	19,559	155,709	179,114	139,290	143,092

3.3 In rebasing wSUMs to credits various assumptions were made and the result was a relationship where our outturn of 179,114 wSUMs converted to 139,290 credits, our "new" target, based on assumptions, including the number of credits currently delivered to full-time students. But because we tend to deliver more than the assumed 16 credits on a full time non advanced course and sometimes more than 12 on an HNC we are actually delivering 143,092 credits. **This is a 2.7% variance in our favour.**

3.4 The SFC has developed a demographic modelling tool (this was discussed and demonstrated at a previous Board meeting in December 2014). The use of this tool to calculate the volume of activity that should be funded in a given region and also the monitoring of key regional data may influence the overall price group profile for the College. This can also be adjusted through the Regional Outcome Agreement process. The SFC are keen to arrive at a sustainable core level of activity for each college which can be supplemented by ESF funding.

3.5 The curriculum planning process should evolve to capture the credits delivered by each price group. Each course is allocated to a price band by the existing superclass code. All units within a course have the same price band. Each course should ensure that the appropriate number of credits are delivered from within the allocated resource. If the learner attends for 680 hours they should achieve at least 17 credits[2]. If less than 40 hours is used to "deliver" a credit, the number of credits generated in 680 hours of attendance can be greater than 17.

[2] 680 /40 results in 17 credits. There may be circumstances where an agreed deviation from this position is appropriate

3.6 The College should take opportunities to add value to course programmes and claim additional credits for doing so. Examples of what may be counted as planned learning hours include:

- class contact time
- supported study time
- supported learning (online learning, blended learning, e-assessment and open learning)
- tutorial time
- any additional time which the College requires for delivering the course and supporting the student (e.g. assessment time).

3.7 **For work placements that are not credited, colleges can claim 1 credit for every 80 hours of work placement.** The risk of a negative impact on the College will be mitigated by maintaining a clear focus on recruitment, retention and learner attainment.

4 Proposed Next Steps

Action	By Whom	By When
Convene meeting of relevant managers to discuss changes	PS	Feb 2015
Review planning spreadsheet to ensure that it collects necessary information	SW/PM	Feb 2015
Review SFC/college data return to identify courses that currently over/under deliver of their potential credit value	PS	Feb 2015
Complete curriculum planning exercise (phase 1)	SW	March 2015
Review completed returns and highlight any anomalies	SW	March 2015
Collate returns by 5 groups – discuss as per Regional Outcome Agreement discussions	SW/PS/PM	March 2015

5 Summary of Key Points

5.1 The College's learning and teaching grant will be determined by the volume of credits (negotiable) and the price of those credits (fixed).

5.2 The College must achieve the overall target (or be subject to penalties) but short term fluctuations within the price bands will be accepted.

5.3 Longer term significant shifts in the price bands will trigger negotiation via the Regional Outcome Agreement.

5.4 The College should adapt its curriculum planning to plan not only the total credits to be delivered but also the number in each price band.

5.5 Curriculum managers should optimize the number of credits they deliver for each course.

5.6 College Managers should communicate the impact of this change to key staff.

6 Recommendation

6.1 It is recommended that the Board discuss the contents of this paper.

Rob Wallen
Principal

Paul Sherrington,
Depute Principal

Draft Outcome Agreement 2015-16

1. Introduction

1.1 The purpose of this paper is to provide the Board of Management with a further opportunity to consider the draft Outcome Agreement for 2015-16.

2. Background

2.1 Since 2012-13 the College has been required to sign an annual Outcome Agreement with the Scottish Funding Council (SFC).

2.2 Outcome Agreements are intended to enable the SFC and colleges to demonstrate the impact of the college sector and its contribution to meeting Scottish Government priorities. The Outcome Agreement is also a funding contract between the SFC and each region.

3. Outcome Agreement for 2015-16

3.1 The Outcome Agreement for 2015-16 follows the same format as the current Agreement – two main sections: a regional context statement and an outcome progress table.

3.2 The College's Outcome Agreement Manager has confirmed that the SFC do not expect the 2015-16 Outcome Agreement to be a brand-new document, it should be a refresh of the current 2014-17 Outcome Agreement.

3.3 A copy of the first draft of the Outcome Agreement for 2015-16 was considered by Members at the Board Meeting on 08 December 2014.

3.4 The first draft of the Outcome Agreement was submitted to the SFC after the December Board Meeting. Initial feedback on the draft was received from the SFC on 13 January. The SFC advised that it was "generally a good draft OA". A list of areas for providing further information in the document was also provided. Additional feedback was also provided on 27 January.

3.5 Work to address issues noted in the feedback is being undertaken and a copy of the latest draft of the Outcome Agreement will be issued to Members under separate cover.

4. Timeline

4.1 The timeline for the Outcome Agreement 2015-16 is as follows:

Activity	Deadline
First draft Outcome Agreement submitted to SFC	10 December 2014
Amendments	January 2015
Final sign-off of Outcome Agreement and funding announced	28 February 2015
Publications of Outcome Agreements	April 2015

5. Recommendation

5.1 It is recommended that the Board consider the draft Outcome Agreement for 2015-16.

Rob Wallen
Principal

Update on Business & Community Development and Scottish Maritime Academy Activity

1 Introduction

1.1 The purpose of this report is to update Board members on activity in Business & Community Development (BCD) and the Scottish Maritime Academy (SMA).

1.2 The Board had the opportunity to consider a more detailed report in December 2014 which highlighted two key challenges:

- the achievement of a stretched activity target
- the ongoing challenge to non SFC income streams.

This paper presents the latest activity and highlights areas of continuing development.

