

# Further Evidence to Parliamentary Audit Committee, from John Doyle November 2015

#### Introduction

1. As members are aware I gave evidence to the Committee on Wednesday 28<sup>th</sup> October, since that time a numbers of witnesses have been called and subsequent evidence has been given. As a result, a number of material matters have arisen and for the avoidance of doubt and to ensure the Committee have the full facts, I wish to submit this supplementary evidence.

## Claim by Mr Keenan that I asked for a Severance Package

- 2. Mr Keenan asserts that I wrote a letter, asking for a severance package. This is not true. At no time did I write, or ask anyone for a severance package.
- 3. At no time did I lobby or try to influence any member of the Board of Management regarding a severance package. From the transcript of the 4<sup>th</sup> November 2015, all remuneration committee members unanimously agreed that I did not at any time approach them before, during, or after remuneration committee meetings.
- 4. At no time did I contribute to the contents of the severance package offered to me by my employer the College Board of Management.

#### **Assertion that Members were not aware of SFC Guidelines**

- 5. Over a series of questions from various members of the Parliamentary Audit Committee and several from the Convener, all members of the College Remuneration Committee stated that they were unaware of the SFC guidelines, with a particular emphasis that they believed it was deliberately kept from them by myself.
- 6. Not one member of the Remuneration Committee volunteered to the Audit Committee that **all** Board and Committee documentation had for a number of years been held on their dedicated Board Intranet and that the guidance was fully accessible to them via their College IPads, which they were all in possession of.
- 7. The Remuneration Committee consisted of the Chairs of each of the Board sub-committees. All were very experienced and came at a senior level from, Local Authority, Scottish Enterprise, Higher Education, Fire Service, NHS and the Private Sector. This was emphasised by Mr Brown in his response to questions on the 18<sup>th</sup> November.
- 8. I would refer members to the transcript of the Audit Committee meeting of the 4<sup>th</sup> November 2015 where Mr Keenan the Chair of College Audit Committee, Vice Chair of the Board and ultimately Chair of the College Board of Management stated "I never chose to go on the intranet".
- 9. I would refer members to the meeting of the Audit Committee on the 4<sup>TH</sup> November where Mr Keenan stated that on his return from holiday he telephoned Mr Gray and discussed the Guidelines.

- 10. I would refer the Committee to the Minutes of the Remuneration Committee of the 28<sup>th</sup> January 2013 where it states that Mr Gray raised the subject of the Guidelines and the actions he had already undertaken to comply with them.
- 11. Mr Gilliver stated in response to a question from the Convener: "we discovered that there were Scottish Funding Council guidelines, but we did so only in October". Yet he clearly states that Mr Gray informed members of the SFC Guidance at the January meeting.
- 12. Mr Gilliver in response to a question from Dr Simpson: "It was my understanding that the guidelines were exactly that guidelines. I thought that the college had the discretion to spend over the guidelines, although it would not have received reimbursement for it." So he was clearly aware of the guidelines.
- 13. I would refer you to Mrs Gunn's statement to the Committee on the 18 November 2015, where she confirms that as Clerk to the Board she had made the guidance available and heard Mr Gray explain his conversation with the SFC Chief Executive on the guidance.
- 14. At the Audit Committee of 18<sup>th</sup> November, Mr Brown, the Colleges legal advisor in 2013, and over several questions, repeatedly stated that remuneration committee members were well aware of the guidance and of the actions they were taking regarding severance payments.

#### **Conclusions**

15. All of the above evidence from a variety of sources, clearly demonstrates that contrary to what they have repeatedly stated to the Parliamentary Audit Committee, all members of the College Remuneration Committee were very aware of the SFC Guidelines.

For the record, I did not withhold information from the College Remuneration Committee.

