

References Board of Management

Meeting of the Finance & Physical Resources Committee

MINUTE OF 2nd MEETING HELD ON 22 NOVEMBER 2017 AT 1700 HRS (FPRC2)

Present	
Megan Cartwright (MC)	Milea Leone (ML)
Tracey Howe (TH)	Robert Morrison (RM)
Karen Kelly (KK) (Convener)	Lesley Woolfries (LW)
In attendance	
Paul Clark (PC)	Stuart Thompson (ST)
Fares Samara (FS)	
Alex Stewart (AS)	Ann Butcher (Minute)
Apologies for absence	
Paul Little (PL)	Stuart Patrick (SP)

KK welcomed Milea Leone to her first meeting of the Committee.

Item FPRC2-1	Apologies for Absence	
Paper No:	Lead: K Kelly	Action requested: Note
Decision/Noted	Apologies were received from PL and ST.	

Item FPRC2-2	Declarations of Interest	
Paper No:	Lead: K Kelly	Action requested: Note
Decision/Noted	There were no declarations of interest.	

Item FPRC2-3	Minute of Previous Meeting held on 27 September 2017	
Paper No: FPRC2-A	Lead: K Kelly	Action requested: Approve
Discussion/ Matters Arising	PC highlighted the possible need to anonymise references to Study Inn in the minutes, as the organisation referred to within Property Disposals. Members agreed that, as this is public knowledge, this would not be necessary.	
Decision/Noted	That the minute of the meeting held on 27 September 2017 be approved.	

Item FPRC2-4	Annual Report & Accounts 2016-17 (Draft)	
Paper No: FPRC2-B	Lead: S Thompson	Action requested: Approve
Discussion/ Matters Arising	PC introduced the Annual Report 2016-17, in particular the narrative section which is constructed around individual Committee Annual Reports. The report also highlights the achievements and successes of both staff and	

	<p>students. ST further provided a brief overview of the full Financial Statements which show a deficit of £3.3m with an underlying operating position of a surplus of £534k.</p> <p>The report will be further developed to include images and design elements for final publication.</p>
Decision/Noted	<ul style="list-style-type: none"> To amend the RAG rating colours in tables as appropriate. That the Internal Audit summary be updated to reflect the 2016-17 report. To approve the Annual Report & Accounts for 2016-17 subject to agreed amendments.

LW entered the meeting during the following discussion.

Item FPRC2-5		College Course Fees 2018-19	
Paper No: FPRC2-C	Lead: S Thompson	Action requested: Approve	
Discussion/ Matters Arising	<p>The Committee considered the proposal to increase most part-time fees by approximately 2.5% on the 2017-18 level, recognising the current economic climate, inflation and College costs. DT reported that the SFC main grant for 2018-19 full time fees would likely remain at the 2016-17 rates including a small increase to the notational part time fee rates. It was noted that some fees will be set higher, depending on whether additional tuition is provided or class sizes are smaller than average.</p>		
Decision/Noted	To approve the proposed minimum course fee rate as proposed.		

Item FPRC2-6		Refund of Course Fee Policy	
Paper No: FPRC2-D	Lead: S Thompson	Action requested: Approve	
Discussion/ Matters Arising	<p>A revised 'Refund of Course Fee Policy' was submitted. Along with some minor title changes, it was noted that the additional circumstance at Point 14 - 'No request is made for a refund of fees within 3 years of payment being received' - would qualify as a 'non refund'.</p> <p>Whilst recognising the requirement for a limit, members confirmed that a 3 year period was not too restrictive, however it was suggested that discretion should be applied on a case by case basis, depending on individual circumstances. This is covered under 4.4 Discretionary Refunds.</p>		
Decision/Noted	To approve the revised Policy.		

Item FPRC2-7		Property Disposals Update	
Paper No: FPRC2-E	Lead: F Samara	Action requested: Discuss/Decision	
Discussion/ Matters Arising	<p>FS updated members on the progress with respect to the property disposal proposal. Study Inn (SI) have now been provided with verbal and written notification on the decision to terminate the agreement as agreed at the Board meeting held on 27 09 17. A letter from Anderson Strathern (AS) in response to a query received from SI's solicitor (Lindsays) confirming that SI is not entitled to any compensation or refund of deposit was tabled at the</p>		

meeting. AS have also lodged a caveat with the courts which gives the College an early indication should SI decide to lodge an interim interdict blocking any future development/decision to re-market either or both properties. To date this has not materialised.

