

References Board of Management

Meeting of the Finance & Physical Resources Committee

MINUTE OF 2nd MEETING HELD ON WEDNESDAY 20 NOVEMBER 2019 AT 1700 HRS
(FPRC2)

Present	
Karen Kelly (KK) (Convener)	Stuart Patrick (SP)
Robyn Lambert (RL)	Lesley Woolfries (LW)
Ronnie Quinn (RQ)	
In attendance	
Paul Clark (PC)	Alex Stewart (AS)
Sheila Lodge (SL)	
Stuart Thompson (ST)	Ann Butcher (Minute)
Apologies for absence	
Dylan Duff (DD)	Paul Little (PL)

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

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

Item FPRC2-3.1	Minute of Previous Meeting held on 2 October 2019	
Paper No: FPRC2-A	Lead: K Kelly	Action requested: Approve
Decision/Noted	That subject to one amendment, the minute of the meeting be approved. All actions were reviewed and updated as agreed.	

Item FPRC2-3.2	Annual Report and Accounts 2018-19	
Paper No: FPRC2-B	Lead: P Clark/S Thompson	Action requested: Approve
Discussion/ Matters Arising	ST made reference to the External Audit Annual Report for 2019-20 which highlighted various recommendations in relation to the Annual Report. Four recommendations for improvement were identified (which were either Limited or Moderate Risk Exposure). ST confirmed that all recommendations have been agreed and will be addressed. KK considered that management acceptance of the recommendations should be recorded within the report. This was agreed.	

KK further suggested that it would be helpful for the Committee to have sight of the External Audit Annual Plan. It was agreed that this would be provided on Admincontrol and will be submitted Annually at the November meeting.

ST highlighted key points from the Report. He advised that use of the proceeds from the sale of NHS had been fully disclosed within the accounts.

ST referred to the Parliamentary Report and assured that this provides satisfactory transparency in terms of the ongoing fraud investigation, with External Audit providing reasonable assurance that the statements are free from material misstatement.

ST further confirmed that whilst the statements record a deficit, the full financial statements show an underlying operating surplus, following adjustments made for depreciation, payment to Forth Valley College (FVC) as directed by SFC (following the sale of North Hanover Street building) and, pension and early retirement adjustments.

ST confirmed that the transfer to FVC had been undertaken at the request of the Scottish Funding Council and Scott Moncrieff has confirmed that this order was appropriate and compliant.

RQ made reference to the narrative detail provided in the Report and, whilst recognising that much of the content was prescriptive, suggested that the level of detail could be reduced. The Committee agreed that the narrative be further reviewed with a view to including key financial highlights. It was agreed to reduce the content of the Report in future.

It was noted that College continues to operate with a healthy cash balance at the year end. This balance will reduce back to the ongoing average (28 days expenditure) over the course of 2019-20. External Audit has suggested that any increased level of cash held at the year-end should be reviewed in future with any surplus being transferred to the Arm's Length Foundation.

LW will provide minor text amendments to PC.

Decision/Noted

That subject to the above discussion, including potential amendments, the Annual Report and Accounts 2018-19 were approved.

Item FPRC2-3.3 College Course Fees 2020-21

**Paper No:
FPRC2-C**

Lead: S Thompson

Action requested: Approve

Decision/Noted

That the Course Fees for 2020-21 be approved.

Item FPRC2-3.4 Annual Procurement Report 2018-19

**Paper No:
FPRC2-D**

Lead: S Thompson

Action requested: Approve

**Discussion/
Matters Arising**

Members reviewed the Annual Procurement Report for 2018-19. It was noted that over the past 3 years, the non-compliant spend has now been reduced from 21% to 7% with collaborative spend increasing to 54% of the College's influenceable spend. The College has now fully implemented

Decision/Noted

the Professional Electronic Commerce Online System (PECOS) ordering system.