# **Allegation of Collusion**

- 16. Allegations have been made that I with Mr Gray, had in some way colluded to withhold information from Board members in order to benefit from an enhanced severance package.
- 17. I completely refute this. Not only is there no evidence of this, but there is real evidence to the contrary.
- 18. What reason was there for Mr Gray to do so, a man of noted national reputation, an ex-Chair of the Funding Council's own Audit Committee and a man honoured by the Queen for his services to Further and Higher education?
- 19. Mr Gray had followed the SFC Guidance by contacting the SFC Chief Executive.
- 20. Mr Gray had followed the Guidance by briefing remuneration members of the guidance.
- 21. As Principal I had followed the Guidance by meeting with Mr Gray on the 29<sup>th</sup> January to discuss my responsibilities under the Guidance, before signing the acceptance letter.
- 22. As the proposed severance package exceeded the 13 months guidelines I had a responsibility to confirm with him the rationale, affordability and suitability behind and detail of the offer, particularly as it impacted on myself.
- 23. He explained that the Remuneration Committee members were aware of all the facts and the actions he had already taken to adhere to the guidance and all were in unanimous agreement of my receiving the package if I was unsuccessful in obtaining a post in New College Lanarkshire.

- 24. We discussed the rationale behind the offer. Mr Gray explained that the Board were well aware of the key role I played as Principal, and of the need to have me fully committed to the merger and the continued development of the student learning experience in the run up to Vesting day.
- 25. We discussed the suitability; he explained that it was based on the Lanarkshire Federation model intended for all staff in all four Colleges, which in itself was based on the original Edinburgh model.
- 26. We discussed the financial implications of the offer and that the Chair of the College Finance Committee, Mr Paul Gilliver who had been in attendance at the meeting, was happy with the proposal and would have a continual dialogue with the Director of Finance and monitor the situation until Vesting day.
- 27. We spoke about the involvement of the internal and external auditors and of the responsibility of College Audit Committee to include this within their audit plan for the year.
- 28. Mr Gray explained that the committee had used this approach as the basis for their business plan which underpinned the offer.
- 29. It was with that understanding and reassurance that I accepted and signed the severance agreement on the 29<sup>th</sup> January.
- 30. Mr Brown who had reviewed the Remuneration Committees decision making process, was asked whether in his professional opinion there was any collusion. He stated there was not.

#### **Conclusions**

31. There was no reason or motivation for Mr Gray to collude, there was no evidence that collusion took place and very real evidence to show that we did not collude.

#### Lack of Evidence to External Auditors and Auditor General

- 32. Mr Gray and I demitted our posts in October 2013. Mr Keenan and Mrs McCarthy took over as Chair and Vice Chair respectively and as I understand were in post until 31<sup>st</sup> March, continuing in some capacity to support New College Lanarkshire.
- 33. The Auditor General's Report to the Parliamentary Audit Committee is based on the External Auditor's Report.
- 34. On the basis that the external auditors would have been looking for as much evidence as possible. It is now quite clear that the vast majority of evidence was denied them.
- 35. Why was the following kept from the auditors and by whom:
  - The minutes of the Remuneration Committee of the 28<sup>th</sup> January 2013
  - The Boards Business case for the Principal's severance package
  - The minutes of the Remuneration Committee of the 23<sup>rd</sup> October
  - The minutes of the Board of Management of the 23<sup>rd</sup> October
  - The fact that the Chair of the Board had engaged legal representation to assist the Remuneration Committee and Board of Management
  - The details of the advice given by Mr Brown to the Remuneration Committee
- 36. Who exactly in the College did the External Auditors approach and who in the college was the person who stated that they had an issue with governance aspects?
- 37. What role did Mr Keenan and Mrs McCarthy play in assisting the External Auditors?

- 38. Why did no one speak to myself and/or John Gray?
- 39. What other evidence post October 2013 has not been shown to the External Auditors, Auditor General, and Parliamentary Audit Committee?
- 40. Mr Banks stated that he was retained by New College Lanarkshire. Why was he not contacted?