2 wSUMs Activity

2.1 The wSUMs activity target for 2014-15 and the current level of activity is as follows:

	Team	wSUMs Target	wSUMs Actual 25.01.15	wSUMs % Target 25.01.15	Planned outturn	Risk of hitting planned outturn
1	Scottish Maritime Academy	1,209	361	30	900	
2	TYA Tribal	13,000	2,445	19	13,000	
3	TYB Open-e learning	2,200	1,406	64	2,200	
4	TYC Part-time Learning/Misc	2,600	935	36	2,600	
5	TYD Foyer	3,200	1,762	55	3,200	
	Total	**22,209**	**6,909**	**31**	**21,900**	

2.2 The overall position of 6,909 wSUMs compares with a total of 4,391 reported to the Board in December 2014. An up-to-date figure will be provided at the Board Meeting on 09 February 2015.

2.3 The main area of risk remains the achievement of 13,000 distance learning wSUMs (TYA Tribal). The contract is being closely monitored, there are regular weekly meetings and the enrolments are hitting the 100 per week target.

3 Income/Expenditure

3.1 The income and expenditure for BCD and SMA collectively is as follows (extracted from December Management Accounts):

Year to date income	Year to date Budget	Variance	Year-end Budget	Year-end Balance
1,215,991	1,222,282	- 6,291	2,117,121	901,130

Year to date staff costs	Year to date Budget staff costs	Variance	Year-end Budget staff costs	Year-end Balance Staff costs
713,498	737,976	24,478	1,656,102	942,604

Year to date non-staff costs	Year to date Budget non- staff costs	Variance	Year-end Budget non-staff costs	Year-end Balance non-staff costs
222,532	269,989	47,457	719,387	496,856

3.2 The overall picture shows a small negative variance in income but underspends in both staff and non-staff budgets.

4 Ongoing Activity

4.1 Work is ongoing to source new opportunities and funding streams.

4.2 The SDS tender for Modern Apprenticeship and Employability Fund places was completed on schedule and a response is expected in March 2015.

4.3 A tender for childcare training was completed in January 2015 (Aberdeenshire Childcare Partnership). We await a response.

4.4 The College is marketing Cadet provision at Peterhead.

4.5 Work is ongoing to refresh and market College part-time provision. Included in this activity is a review of the pricing strategy for some of the Cost+ offer with a view to attracting SFC funding credits.

5 Recommendation

5.1 It is recommended that the Board note the contents of this report.

Paul Sherrington,
Depute Principal

SFC Action-Learning Project Update

1 Introduction

1.1 The purpose of this paper is to provide information to the Board of Management on the progress of the College's participation in the Scottish Funding Council's (SFC) Action-Learning Project.

2 Background

2.1 The SFC, as part of its quality-related Action-Learning Project, has sought to develop a new college-led process for reviewing the quality of College provision in Scotland. North East Scotland College, along with South Lanarkshire and Ayrshire Colleges, has been identified to pilot and develop a new approach to quality improvement.

2.2 Attached as an appendix to this paper is a copy of the College's Progress Report which was considered at a Participants' Meeting on 23 January 2015.

3 Recommendation

3.1 It is recommended that the Board note the information provided in this paper.

Rob Wallen
Principal

Neil Cowie
Vice Principal – Organisational Services

Scottish Funding Council - Action Learning Project

Participants' Meeting – Friday 23rd January, 2015

Progress Report – North East Scotland College

Introduction

This report aims to provide colleagues attending the SFC's Action-Learning Project (ALP) Participant's meeting on Friday 23rd January, 2015 with an update on the progress made by North East Scotland College (NESCol) in devising and implementing an institution-led approach to quality. As well as identifying the main developments undertaken as part of NESCol's involvement in the ALP this report will also summarise the 'next steps' the College intends to take to ensure the successful implementation of its quality approach.

Progress to Date (Key Developments)

Quality Framework

As the main driver for this new quality agenda the College's Project Management Group (PMG) (Appendix 1) has taken the time to consider and develop its bespoke quality framework. The recently approved framework takes the form of a document (Appendix 2) which identifies the criteria, key questions and (core and supplementary) evidence requirements needed in order to establish how well the College is doing.

The document links SFC Outcome Agreement activity areas with the College's strategic aims and Education Scotland's quality indicators. In doing so it is hoped that a more coherent, institution-led approach to Outcome Agreement, strategic and quality improvement planning emerges.

The format for the framework document aims to make it easily understood by a wide range of stakeholders. It is hoped that through their interaction with this document the various stakeholders will clearly understand the College's evidence requirements, indicators of success and intended impacts and outcomes for students and others.

Quality Cycle and Implementation Plan

The PMG has also identified within its quality cycle (Appendix 3) the College's key quality activities and the approximate time in the academic year when these

activities would take place. In addition to this a draft implementation plan (Appendix 4) identifying possible 'lead' individuals has been devised and circulated for further consultation. Once confirmed, it will be the responsibility of the identified 'lead' person to bring together the evidence required to enable the College, in that key area of quality activity, to fulfil the required criteria.

This ongoing consultation exercise also seeks to establish whether the College has in place the correct 'tools' to enable it to generate the evidence required for the revised and enhanced self-evaluation process.

Lesson Observation

The PMG has determined that the College's key self-evaluation priorities for 2014-15 will be the quality of the student experience and the quality of learning and teaching. Accordingly, the College has taken the opportunity afforded by its involvement in the ALP to review and refresh its approach to lesson observation. In doing so it has now developed, approved and implemented on a multi-strand proposal aimed at assuring and developing the quality of learning and teaching across all centres. This proposal (Appendix 5) will see the involvement of the College's Quality Team, promoted curriculum staff, the CPD Team and Education Scotland each play key roles in the implementation of revised approach.

Student-led Quality (Peer) Reviews

The College has sought to take opportunities to develop and enhance student engagement in quality improvement. Discussions between Curriculum/Quality Managers and representatives of NESCol's Students' Association has led to the development and implementation of a programme of student-led quality reviews. These reviews are conducted by Students' Association Officers and directly with programme-specific student groups. The reviews will provide staff and students alike with valuable and highly qualitative information. Further, they will help both College staff and students better understand student views and experiences of learning, teaching and support and will enable College Managers to initiate improvements, as required.

