

Paper from New College Lanarkshire to the Public Audit and Post-Legislative Scrutiny (PAPLS) Committee of the Scottish Parliament, following the meeting of the PAPLS Committee on 28 June.

- 1 This paper has been prepared to provide additional information to the members of the Public Audit and Post-legislative Scrutiny Committee following their meeting on 28 June 2018. Specifically, this includes information on due diligence costs, support structure and job matching for CQLs that college management committed to provide when they attended the PAPLS committee.

Due Diligence

- 2 At the Committee meeting on 28 June 2018, there was some discussion regarding the report that had been commissioned by New College Lanarkshire to formally review the original due diligence process that had taken place at the time of Coatbridge College joining the merger¹. This additional report was commissioned by NCL as a result of several material factors that had not been reported through the initial due diligence process having a subsequent financial impact on New College Lanarkshire. As outlined in NCL's submissions to the PAPLS Committee on 28 June, these matters included ERDF clawback, lack of full disclosure of property leasing costs and the existence of contracts for activity in China.
- 3 It should be noted at this point that these issues arose from the non-disclosure of material factors by those responsible for the management of Coatbridge College prior to the merger of that institution with New College Lanarkshire on 1 April 2014. There have been no unforeseen costs or issues arising from the due diligence undertaken in relation to Motherwell College and Cumbernauld College at the point that those institutions merged on 1 November 2013.
- 4 The Committee was interested in the costs of the initial due diligence process undertaken in relation to Coatbridge College. The financial due diligence process was undertaken by Scott Moncrieff and the cost of this was £46,203.60 for the full merger process, of which £19,169.04 related specifically to Coatbridge. The legal due diligence process was undertaken by Anderson Strathern LLP and the cost of this for the full merger process was £24,427.62, with £6,019.20 relating specifically to Coatbridge. The total cost of the work undertaken by Scott Moncrieff and Anderson Strathern LLP was met by the Scottish Funding Council as part of the funding that was made available to colleges to support the merger process.
- 5 In terms of the additional report commissioned from Wylie and Bisset LLP to review the initial due diligence process, there was no additional cost for this. As Wylie and Bisset LLP are the College's internal auditors, an annual internal audit programme is agreed by the Audit Committee of the Board of Management and a number of audit days is agreed on the basis of that programme. The review of due diligence report was undertaken within the normal programme of internal audit.

College Structure

- 6 There was specific discussion at the PAPLS Committee meeting on 28 June 2018 in relation to the College structure – particularly in relation to the number of management posts that report to the Assistant Principals. To provide some context to this, the following information may be helpful.
- 7 Our teaching staff are arranged in six faculties, each of which is led by a Head of Faculty. Our faculties are units of considerable size and in terms of levels of curriculum delivery, our Faculty of Care and Science for example, delivers more credits than the whole of the legacy Cumbernauld College and several of our faculties are larger than some of the smaller colleges currently existing in Scotland in terms of teaching delivery. In total, the College works with 18,000 students per year.

¹ Columns 17 – 18 of the Official Report of the Public Audit and Post-legislative Scrutiny Committee, Thursday 28 June 2018

- 8 There are currently seven Assistant Principal posts at New College Lanarkshire and these posts were put in place as part of the restructure that took place at merger. All Assistant Principals were appointed in early 2014 and all seven posts have been held by the same people since. Following the recent voluntary severance scheme, the number of Assistant Principal posts will reduce to six with effect from 1 August 2018 and will reduce again to five on 30 September 2018. There will also be a decrease in the number of Vice Principal posts, which will reduce from three to two, effective from 31 July 2018.
- 9 To accommodate this reduction in senior management posts, some revision of line management arrangements is currently taking place. However, this does not affect the information presented here as the discussions are in relation to who reports to whom given the reduction in the number of senior management roles.
- 10 There are currently 20 managers who report directly to an assistant principal. In addition, there are 12 managers who report to an Assistant Principal at one remove, via a Head of Service, giving a total of 27 managers.
- 11 Within our support structures, we have management posts primarily at two levels – Head of Service and Manager. Heads of Service roles lead on major elements of the activities required to support the College’s wider learning and teaching delivery. The number and type of management posts within our support structures is considered against the size, scope and complexity of the College operating across six campuses, supporting 1,000 staff and 18,000 students.
- 12 As a large, multi-site organisation, there is inevitably some duplication of front line services across our campuses as services must be delivered locally. For example, we operate a refectory and associated food outlets at our three main campuses, with supervisory members of staff at each location. For many services involved in providing direct support to students and staff, we operate a number of sub teams with team leaders as appropriate where this is justified by the volume or nature of work at local campuses. This is a consequence of maintaining delivery to local communities post-merger. These local supervisory/team leader posts will normally have a salary of £22k - £25k.
- 13 Across our support services, the majority of support staff who are now in management posts were in the same or a comparable post at merger. As outlined in the College’s previous paper to the PAPLS Committee, there has been a significant reduction in the number of support management posts from the legacy pre-merger position, with an example being that, by 30 September, the number of senior management posts will be less than half the number of posts at this level before merger.

Curriculum and Quality Leader – Outcome of Job Matching Process

- 14 As part of the national bargaining arrangements for pay and conditions for college staff, an agreement was reached stating that a job matching process would apply for promoted teaching staff. In NJNC Circular 02/17 issued by the joint secretaries, three promoted levels were provided to colleges to support job matching of promoted posts.
- 15 The circular stated that the matching process was to be a joint exercise conducted by local college management and trade union representatives, with the aim of arriving at an outcome through local agreement. For cases where no local agreement could be reached, a national job matching panel was put in place through Colleges Scotland. This national panel was comprised of an independent chair, with both management and trade union representation.
- 16 The first step of the matching process was that college management were required to put forward proposals for discussion. Management at New College Lanarkshire did so, and these proposals were initially discussed between the Assistant Principal: Organisational Development and the EIS Branch Secretary. These proposals covered the following posts:
- Assistant Head of Faculty x 9 posts
 - Curriculum and Quality Leader x 40 posts

- Schools Development Manager x 1 post
- School College Partnership Coordinator x 1 post
- Extended Lecturer x 3 posts (this was a legacy post from Coatbridge College)

- 17 The national panel met to consider NCL's submission on 6 June, with the meeting attended by the EIS Branch Secretary and the Vice Principal: Strategy and Corporate Performance to provide any additional clarification to panel members that may be required to assist in their deliberations. As stated, the panel was comprised of an independent chair, management and trade union representatives, plus the management and trade union joint secretaries to the national bargaining process. Membership of the panel was balanced equally between management and trade union representatives, with the independent chair having a casting vote if required.
- 18 The outcome of the national panel's deliberations was issued to the College on 13 June 2018 and communicated to the affected staff on the same day. The national panel agreed that the posts should be matched to the levels proposed by the College management, while accepting some of the evidence put forward by the trade unions in relation to the spread of activities within individual criteria. **A copy of the College's full submission and the outcome for the role of CQL issued by the national panel has been provided to the Clerk to the Public Audit and Post-legislative Scrutiny Committee.**

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