CoGC has reflected on the estate plan in close collaboration with Scottish Futures Trust (SFT). Copies of emails (2) sent by SFT in relation to this matter were also tabled at the meeting. It is now proposed that using the existing contracted arrangement with Ryden and all relevant consultants, to relaunch only the North Hanover Street site on the market. Further development options for the Charles Oakley site would be considered around March/April 2018.

LW raised concern with regard to the possibility of SI lodging an interim interdict on future developments and sought clear evidence that this would not transpire. FS referred to the tabled documents and advised that Paul Lombardi (from AS) had given assurance that as time has progressed this risk was increasingly unlikely, and that the case for the return of the deposit to SI was weak. FS expressed confidence that there would be no issues in terms of remarketing.

LW further stated that any decision taken by the Committee with regard to property disposals should be approved by the full Board.

Members noted that the SFC have agreed that ongoing costs with respect to professional services and the costs associated with maintaining the sites will continue to be off-set from the sale proceeds.

Decision/Noted

- To provide a Property Disposals proposal update including clear rationale behind Option 2, together with written confirmation in support from both SFT and Ryden for the next meeting of the Board.
- To endorse the recommendation to pursue Option 2 for approval by the Board.

Item FPRC2-8		NPD Delivery Report	
Paper No: FPRC2-F	Lead: F Samara	Action requested: Discuss	
Discussion/ Matters Arising	<p>Final progress on the delivery of the New Campus Project was considered. The following matters were particularly raised:</p> <ul style="list-style-type: none"> - Health & Safety – No reportable injuries or incidents for the period to end of October 2017 were noted. This will continue to be reported through the normal H&S quarterly report. - City Campus Operational Phase – Significant progress has been made with respect to financial settlement to the schedule of derogations and snagging in order to bring the monthly operational payment mechanism deductions up to date. These will continue to be reported via the FM report. - City Campus Phase 4 – The overall completion date remains at 11 12 17 (a delay of 17 weeks). - Risk Review & Risk Register – All risks have now been closed or added to the College Risk Register as operational risks. The register will be formally closed following completion of the City External Works. - Budget – the project remains on track to be delivered within budget. 		

Decision/Noted	<ul style="list-style-type: none"> To note the report. To provide a final report covering the progress and completion of the Phase 4 construction at the next meeting.
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Item FPRC2-9	Facilities Management Report	
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Paper No: FPRC2-G	Lead: F Samara	Action requested: Discuss
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Discussion/ Matters Arising	<p>FS provided a brief overview of the report. The following matters were particularly noted:</p> <ul style="list-style-type: none"> - Additional significant incidents were verbally reported. The incident on 7th November involved the loss of water supply at City Campus which invoked the Business Continuity Plan. The building was evacuated, except for essential staff, however the water supply was subsequently quickly restored. Overall responsibility for the loss of water supply is being investigated. The College is seeking assurance that this will not recur and appropriate measures are in place. - The second incident involved an unidentified suspicious package. The building was again evacuated and emergency services were called. The incident was subsequently deemed safe. - The proposed uplift of 10% on initial figures for deductions from February to July has now been accepted. Deduction levels from August have yet to be agreed. - The CHP (Bio Diesel) systems at City and Riverside are now fully operational. Running costs vs benefits are being analysed. 	
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Decision/Noted	To note the update report.
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Item FPRC2-10	Health & Safety Report 1 April to 31 October 2017	
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Paper No: FPRC2-H	Lead: F Samara	Action requested: Discuss
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Discussion/ Matters Arising	<p>The level of accidents and incidents were reviewed and the increase in RIDDOR reportable incidents was noted. FS confirmed that additional information will be provided for RIDDOR incidents.</p> <p>Discussion followed on the range of ongoing accident claims cases. Members were assured that all incidents are managed by the College insurers. It was agreed that the excess amount for personal injury should be clarified recognising this may have some financial impact on the College.</p>	
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Decision/Noted	<ul style="list-style-type: none"> To check excess charge for cases of personal injury. To note the report.
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Item FPRC2-11	Financial Plan 2016-17	
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Paper No: FPRC2-I	Lead: S Thompson	Action requested: Discuss
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Discussion/ Matters Arising	<p>Members noted the financial budget for the period 1 August 2017 to 31 July 2018. An underlying surplus of £111k against a budget of £26k is now projected. ST informed that this improved position was mainly due to the ongoing national pay bargaining negotiations which have yet to be resolved. Any financial impact following agreed changes to the Terms and Conditions of Lecturing staff have yet to be implemented.</p> <p>The Committee noted that whilst commercial courses income grew by over 20% in 16-17, the budget growth for this year is currently not forecast to be achieved. The commercial department is working with Faculties to consider running additional courses later in the year.</p>
Decision/Noted	To note the Financial budget for 2017-18.