Validation Panel

Discussions have taken place with different groups within the College on validating the College's progress in meeting key outcomes for, and making positive impacts on students and other stakeholders. It has been recognised that interaction and intervention should take place at different levels and at different stages of the quality cycle. It has also been recognised that stakeholder input to existing College activities already takes place with various college groups or teams e.g. employer,

school and university representatives. Such occurrences are to be more formally identified and utilised in order to generate appropriate self-evaluation evidence for self-evaluation/validation reporting.

In order to provide the College with an appropriate endorsement of its self-evaluation and quality improvement activities it has been agreed that a small group be convened as a more formal validation panel. The Panel will review the evidence generated through the reporting structures of the new validation process. It will also, in time, review the design, implementation, accuracy and impact of revised quality processes. In particular members of the validation panel would be expected, through their specific areas of knowledge and expertise, to offer appropriate and authoritative validations of particular areas of College activity. It is proposed that the Validation Panel will consist of:

- A representative from each of the regional partner universities
- A representative from each of the regional Local Authorities
- A representative from the Chamber of Commerce
- A representative from Education Scotland
- A representative from the Scottish Funding Council
- A student representative identified by Education Scotland

Consultation

Consultations on the proposed approaches have taken place routinely with various College groups since August 2014. This has allowed the PMG to constructively 'test' its thinking on any changes proposed and to gain increasing degrees of confidence that what it proposes is both understood and supported by others within and out-with the organisation.

Next Steps

Validation Panel

Nomination requests to the leaders of above-noted organisations have been issued. Once nominations have been received and confirmed it is proposed that the new Validation Panel members will meet during February 2015 to discuss and advise on the proposed arrangements and to be briefed on and discuss their roles.

Implementation Plan

The deadline for comments from relevant College staff on the proposed implementation plan is Friday 23rd January, 2015. Thereafter, it is proposed that the evidence required and those lead individuals responsible for collecting it will be communicated as part of the College's Quality Improvement Communication Strategy.

The role of overseeing the successful implementation of the revised quality arrangements has now passed from the recently disbanded NESCol Action-Learning Project Steering Group to a strengthened Academic Board's Quality Improvement and Assurance Committee (QIAC). The composition and authority of this Committee and its members is identified in Appendix 1.

Communication Strategy

In order to ensure consistent messages are relayed and systematic methods are adopted a communication strategy has been developed. It will be implemented through January and February 2015 and will incorporate the following:

- A briefing document which will identify the extent of the quality process changes, the quality criteria and the quality-related responsibilities of both staff, student representatives and other stakeholders
- Awareness-raising meetings conducted with Heads of School/Faculty Managers/Curriculum and Quality Managers and Support Team Managers. These will be led by PMG members using the briefing document as a basis for clear communication
- 'Cascade' meetings between the aforementioned College Curriculum and Support Managers and their respective teams, again using the briefing document as a basis for clear communication
- Awareness-raising meeting between the Quality Team and the Student Association, again using the briefing document as a basis for clear communication
- An on-line Quality Repository for assisting in the implementation and sharing of improved quality and self-evaluation approaches
- A Q+A on-line forum hosted by the Quality Team to answer questions that may arise as the revised approaches to quality are implemented
- Dedicated and on-going Quality Team support to Curriculum and Support Teams via three newly established Senior Lecturer – Quality Development posts

PMG Meetings

These monthly meetings involving representatives of SFC and ES are scheduled to continue on a monthly for the remainder of 2014-15.

Role of Education Scotland

Monthly meetings between the College's HMI, Vice Principal – Organisational Services and the Head of Quality are scheduled for the remainder of 2014-15. Agreement has been reached that Education Scotland HMIEs and Associate Assessors will play a key role in assessing the quality of learning and teaching through lesson observations and the quality of the observations themselves.

Imminent discussions between the College and Education Scotland representatives will soon determine the nature and timing of additional Education Scotland input through the remainder of this academic year.

Neil Cowie
Vice Principal – Organisational Services

Susan Grant
Head of Quality

Appendix 1 – SFC Action-Learning Project

College Quality-Related Groups

Action-Learning Project Management Group Membership

- Rob Wallen (Principal)
- Paul Sherrington (Depute Principal)
- Ken Rutherford (SFC Outcome Agreement Manager)
- Jan Davidson (ES HMI)
- Sandra Walker (VP Curriculum)
- Neil Cowie (VP Organisational Services)
- Susan Grant (Head of Quality)
- Pauline May (Planning Manager)
- Alana MacPherson (Planning and Review Officer)

Action-Learning Project Steering Group Membership

- Rob Wallen (Principal)
- Paul Sherrington (Depute Principal)
- Sandra Walker (VP Curriculum)
- Neil Cowie (VP Organisational Services)
- Susan Grant (Head of Quality)
- Susan Betty (Head of Student Support)
- Pauline May (Planning Manager)
- Alana MacPherson (Planning and Review Officer)
- John Davidson (Head of School)
- Elaine Makein (Faculty Manager)
- Gill Griffin (Curriculum Quality Manager)
- Sue Webster (HR Manager – People Development)

Quality Improvement and Assurance Committee (QIAC) Membership

- Neil Cowie (VP Organisational Services)
- David Rennie (Student Association President)
- Susan Grant (Head of Quality)
- Susan Betty (Head of Student Support)
- Pauline May (Planning Manager)
- Alana MacPherson (Planning and Review Officer)
- John Davidson (Head of School)
- Joan Thorne (Head of School)
- Bill Rattray (Head of School)
- Robin MacGregor (Head of Learner Resources)
- Scott Matthew (Head of IT Services)

