

Public Audit Committee

2013/14 audit of Coatbridge College: Governance of severance arrangements

Submission from Ralph Gunn

Response

I welcome this opportunity to make a written submission to the committee and would make several points.

1. For the sake of clarity I can confirm that I am not related to any former member of staff at Coatbridge College.
2. With regard to the Remuneration Committee of 28 January 2013 it should be recognised that the committee was discussing voluntary severance arrangements for a proposed merger which did not subsequently take place at that time.
3. The information laid before the committee clearly indicated that a 21 month model referred to as the 'Edinburgh Model' was emerging as the severance arrangement within the sector. The committee was informed that it was the scheme being discussed as part of the proposed federation of colleges for Lanarkshire. It subsequently emerged that this model was not adopted by the sector.
4. The committee were clearly informed that these proposals for a maximum of 21 months severance payment were in line with the Funding Council's guidelines for senior staff.
5. The committee was told that the proposals were also in line with any particular arrangements for the Principal.
6. The original minute spoke of an 'aspiration' to offer the same terms to all staff. This was subsequently altered to 'intention' at the next meeting of the committee.
7. I was not present at the next meeting of the Remuneration Committee or the following Board meeting which both took place on 23 October 2013. I, therefore, cannot comment on the accuracy or otherwise of the minutes.
8. I understand that there was a further meeting of the Remuneration Committee on 4 November 2013 but I was still out of the country and could not attend and cannot find any minutes for this meeting.

9. I fully understand why senior staff should have been offered an uplift on their salaries to cover for absent post holders. Initially, there were 3 senior academic members of staff picking up the previous work of the Interim Principal. However, this was reduced to 2 on the sudden death of one of their number. This greatly increased their workload and time commitments.
10. Whilst I agree that the temporary restructuring was necessary and knew that this would involve extra payments to individuals I was surprised to read in the Auditor General's report that the enhancement was included in the calculation of severance pay. In my view these salary increases should never have been consolidated in this way. They were of a temporary nature to cover a specific situation.
11. I was not consulted on this consolidation. I would not have agreed. It is contrary to both good and normal practice in the sector. I do not know who authorised such consolidation.
12. I have not received a copy of the minutes of the last Board Meeting of Coatbridge College held on 19 March 2014.

Ralph Gunn