#### The Lanarkshire Federation Scheme

41. Remuneration Committee members have at no point mentioned this scheme which all were very well aware of. Everyone new that this was the proposed scheme for all staff in all four Colleges and that it was contained in the Federation Action Plan. It was only in September when a new reduced scheme was introduced by New College Lanarkshire that any concerns were raised. Mr Brown stated that the Remuneration Committee had the Minutes of the Principals Forum which outlined this.

## **Accuracy**

- 42. For accuracy Mr Tavish Scott stated that "Mr Doyle destroyed papers". I would respectively refer him to the transcript of my meeting with the committee on the 28<sup>th</sup> October. I was referring only to information that I personally held on my computer: emails, papers etc. These I was obliged to pass on or destroy as appropriate. I did not destroy any other information.
- 43. For Accuracy in response to a question from Mr Colin Beattie, Mr Keenan stated: "there was always a conflict of interest, clearly, a Principal sitting on a remuneration committee and who is looking for a severance payment has, under the guidance a conflict of interest."
- 44. I am not sure what Mr Keenan means here, nor when he was referring to the guidance he alleges he did not see.
- 45. For accuracy, I was never a member of the remuneration committee.

#### Conclusion

46. In Summary, the evidence I have given has been clear, consistent and factual. I was, and will remain, committed to ensuring that the Committee have all of the facts. I have done nothing wrong, and I am very happy to assist in any way in order that the full facts are known, and my reputation restored.

John Doyle

November 2015

## Response from John Doyle on the 'Further Comment' by Roger Mullin

## Introduction

1. Given what has been said by Mr Mullin, I feel it necessary to respond and clarify the points raised by him, in order that the true facts are known.

## Mr Mullin's assertion regarding "I forced him out"

- 2. To clarify my remarks made at the Committee on the 28<sup>th</sup> October, Mr Mullin and Mrs McTavish in their respective roles met with our Chair, Mr Gray, and myself on the 18th July, at Coatbridge College. At that meeting they presented to the Chair the conditions for Coatbridge re-joining the merger.
- 3. A condition for re-joining was that Mr McGuire would be the Principal of New College Lanarkshire, effectively putting me out of a job. I thought it was quite obvious that my comment of "when do you want me to leave" was one borne out of shock and sarcasm, which is why there was no return comment.
- 4. As Mr Mullin states, I received an email on the 18<sup>th</sup> August with a view to meeting on the 20<sup>th</sup> to discuss amongst other things, my leaving early. It was my, and those of my colleagues, interpretation of the email that my position as Principal was now untenable.
- 5. I had given an undertaking to the Board and staff that I would support the merger of the Colleges, which I had fully embraced. I now believed that I was seen by the Scottish Government and Funding Council as some form of impediment. Therefore I went to the meeting with Mr Mullin and Mr Kemp at SFC offices where it was quickly agreed that I would leave on the 31<sup>st</sup> October, the day before the New College Lanarkshire's Vesting day of the 1<sup>st</sup> November.
- 6. Having just recently briefed all College staff that I would be with them until Vesting day, within a matter of days I had to meet with them again and inform them that sadly that would no longer be possible.

## **Seeking Posts elsewhere**

7. Mr Mullin is quite correct that I did apply for the new Ayrshire Principal's post. I am unsure what it is exactly Mr Mullin is implying? For the record, I was in a potential redundancy situation in January. I had not had a job interview for many years and I wanted a job not a severance package and would have been happy to take up another Post without one. I did not apply for the Principal's post on the merger between Motherwell and Cumbernauld because we were no longer merging and thus my post was not at risk.

### Mr Doyle's Briefing to others

8. This is incorrect. As Mr Mullin is aware, he and Mr Kemp had attended the Lanarkshire Federation meetings and were present when a unified 21 month VS Scheme was presented

by South Lanarkshire College. At no time would I have said that he or Mr Kemp had agreed the scheme as neither had approval authority. It was clearly minuted that the members had agreed to include it within the Federation action plan. I have no idea why anyone would misinterpret this to him.

John Doyle

November 2015