- Elaine Makein (Faculty Manager)
- Linda Taylor (Business Processes and Administration Manager)
- Gill Griffin (Curriculum Quality Manager)
- Sue Webster (HR Manager – People Development)
- Duncan Abernethy (Head of Business and Community Development)

Appendix 2 – NESCol Quality Framework (Evidence and Criteria)

NORTH EAST SCOTLAND ACTION LEARNING PROJECT PLANNING – CRITERIA, KEY QUESTIONS AND EVIDENCE FOR SELF-EVALUATION

The North East Scotland College Action Management Group have drafted a set of criteria upon which they propose their self-evaluation report for the SFC Action Learning Project Plan will be based. The criteria and associated key questions have been mapped to the existing Education Scotland Quality Framework and the College Regional Outcome Agreement to ensure all key priorities are covered. The key questions have been designed to make the report clearly understandable to a full range of potential stakeholders.

Lines of evidence to be used for each of the criteria have also been identified and classified into “core evidence” sources - which the group consider essential - and supplementary evidence which could be used to provide context, explanation or support an argument.

The criteria have also been mapped to the College Strategic Aims for 15-16 and each has identified associated indicators of success.

Self-Evaluation Criteria, Key Questions and Strategic Aims for North East Scotland College

SFC Reference	Criteria and Indicators of Success	Key Questions (alternates in split cells)	North East Scotland College Strategic Aims
High Quality and Efficient Learning & A Developed Workforce	**Learner experience, outcome and destinations** • High and improving levels of learner retention and attainment • High and improving proportions of learners on positive progression routes • High quality learning and teaching	How good is our teaching?	To create personal and business growth through learning
		How good is the learning experience in our College?	
		How many of our learners succeed and progress to related employment, training or education?	To provide accessible programmes of study that lead to positive outcomes for learners
Right Learning in the Right Place	**Curriculum breadth, depth and regional spread** • Curriculum which provides access to appropriate courses and relevant pathways to positive destinations for all leaners, including those who encounter barriers to learning • A coherent spread of national/ specialist courses across the region which meets the needs of the region	How well do the courses provided meet learner and regional employer needs?	To create personal and business growth through learning
		How well does the College work with partners to support learner and regional needs?	To provide accessible programmes of study that lead to positive outcomes for learners
Access for People from the Widest Range of Backgrounds	**Access and Equality** • Effective and efficient support for learning and learners • Support for learners from protected characteristic groups and those from deprived postcodes to ensure equality of opportunity	How well does the information, guidance and support provided meet the needs of learners?	To provide accessible programmes of study that lead to positive outcomes for learners
		How well does the College ensure equality of opportunity for all learners?	
Sustainable Institutions & Efficient Regional Structures	**Leadership, vision and direction** • Clear strategic direction from the Board of Management which is effectively implemented by the senior management team • Effective motivation, development and support of staff to ensure positive engagement and a high quality service • Effective change management to ensure efficient and flexible organisational responses to environmental changes	How effective is College governance in planning and enabling a high quality service to learners and stakeholders?	To achieve maximum impact from the available resources
		How effective is College leadership and management in ensuring an efficient, responsive and high quality service to learners and stakeholders?	
		How well does the College contribute to the regional economy?	

CRITERIA FOR EVALUATION	KEY QUESTIONS	CORE EVIDENCE	SUGGESTED SUPPLEMENTARY EVIDENCE	SFC STRATEGIC AIMS/ES QIs
Learner experience, outcomes and destinations	1. How good is our teaching? 2. How good is the learning experience in our College? 3. How many of our learners succeed and progress to related employment, training or education?	Learner feedback and associated impact • Surveys • Focus/discussion groups • Peer review meetings • Complaints and compliments Lesson observation PIs for retention and attainment Learner destination data Examples of excellence	Course and curriculum team self-evaluation reports Quality assurance activity • internal audit • internal verification Quality improvement activity • Sharing good practice Awarding body feedback • External Verification reports • Validation and development visits Data on provision of MAs Data on provision of work placement opportunities for learners Documented evidence of learner wider achievement Case studies on learner success	**High quality & efficient learning** *To ensure that learner journeys are as short, efficient and effective as possible and that learners experience the highest quality of learning and teaching and achieve successful outcomes.* **A developed workforce** *To provide learners with the skills and knowledge they need to get a job or get a better job, keep a job and develop a career* **Education Scotland QIs** **1.2 Retention, attainment and progression trends** **2.3 Learner progress, attainment and wider achievement** **5.2 The learning process** **5.3 The teaching process and its context**

				5.4 Assessment for learning **5.5 Information, guidance and support** **5.6 Enhancement of learning and teaching through self-evaluation and internal review** **8.1 Partnership working with communities, other learning providers, employers and other agencies**.

