

**THE GLASGOW SCHOOL OF ART**  
**BOARD OF GOVERNORS**

**Minutes:** 12<sup>th</sup> December 2016

**Present:** Ms Muriel Gray Lay Governor (Chair)

Ms Kerry Aylin Staff Governor (Support Staff)  
Mr Charles Beattie Lay Governor  
Mr Douglas Brown Lay Governor  
Dr Janet Brown Lay Governor  
Ms Laura Glennie President, GSA Students' Association  
Professor Tom Inns Director, GSA  
Professor Nora Kearney Lay Governor  
Ms Eleanor McAllister Lay Governor  
Mrs Linda McTavish Lay Governor (item 9 onwards)  
Dr Susie Mitchell Lay Governor  
Professor Ken Neil Deputy Director (Academic), GSA  
Ms Christa Reekie Lay Governor  
Professor Johnny Rodger Staff Governor (Academic Council)  
Mr Ken Ross Lay Governor  
Sir Muir Russell Lay Governor and Vice-Chair  
Dr Sarah Smith Staff Governor (Academic Staff)  
Mr Andrew Sutherland Lay Governor  
Ms Lesley Thomson Lay Governor  
Professor Alison Yarrington Lay Governor

**Attending:** Ms Janet Allison Deputy Registrar  
Mr Paul Cosgrove Sculpture and Environmental Art (item 8.3)  
Mr Alan Horn Director of Development (item 6)  
Mr Eliot Leviten Director of Finance and Resources  
Professor Irene McAra-McWilliam Deputy Director (Innovation) (item 6)  
Mr Scott Mackenzie Building Design Partnership (item 8.3)  
Mr David Miller Estates Development (item 8.3)  
Mr Alastair Milloy Director of Finance and Resources (designate)  
Mr Scott Parsons Director of Strategy and Marketing (item 6)  
Professor Alistair Payne Head of the School of Fine Art (item 8.3)  
Dr Craig Williamson Registrar and Secretary  
Mr John Martin Assistant Secretary to the Board

**1. Welcome**

The Board welcomed Professor Johnny Rodger, newly-appointed Governor representing Academic Council, and Mr Alastair Milloy, Director of Finance and Resources (designate), to their first meetings.

**2. Apologies for Absence**

Mrs Linda McTavish (for items 1 – 8)

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### 3. **Declarations of Interest**

Andrew Sutherland declared a professional relationship with Page and Park, the architects leading the restoration of the Mackintosh Building.

### 4. **Minutes of Previous Meeting**

The minutes of the meeting held on 26<sup>th</sup> October 2016 were approved.

### 5. **Report from the Chair**

The Chair reported several items of interest, some of which were contained in her written report (Paper 2.4).

#### .1 Staff Governor (Academic Council)

Professor Johnny Rodger had been elected by Academic Council as its Staff Governor and his initial term of appointment would be from 1<sup>st</sup> December 2016 – 30<sup>th</sup> November 2019.

#### .2 Remuneration Committee

As outlined in both the Chair's report and the Remuneration Committee's report to the Board, the Remuneration Committee had met to discuss the Director's salary. Benchmarking data had clearly indicated that the salary was significantly out of step with the sector, and an appropriate increase had therefore been awarded by the Committee, with effect from January 2017.

#### .3 Membership of Business and Estates Committee

As recommended by the Nominations Committee, the Board approved the appointment of Andrew Sutherland as a member of the Business and Estates Committee, with immediate effect.

#### .4 Appointment of Main Contractor for the Stow Building (Phase 0)

The Board had agreed (by correspondence) the appointment of the main contractor for the first refurbishment phase ('Phase 0') of the Stow Building.

#### .5 Royal Conservatoire

The Chair had been in discussion with her opposite number at the Royal Conservatoire of Scotland (Professor Nick Kuenssberg), one topic of conversation having been the implications for Small Specialist Institutions of the Higher Education Governance (Scotland) Bill.