Item FPRC2-12 Resource Return Financial Year 2017-18	
Paper No: FPRC2-J	Lead: A Stewart Action requested: Discuss
Decision/Noted	To note the small surplus of £73k.

Item FPRC2-13 Non-Compliant Spend Report	
Paper No: FPRC2-K	Lead: S Thompson Action requested: Discuss
Discussion/ Matters Arising	<p>An update on the progress made against all non-compliant spend was submitted and the areas of non-compliance, ongoing progress and planned improvements were reviewed.</p> <p>It was agreed that the current level of procurement resources be maintained and pipeline plan be adhered to however regular ongoing reportage to the Committee would be required.</p>
Decision/Noted	<ul style="list-style-type: none"> • To progress the action plan to eliminate all non-compliant spend. • To submit regular update reportage to the Committee.

Item FPRC2-14 ICT Progress Report	
Paper No: FPRC2-L	Lead: F Samara Action requested: Note
Decision/Noted	To note the progress on the delivery and operational performance of ICT services.

Item FPRC2-15 Credits Delivery Update	
Paper No: FPRC2-M	Lead: S Thompson Action requested: Note
Decision/Noted	To note the anticipated actual Credits for 2016-17, the projection for 2017-18 and the Regional comparison.

Item FPRC2-16 Treasury Management Report 2016-17	
Paper No: FPRC2-N	Lead: S Thompson Action requested: Note

Decision/Noted	To note the update on the College's investment strategy and performance over the academic year 2016-17.
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Item FPRC2-17	Climate Change Report 2016-17
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Paper No: FPRC2-O	Lead: F Samara	Action requested: Approve
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Decision/Noted	FS reminded members on the duties of public bodies to comply with the Climate Change Act. A Statutory Order of the Act requires public bodies to annually report on compliance with the climate change duties. The draft CoGC Climate Change Report for 2016-17 was submitted for review.
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The challenges faced to substantially reduce the College's carbon footprint in future were recognised. ELT will consider and agree how this will be progressed particularly in relation to the Sustainability Strategy.

TH provided a suggested contact (Douglas Little) at Glasgow Caledonian University (GCU). GCU is the first university in Scotland to achieve EcoCampus Platinum certification for its environmental practices.

To approve the Climate Change Report for submission by 30 11 17.

Item FPRC2-18	Any Other Notified Business
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Paper No:	Lead:	Action requested:
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Decision/Noted	There was no other notified business.
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Item FPRC2-19	Disclosability of Papers
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Paper No:	Lead: P Clark	Action requested: Note
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Decision/Noted	It was agreed that the disclosability status of papers as described on respective cover sheets be retained.
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Item FPRC2-20	Date of Next Meeting
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Paper No:	Lead:	Action requested: Note
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Decision/Noted	Wednesday 28 February 2018
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The meeting closed at 7.20 pm.

ANNEX TO THE MINUTE

ACTION POINTS ARISING FROM THE MEETING

Item	Description	Owner	Target Date
FPRC2-4	Annual Report & Accounts 2016-17: Amend as agreed.	PC/ST	06 12 17
FPRC2-7	Property Disposals Update: Provide update paper with additional rationale for final approval by the full Board.	FS	06 12 17
FPRC2-8	NPD Delivery Report: Provide final report for next meeting.	FS	28 02 17
FPRC2-10	H&S Report: Check excess charge for cases of personal injury.	FS	ASAP
FPRC2-13	Non-Compliant Spend: Provide regular reportage.	ST	Ongoing

ACTION POINTS ARISING FROM PREVIOUS MEETINGS

Item	Description	Owner	Target Date
FPRC1-6	Property Disposals Update: Provide written confirmation as requested and submit Committee recommendation for the next meeting of the Board.	FS	11 10 17 Complete
FPRC1-4	Committee Annual Report 2016-17: Amend as agreed.	PC	ASAP Complete
FPRC1-8	NPD Delivery Report: Further review Risk 16 at the next meeting.	FS/ALL	22 11 17 Complete
FPRC1-10	Health and Safety Report: Provide suggested amendments as agreed.	FS	22 11 17 Complete
FPRC1-12	Long Term Financial Planning: Present proposals to reduce costs in the longer term.	ST	06 12 17
FPRC1-14	Non-Compliant Spend Report: Progress action plan to eliminate all non-compliant spend.	ST	22 11 17
FPRC5-9	FM Report: Provide additional staff/student service desk analysis.	FS	ASAP Complete