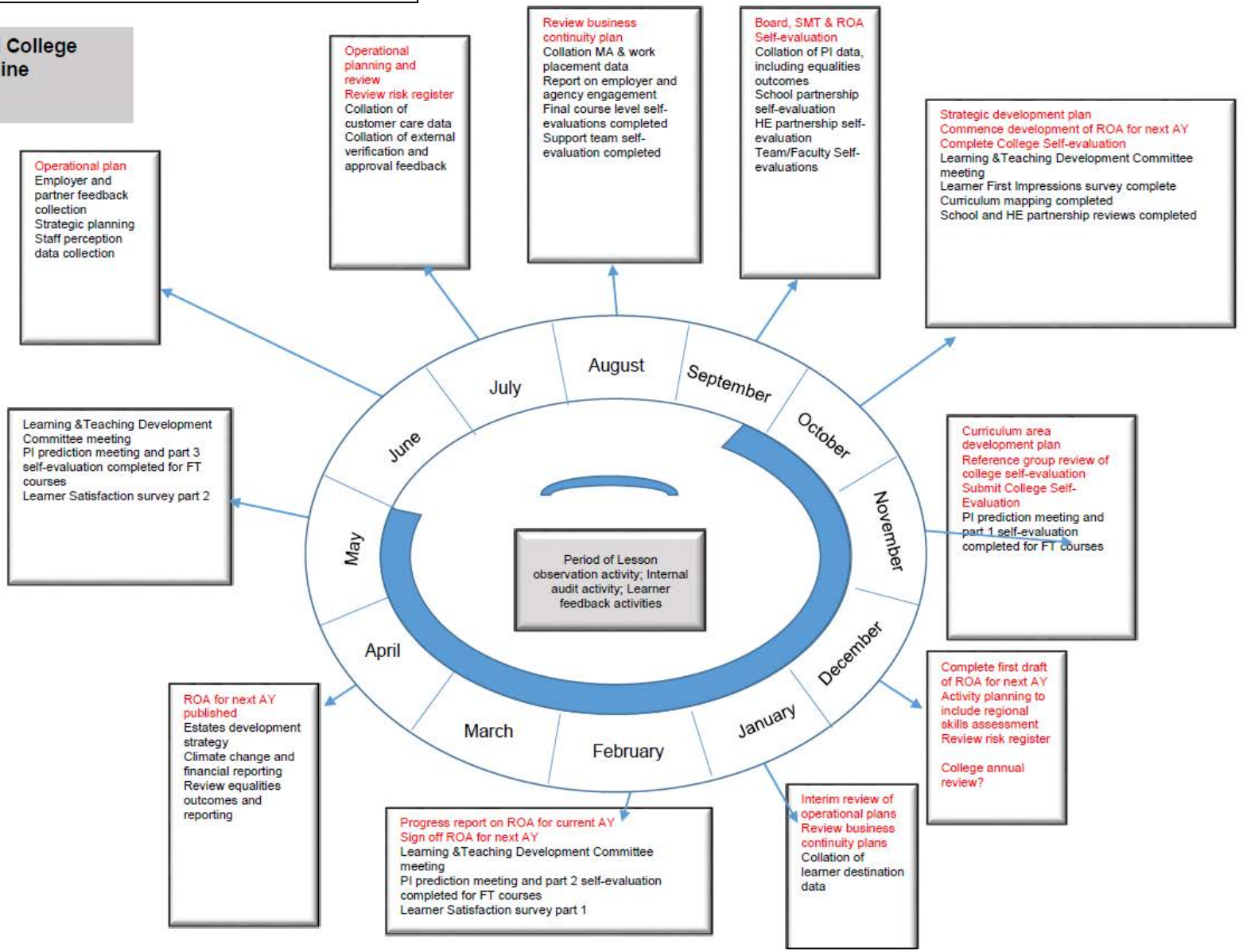
Curriculum breadth, depth and regional spread	4. How well do the courses provided meet learner and regional employer needs? 5. How well does the College work with partners to support learner and regional needs?	Maps of mode of attendance, entry and progression routes in all curriculum areas, including potential destinations at each exit point (prospectus and progression routes) Map regional spread of courses, including representation of national and regional priorities Regional skills assessment Self-evaluation reports for School and HE partnerships Examples of excellence Employer and agency feedback (Course and team level) Regional body partnership feedback - local authorities, Chamber of Commerce etc (School and College level)	Data on range of employers and community groups using College services Report on progress relating to Developing Scotland's Young Workforce Documented evidence of community partnerships informing regional community needs Documented evidence of developed partnerships which support the National Gaelic Language plan Minutes of Academic Board and Sub-Committees	**Right learning in the right place, including access for people from the widest range of backgrounds** *To secure coherent provision of further and higher education in Scotland.* **Education Scotland QIs** 2.2 Relevance of programmes and services to learner needs 4.1 Relevance of programmes and services to the economy and to employers 4.2 Relevance of programmes and services to the needs of communities and other learning providers

Access and Equality	6. How well does the information, guidance and support provided meet the needs of learners? 7. How well does the College ensure equality of opportunity for all learners?	Learner and staff equalities data PI data for learners from protected characteristic groups (applications, enrolments , outcomes and destination) PI data for learners from most deprived postcodes (applications, enrolments, outcomes and destination) PI data for care leavers (applications, enrolments , outcomes and destination) Course provision and PI data for programmes for learners with learning difficulties (applications, enrolments , outcomes and destination) Equalities outcome report Equalities mainstreaming report Examples of excellence	Recorded support data Learner feedback and associated impact • Surveys • Focus/discussion groups • Peer review meetings • Complaints and compliments	**Right learning in the right place, including access for people from the widest range of backgrounds** *To improve access to further and higher education for people from the widest possible range of backgrounds.* **Education Scotland QIs** 2.1 Accessibility, flexibility and inclusiveness of programmes and services. **5.1 Programme design**

Leadership, vision and direction	8. How effective is College governance in planning and enabling a high quality service to learners and stakeholders? 9. How effective is College leadership and management in ensuring an efficient, responsive and high quality service to learners and stakeholders? 10. How well does the College contribute to the regional economy?	Strategic plan(s) ROA Self-evaluation report Investors in People award ISO 18001 Award ISO 14001 Award Data demonstrating action supporting Climate Change (Scotland) Act 2009 Data demonstrating action supporting SFC Financial Memorandum, in particular the principles of good governance and institutional sustainability Board self-evaluation SMT Self-evaluation Examples of excellence	Documented evidence of shared services Regional estates development strategy CPD Self-evaluation HR self-evaluation Operational plan Activity plans Curriculum Area development plans	**Sustainable Institutions and Efficient Regional Structures** *To secure, well-managed and financially and environmentally sustainable colleges.* *To deliver efficient regional structures to meet the needs of the region.* **Education Scotland QIs** 1.1 Achievement of educational aims, objectives and targets 1.2 Adherence to statutory principles 3.1-3.3 Impact on staff 6.1-6.4 Providing direction and facilitating change 7.1-7.5 Management and support of staff 8.2 Management and use of resources and learning environments **9.1 -9.4 Educational leadership and direction**