### 6. **Report from the Director**

*This minute has been withheld from the website version of the Minutes on the grounds of commercial confidentiality.*

### 7. **Report from the President of the Students' Association**

The President of the Students' Association introduced her report (Paper 4). Further to the above discussion on the student protest in October 2016, the President welcomed the School's willingness to discuss the issues raised and to establish a continuing dialogue.

As discussed at the Business and Estates Committee and as outlined in the President's report, the Association had enjoyed a busy and successful first term.

The Association's accounts 1<sup>st</sup> August – 31<sup>st</sup> October 2016 had been circulated. The Director of Finance and Resources reported that, while late summer was invariably a quiet period for the Association, financial performance thus far in 2016/17 was healthy and had included a loan repayment to the School of £10k.

(See also 9.2 below for a further item involving the Students' Association).

## 8. Report from the Director of Finance and Resources

### .1 Annual Report and Accounts 2015/16

The Annual Report and Accounts for 2015/16 had been circulated, together with the Audit Management Report by the external auditors (Scott Moncrieff) and the Draft Letter of Representation (Papers 5.1). As had been discussed at length at both the Audit Committee and the Business and Estates Committee, the formal surplus shown in the accounts (£36.4 million) was largely the result of receipt of the major insurance settlement arising from the Mackintosh Building fire, which the School was obliged by accounting rules (FRS102) to show as income. There would be corresponding large deficits in the next few years as this insurance settlement was spent. The School's underlying financial position was a small deficit of £104k, although it could be properly argued that the School's true underlying performance was still somewhat distorted by the accounting rules.

As recommended by the Business and Estates Committee and the Audit Committee, the Board approved the Annual Report and Accounts for the year ended 31 July 2016 and recommended their acceptance by the Annual General Meeting of GSA.

It was noted in a separate paper from the Registrar and Secretary (Paper 6.3) that the School's approach to consideration of its Annual Report and Accounts in recent years had involved the Business and Estates Committee approving the accounts, with the Audit Committee approving the underlying accounting and audit processes. It was felt that this approach might be modified, such that the Audit Committee should approve both the accounts and underlying processes, while the Business and Estates Committee should be invited to note the accounts. The Board resolved that this approach be followed in future.

### .2 Mackintosh Building: update

*This minute has been withheld from the website version of the Minutes on the grounds of commercial confidentiality.*

### .3 Stow Building: update

The Board welcomed Mr Scott Mackenzie (Building Design Partnership), Professor Alistair Payne, Head of the School of Fine Art, Mr Paul Cosgrove, Sculpture and Environmental Art, and Mr David Miller from the School's Estates Department, who gave a presentation in support of the circulated update paper (Paper 5.4). Academic usage of the building was outlined, the building being well suited for creation of high quality studio spaces. An acoustic consultant would be involved in relation to noise levels in the building, and the project team would be pleased to discuss this and other aspects of the design plans with the Students' Association. Options for the second phase of the building's refurbishment (Phase 1) were progressing towards Stage 3 Design, proposals for which should be available for consideration by the Business and Estates Committee in February 2017. In addition to such major considerations as the development of the

building's top floor, it would also be important to consider such factors as signage and internal decoration. Early consideration was also being given to possible eventual replacement of the building's upper floor. A proposal for naming of the building was planned for the Board meeting of March 2017.

The Board thanked the visitors for their interesting and informative presentation.

.4 Stow Building: Fire Suppression System

*This minute has been withheld from the website version of the Minutes on the grounds of commercial confidentiality.*

.5 Health and Safety: update

The Occupational Health and Safety Committee had recently met and had noted a continuing improvement in the implementation of policies and procedures. It was felt that re-integration of the now redeveloped Health and Safety area within the remit of the Director of Finance and Resources was now an appropriate and positive step.

**9. Report from the Registrar and Secretary**

.1 Five-Year Review of Board Effectiveness

The five-yearly review of the effectiveness of the Board (including Academic Council and the Board's Committees) was due to take place in 2016/17 and the Registrar and Secretary had provided a proposed methodology (Paper 6.1), which included the required participation by an external expert. The methodology sought to include consideration of the implications for GSA's governance arrangements of the Higher Education Governance (Scotland) Bill, and was approved by the Board.

