

CORRESPONDENCE FROM THE PUBLIC AUDIT COMMITTEE TO THE SCOTTISH GOVERNMENT, DATED 1 DECEMBER 2014

AUDITOR GENERAL FOR SCOTLAND (AGS) SECTION 22 REPORT: [“THE 2012/13 AUDIT OF NORTH GLASGOW COLLEGE: GOVERNANCE AND FINANCIAL STEWARDSHIP”](#)

At its meeting on 19 November 2014, the Public Audit Committee considered a [response](#) from Glasgow Kelvin College to the Auditor General for Scotland’s report entitled “The 2012/13 audit of North Glasgow College”. The Official Report of the Committee meeting is available to read online at: <http://www.scottish.parliament.uk/parliamentarybusiness/28862.aspx?r=9648&mode=pdf>

At that meeting the Committee noted that the audit report from Scott Moncrieff entitled *North Glasgow College: Governance of senior Management severance*¹ highlighted a number of issues including that the Remuneration Committee:

- had not met for a number of years;
- received inadequate management support;
- was unaware of the SFC guidance.

The report also identified that North Glasgow College had no severance policy requiring compliance with the SFC guidance.

At that meeting the Committee agreed to seek a response from you on a number of issues raised in discussion, in particular:

- What communication the Scottish Government had with North Glasgow College and the Scottish Funding Council regarding the severance arrangements agreed by North Glasgow College as part of the College merger process;
- The extent to which any assurances were given by the Scottish Government to North Glasgow College (and colleges more generally) that severance costs arising from the merger process would be met by the Scottish Funding Council or the Scottish Government.

More generally, the Committee would welcome information from the Scottish Government on:

- what monitoring it undertook during the merger process to reassure itself that the procedures followed by College boards and Committees during the merger process were robust, appropriate, and demonstrated good governance;

¹ The responses received from Glasgow Kelvin College can be found at: <http://www.scottish.parliament.uk/parliamentarybusiness/CurrentCommittees/76458.aspx>

- what guidance or information it provided the SFC and/or colleges on the appropriate terms of severance arrangements (such as paid gardening leave, financial value of severance packages etc)
- What guidance or training is available to non-executive members of College boards across Scotland on their legal and corporate responsibilities during the merger process; and
- How the new structure of Scotland's colleges will improve the accountability and governance of Colleges.

I would be grateful for a response to this letter by **Monday 5 January 2015**. Should you require any further information please do not hesitate to contact the Clerk, Jane Williams on 0131 348 5390 or by email at pa.committee@scottish.parliament.uk .

Yours sincerely

Hugh Henry MSP, Convener