Appendix 3

North East Scotland College
ALP Evidence Timeline



Appendix 4 – Draft Implementation Plan

Category	Evidence	Core/Supp	Responsible Person	Evidence Gatherers	Evidence Gatherers	External Stakeholders	Frequency in Cycle
Learner experience, outcomes and destinations	Learner feedback and associated impact						
	Surveys	Core	Head of Quality	Faculty Manager	Curriculum and Quality Manager		Every year
	Focus/discussion groups	Core	Head of Quality	Quality team			Every year
	Peer review meetings	Core	Head of Quality	Student Association			Every year
	Complaints and compliments	Core	Head of Quality	Faculty Manager		SPSO	Every year
	Lesson observation	Core	Head of Quality	Quality team		Education Scotland	Every year
	PIs for retention and attainment	Core	VP Organisational Services	Student Data & Records Manager	Faculty Manager	SFC	Every year
	Learner destination data	Core	VP Organisational Services	Curriculum and Quality Manager	Guidance tutor	SFC	Every year
	Examples of excellence	Core	VP Curriculum	Faculty Manager	Curriculum and Quality Manager		Every year
Curriculum breadth, depth and regional spread	Maps of mode of attendance, entry and progression routes in all curriculum areas, including potential destinations at each exit point (prospectus and progression routes)	Core	VP Curriculum	Heads of School	Faculty Manager		Every 2nd year
	Map regional spread of courses, including representation of national and regional priorities	Core	VP Curriculum	Heads of School	Faculty Manager		Every 2nd year
	Regional skills assessment	Core	VP Curriculum				Every 2nd year
	Self-evaluation report for School partnerships	Core	VP Curriculum	Schools Liaison Manager	Faculty Manager	Local authorities	Every year
	Self-evaluation report for HE partnerships	Core	VP Curriculum	Universities Liaison Manager	Faculty Manager	University partners	Every year
	Examples of excellence	Core	VP Curriculum	Faculty Manager	Curriculum and Quality Manager		Every year
	Employer and agency feedback (course level)	Core	VP Curriculum	Faculty Manager	Curriculum and Quality Manager		Every year
	Regional body partnership feedback (local authorities, Chamber of Commerce etc)	Core	VP Curriculum	Heads of School			Every year
Access and Equality	Staff equalities data	Core	VP Human Resources	Human Resources Manager		EHRC & ECU	Every 3rd year
	Learner equalities data	Core	VP Organisational Services	Student Data & Records Manager		EHRC & ECU	Every 3rd year
	PI data for learners from protected characteristic groups (applications, enrolments , outcomes and destination)	Core	VP Organisational Services	Student Data & Records Manager		SFC	Every year
	PI data for learners from most deprived postcodes (applications, enrolments, outcomes and destination)	Core	VP Organisational Services	Student Data & Records Manager		SFC	Every year
	PI data for care leavers (applications, enrolments , outcomes and destination)	Core	VP Organisational Services	Student Data & Records Manager		SFC	Every year
	Course provision and PI data for programmes for learners with learning difficulties (applications, enrolments , outcomes and destination)	Core	VP Organisational Services & VP Curriculum	Student Data & Records Manager			Every year
	Equalities outcome report	Core	VP Organisational Services & VP Human Resources			EHRC & ECU	Every 3rd year
	Equalities mainstreaming report	Core	VP Organisational Services & VP Human Resources			EHRC & ECU	Every 3rd year
	Examples of excellence	Core	VP Organisational Services & VP Human Resources	Department/Faculty Manager	Curriculum and Quality Manager		Every year
Leadership, vision and direction	Strategic plan(s)	Core	Deputy Principal				Every 3rd year
	ROA Self-evaluation report	Core	Deputy Principal			SFC	Every year
	Investors in People award	Core	VP Human Resources	Human Resources Manager		Investors in People	Every 3rd year
	ISO 18001 Award	Core	VP Human Resources	Health and Safety Manager	Environmental & Sustainability Manager		Every 3rd year
	ISO 14001 Award	Core	VP Human Resources	Health and Safety Manager			Every 3rd year
	Data demonstrating action supporting Climate Change (Scotland) Act 2009	Core	VP Finance	Environmental & Sustainability Manager			Every 3rd year
	Data demonstrating action supporting SFC Financial Memorandum, in particular the principles of good governance and institutional sustainability	Core	VP Finance	Financial Controllers			Every 3rd year
	Examples of excellence	Core	SMT				Every year