.2 GSA/GSASA Relationship Agreement: Update

The Board noted an update on the GSA/GSASA Relationship Agreement (Paper 6.2). The outstanding actions required for completion of the agreement would be undertaken by the incoming Director of Finance and Resources and GSASA.

.3 Prevent Duty: Update

The Board noted an update on the Prevent Duty under the Counter Terrorism and Security Act 2015 (Paper 6.4), which outlined the various actions being undertaken by the School in response to the duty. (It was suggested in discussion that a similar focus might be utilised in relation to Equality and Diversity duties, although in response it was pointed out that a detailed annual report and forward annual plan had been approved by the Board in October 2016. The School would be happy to discuss Equality and Diversity further with any interested parties).

A Governor reported that she had recently attended a Prevent Duty briefing at which particular security threats identified had been ISIS, resurgence of terrorism in Northern Ireland, and violence from extreme right-wing organisations.

.4 Conventions Regarding Board Papers and Presentations

The conduct and content of Board meetings, including the structure of Board agendas, had been reviewed and the resulting conventions circulated (Paper 6.5). Any comments on this document would be welcome.

**10. Action Points**

The Board noted its list of Action Points (Paper 10).

**11. Reports from Academic Council and Board Committees**

The Board noted the minutes of the following meetings:

- Academic Council, 5<sup>th</sup> October 2016 (Paper 11.1)
- Audit Committee, 28<sup>th</sup> November 2016 (Paper 11.2)
- Business and Estates Committee, 28<sup>th</sup> November 2016 (Paper 11.3)
- Mackintosh Restoration Committee, 26<sup>th</sup> October 2016 (Paper 11.4)
- Museum and Archive Committee, 18<sup>th</sup> November 2016 (Paper 11.5)
- Occupational Health and Safety Committee, 3<sup>rd</sup> October 2016 (Paper B11.8)
- Investment Committee, 28<sup>th</sup> November 2016 (Paper 11.9)

**12. Human Resources Committee**

The Board noted the minutes of the meeting of Human Resources Committee held on 18<sup>th</sup> October 2016 (Paper 11.6) and approved the following new and updated policies:

- Job Grading Review Policy and Procedure
- Grading Appeals Policy and Procedure
- Market Pay Policy and Procedure
- Professional Fees and Subscriptions Policy
- Shared Parental Leave and Pay Policy
- Staff Grievance Policy and Procedure

**13. Remuneration Committee**

The Board noted a report on the meeting of the Remuneration Committee held on 10<sup>th</sup> October 2016 (Paper 11.7).

**14. Audit Committee Annual Report to the Board**

The Board noted the Annual Report of the Audit Committee (Paper 12).

**15. Amendment to Statement of Corporate Governance 2016/17**

The School's External Auditors had recommended that the School's Statement of Corporate Governance should include a more explicit reference to Risk Management. The Board approved the resulting amendment to the Statement of Corporate Governance for 2016/17 (Paper 13).

**16. Management Accounts to 31<sup>st</sup> October 2016**

The Board noted the Management Accounts to 31<sup>st</sup> October 2016 (Paper 14)

**17. Annual General Meeting**

The meeting of the Board was followed by the Annual General Meeting of The Glasgow School of Art (limited company), with the same sederunt, at which the Annual Report and Accounts for 2015/16 were approved. The re-appointment of Scott Moncrieff as the School's External Auditors was also approved.

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**18. Eliot Leviten**

The Board was reminded that this would be the final meeting attended by Eliot Leviten as Director of Finance and Resources, although he would continue to work on the Mackintosh Restoration Project as part of his successor's team. Led by the Chair, the Board warmly thanked Eliot for his major contribution to the work of the School over many years as Director of Finance and Resources, and for the energy, commitment and creativity he had brought to his role.

**19. Dates of Remaining Meetings 2016/17**

Monday 30<sup>th</sup> January 2017 (Awayday)

Monday 20<sup>th</sup> March 2017 at 1.30pm

Monday 12<sup>th</sup> June 2017 at 1.30pm

JM