Category	Evidence	Core/Supp	Responsible Person	Evidence Gatherers	Evidence Gatherers	External Stakeholders	
Learner experience, outcomes and destinations	Course and curriculum team self-evaluation reports	Supplementary	VP Curriculum	Faculty Manager	Curriculum and Quality Manager		
	Quality assurance activity						
	· internal audit	Supplementary	Head of Quality	Quality team	Audit volunteers		
	· internal verification	Supplementary	Head of Quality	CQMs	Quality team		
	Quality improvement activity						
	· Sharing good practice	Supplementary	Head of Quality	Quality team			
	Awarding body feedback						
	· External Verification reports	Supplementary	Head of Quality			Awarding bodies	
	· Validation and development visits	Supplementary	Head of Quality	Quality Compliance manager		Awarding bodies	
Curriculum breadth, depth and regional spread	Data on provision of MAs	Supplementary	Depute Principal	Manager: Modern App	Faculty Manager	SDS, Employers	
	Data on provision of work placement opportunities for learners	Supplementary	VP Curriculum	Faculty Manager	Placement Co-o	Employers	
	Documented evidence of learner wider achievement	Supplementary	VP Curriculum	Faculty Manager	Curriculum and Quality Manager		
	Data on range of employers and community groups using College services	Supplementary	VP Curriculum	Heads of School	Student Informat	Employers, community groups	
	Report on progress with Developing Scotland's Young Workforce	Supplementary	VP Curriculum	Heads of School		Local authorities, employers	
	Documented evidence of community partnerships informing regional community needs	Supplementary	VP Curriculum	Head of Student Servi	Heads of Schoo	Community groups	
	Documented evidence of developed partnerships which support the National Gaelic Language plan	Supplementary	VP Curriculum			HE partners	
Access and Equality	Recorded support data	Supplementary	Head of Learner Services	Learning Support Mar	Curriculum and Quality Manager		
	Learner feedback and associated impact	Supplementary					
	· Surveys	Supplementary	Head of Quality	Head of Quality	Faculty Manager	Curriculum and Quality Manager	
	· Focus/discussion groups	Supplementary	Head of Quality	Head of Quality	Quality team		
	· Liaison meetings	Supplementary	Head of Quality	Head of Quality	Student Association		
	· Complaints and compliments	Supplementary	Head of Quality	Head of Quality	Faculty Manager		
Leadership, vision and direction	Documented evidence of shared services	Supplementary	VP Human Resources			HE partners	
	Regional estates development strategy	Supplementary	VP Finance				
	Board self-evaluation	Supplementary	Principal				
	SMT Self-evaluation	Supplementary	Principal				
	CPD Self-evaluation	Supplementary	VP Human Resources				
	HR self-evaluation	Supplementary	VP Human Resources				
	Operational plan	Supplementary	Principal				
	Activity plans	Supplementary	Principal				
	Curriculum Area development plans	Supplementary	VP Curriculum				

Appendix 5 – NESCol Approach for Lesson Observation

Lesson observation is a valuable tool in the development and evaluation of effective learning and teaching in the College. It is recognised that it may be used in different ways to evaluate the quality of learning and teaching; support staff and develop effective practice.

Observation is essential to provide an objective contribution to the college's self-evaluation of the quality of learning and teaching, learner engagement and quality culture. A single, common model of formal lesson observation is required for the regional college to allow for the effective evaluation of the quality of learning and teaching whilst making best use of the available capacity. This function would be provided by the Quality Team.

Observation is also a tool which is used to assist in the evaluation; identification of support need and development of new staff. New staff in College require development and support in their learning and teaching practice according to their previous experience and qualifications. This would be provided by the CPD team and subject peers.

Observation as tool used by peers to identify and share good practice in learning and teaching is also recognised. There would therefore also be a separate system where Faculty or Curriculum and Quality Managers "drop-in" to classes in their area with the purpose of identifying areas of good practice which could be utilised more widely.

As a result of the College involvement in the SFC Action Learning Project, Education Scotland would have role to play in developing and supporting the formal lesson observation process as well as moderating its quality and effectiveness.

Overall, lesson observation would need to be centrally co-ordinated in order to ensure that the process is conducted consistently and efficiently.

1. The Quality Team Role

- A system of formal lesson observation for permanent College teaching staff will be undertaken by the existing lesson observers (Senior Lecturers Quality, SLQ) and the Senior Lecturers Quality Development (SLQD).
- Education Scotland (ES) will be invited to participate in the training, observation and standardisation processes
- The observation process will be conducted by trained observers who participate in standardisation procedures and moderate each other's work. All observers will be trained on the requirements of the system and will conduct an annual review of its activity and impact
  - Three SLQs could conduct approximately 25 observations each (75)
  - Three SLQDs could conduct approximately 15 observations each (45)
  - Protocol staff will be observed by a separate process undertaken by the Quality Compliance Manager
- Priority will be given to observations in subject areas where learner outcomes or satisfaction is low, although account will also be taken of previous lesson observation outcomes where these are available
- Observations will be unannounced, except for new staff who will have 2 announced observations in the first instance
- The observation process will be based on quality indicators listed in the existing Education Scotland (ES) model
- The person observed will be asked to complete a self-evaluation of the lesson
- Feedback from the learners in the observed lesson will be sought and collated

- Observations will be followed up by a detailed professional discussion between the observer and the person observed
- Observations will be subject to an overall summary reflecting the evaluation of the observer, the person observed and the learners involved
- Observations will be subject to a formal record which will be shared with the person observed and their line manager

2. Promoted Curriculum Staff Role

- Faculty or Curriculum and Quality Managers will continue to drop-in to classes within their own faculties/teams to help identify good practice and support professional development
- This will not require a formal record but a log of the drop-ins taking place will be kept to ensure consistency of practice
- Areas of good practice identified will be recorded in a good practice log and disseminated within their "home" teams and the wider college where appropriate
- Faculty Managers, Curriculum and Quality Managers and Quality team staff will report to good practice groups twice annually to discuss the findings of observation and identify methods of developing good and innovative practice more widely

3. The CPD Team Role

- The CPD team will observe new staff within the first 3 months of starting a teaching role to establish training needs and provide support appropriate to their experience and qualifications
- The CPD team will observe staff undertaking teaching, assessment and verification qualifications as necessary to meet the needs of the qualification and report on these as required
- Where possible, observations for the purposes of learning and teaching qualifications will be combined with formal college processes to limit the number of observations required

4. Education Scotland Role

- Associate Assessors from Education Scotland could conduct some of the formal observations
- An HMI could observe some observations to moderate the quality of the process
- The College HMI will support the training and development of observers

Project SEARCH Update

1. Introduction

1.1 This paper is to provide the Board with an update on the achievements made to date within Project SEARCH and to outline future plans for the programme during 2014-15 and beyond.

2. Background

2.1 The Aberdeen and Aberdeenshire Project SEARCH team is a collaboration between the University of Aberdeen, Inspire (Partnership Through Life) charity and the North East Scotland College, operated under a licence from the Scottish Consortium for Learning Disabilities (SCLD) and funded by Aberdeen City and Aberdeenshire Councils. The project is based on an international model which originated in the USA and is a one year Internship programme supporting young people with additional needs to gain skills and experience to go on to employment.

2.2 The first cohort of Interns graduated from Project SEARCH in June 2014 and 11 gained paid employment within the Grampian area. Three Interns are now employed on a full-time basis within the University of Aberdeen. The second cohort of 12 Interns commenced the programme in September 2014.

2.3 The project has received national recognition, including being named as the foremost 'up and coming' new Project SEARCH site in Europe and receiving the 'Raising Achievement' Award at the Aberdeen Children's and Young People's Services Awards. In addition, the programme was shortlisted as a finalist in the prestigious national Green Gown Awards 2014. Significant progress has been made in enhancing links with the local business community and with influential individuals at both national and government levels.

2.4 Funding is now in place to sustain the programme for a further 3 years and it is anticipated that this will be extended thereafter. Therefore, work is underway to ensure that the appropriate plans and infrastructure are in place to continue to support Project SEARCH within the University of Aberdeen and local community.

3. Internships/Work Placements

3.1 The Interns are supported to undertake 3 internships/work placements over a one year period of study. It is the normal expectation that each participant will undertake 3 or 4 placements over the course of the year.

3.2 All partner organisations work together to identify work placement opportunities based on the student's experience, interests and skills assessment.

3.3 The Interns are supported to attain vocational qualifications and upon the conclusion of the programme, receive support to source and sustain paid employment.

3.4 Work experience placements have been identified in the following areas:

- Cruickshank Botanic Garden
- Estates
- Student Life
- Library, Special Collections & Museums
- Finance & IT
- Human Resources.

3.5 Two new Internship opportunities became available in January 2015 (Development Trust and Hillhead/Crombie Halls of Residence) and the first external Internship has recently commenced with the Aberdeen Sports Village.

4. Achievements to Date

4.1 The following achievements have been made in the programme to date:

4.1.1 **Employment Search**

Under the terms of the licence, it is expected that 60% of the Interns will enter into paid employment within 9 months of graduation. Eleven out of the twelve Interns from the first cohort of the project were in employment within the Grampian area upon graduation. Support mechanisms from both the Project SEARCH team and Council Employability Services remain in place to assist all Interns, whether they are in work or actively seeking it.

The University is not under any obligation to recruit the Interns upon graduation, however, sustainability is a key aim of the programme and three Interns are now employed within the University in the Finance, Estates and HR Sections.

4.1.2 **Engagement with Local Business Community**

To mark the launch of the second year of the project within the University, representatives from the local business community and influential individuals at a national level were invited to attend an inaugural 'Meet the Interns' event in November 2014. This event provided members of the local business community with an opportunity to meet with the Interns to find out more about the project, and to explore the possibility of establishing a mentoring relationship with one of them. The event also enabled the Project SEARCH team to identify acute areas of skills shortages facing local organisations. These areas will now be incorporated into the curriculum with a view to ensuring the development of a sustainable pool of talent for future recruitment in the region. Since the event, representatives from a number of local employers and organisations, including Entier, Sainsburys, NHS Grampian, Wood Group, Aberdeen Football Club, Oil & Gas UK and Voluntary Services Aberdeen, have contributed to the programme in some way. This contribution has taken many different forms, including the delivery of workshops and the establishment of mentoring relationships to support the Interns.

It is particularly encouraging that individuals with an interest in youth employability at a national level, such as Ms Sylvia Halkerston (Wood Commission), attended the event. Ms Halkerston has subsequently remained in contact with members of the Project SEARCH team and has already facilitated the development of links with local organisations. In addition, she has committed to raising the profile of the Project at a national and governmental level.

It is anticipated that a follow-up event will take place in Spring 2015 to enable those employers who attended the event to see the progress made by the Interns and consider how their talents could be used within their organisations upon graduation.

4.1.3 **External Awards and Recognition**

Project SEARCH European Conference

Project SEARCH Aberdeen was named as the foremost 'up and coming' new Project SEARCH site in Europe at the European Conference which took place in Glasgow in June 2014.

Aberdeen City Council

The project received the 'Raising Achievement' Award at the Aberdeen Children's and Young People's Services Awards in June 2014 in recognition of work to raise achievement and support integrated working within the city.

Green Gown Awards 2014

In November 2014, the project was shortlisted as a finalist in the prestigious national Green Gown Awards 2014, which recognise exceptional sustainability initiatives being undertaken by universities and colleges across the UK.

Benchmark Status

The project has attracted significant interest from other organisations seeking to establish a programme and has been highlighted by Project SEARCH International as an exemplar of good practice.

5. Future Plans

5.1 With the support of the Project SEARCH European Co-ordinator, a strategic planning process has been undertaken and a Strategic Plan 2014-19 is now in place. Progress against this Plan is regularly monitored by a Strategic Steering Group. It is anticipated that the Plan will facilitate:

- the ongoing provision of support and identification of appropriate employment opportunities for the Interns
- the continued achievement of key targets (Critical Success Factors) in line with Project SEARCH and SCLD licence requirements and conditions of funding
- enhanced awareness of the project at a local and national level.

5.2 Project SEARCH and SCLD are committed to encouraging the establishment of new sites across Scotland. In this connection, a short-life working group comprising representatives of the Project SEARCH Aberdeen Strategic Steering Group started meeting in January 2015 to discuss the feasibility and implications of establishing a second project within the Grampian area.

5.3 A commitment to fund the programme for a further 3 year period has been received and it is anticipated that, subject to the achievement of funding conditions, this will be extended by a further 2 years.

6. Recommendation

6.1 It is recommended that the Board note the contents of this paper.

Rob Wallen
Principal