RQ suggested that the ongoing fraud investigation be mentioned within the report. ST indicated that the Procurement Report provides advice on compliant spend and that the control and management of assets is outwith procurement procedures. Whilst this was acknowledged, members agreed that, in the interests of transparency and in recognition of the ongoing police investigation and the December publication deadline, a summarised version of the Parliamentary Report be included. The final document will be submitted to the full Board meeting for approval.

- To update the Report as agreed and submit to the next meeting of the full Board.
- To clarify the December publication date.

Item FPRC2-4.1	Systems Integration Strategy Outturn Report	
Paper No: FPRC2-E	Lead: S Thompson	Action requested: Discuss
Decision/Noted	To endorse the Systems Integration Strategy Outturn Report.	

Item FPRC2-4.2	Sustainability Strategy Outturn Report	
Paper No: FPRC2-F	Lead: S Thompson	Action requested: Discuss
Decision/Noted	To endorse the Sustainability Strategy Outturn Report.	

Item FPRC2-4.3	Health and Safety Report – Quarter 1	
Paper No: FPRC2-G	Lead: S Lodge	Action requested: Discuss
Discussion/ Matters Arising	<p>SL provided a brief summary of the 1 August – 31 October 2019 Health and Safety Report. The following points were highlighted:</p> <ul style="list-style-type: none"> • The delivery of relevant statutory training provision is ongoing with particular emphasis on IOSH ‘Managing Safely’ training being provided for senior staff. • Personal evacuation plans are now in place. • New First Aid Procedures have been implemented with the new rota system and increased coverage working well. <p>The increased number of reported accidents and incidents was highlighted. However SL advised that, due to the improved reporting system, this had been anticipated. RQ suggested that in addition, the number of reported accidents per hours worked ie per 10 000 hours attended, be provided. It was agreed that this method be investigated. A chart detailing the nature of incidents will also be added.</p> <p>SL updated the Committee following the Health and Wellbeing Conference held on 08 11 19 which was well attended. The appointment of a Health and Wellbeing Officer had now been approved, and following uptake of this appointment, the Healthy Working Lives Group will be back in operation.</p>	

Decision/Noted To note the update report.

Item FPRC2-4.4 Financial Plan 2019-20 Update

Paper No: FPRC2-H Lead: S Thompson/
A Stewart Action requested: Discuss

Discussion/ Matters Arising

The financial budget from 1 August 2019 to 31 July 2020 was reviewed. The Committee noted that the income and expenditure account projects a small surplus of £25k for the 12 month period, with a strong cash balance of 7.1m.

The Committee noted that the current forecast for fee income has decreased by 3.3% mainly from a reduction in overseas and FT HN fees. This is largely due to the volatile international market and the Tier 4 visa requirements for studying in the UK. From January 2020, students applying for a Visa (from outside the EU) to study in Scotland will be able to work 10 hours per week. This may have a positive impact on future enrolments. The provision of online distance learning courses is also being investigated.

Decision/Noted To note the update report.

Item FPRC2-4.5 Non-Compliant Procurement Report Update

Paper No: FPRC2-I Lead: S Thompson Action requested: Discuss

Decision/Noted To note the report and the improved performance.

Item FPRC2-5.1 Facilities Management Report

Paper No: FPRC2-J Lead: S Thompson Action requested: Discuss

Decision/Noted

- To note the report.
- To provide a further refined reportage providing more strategically focussed information on key issues and potential risks.

Item FPRC2-5.2 ICT Progress Report

Paper No: FPRC2-K Lead: B Ashcroft Action requested: Note

Discussion/ Matters Arising

BA provided the Committee with a presentation on the IT Team Vision and Objectives for 2019-20. He provided an oversight of the IT journey and progress to date. He further informed of the vision to provide a 'personalised and inclusive IT service which empowers both the students and staff of CoGC, through technology, to "let learning flourish" and successfully achieve the Corporate Strategies'. Members noted the various IT objectives required to achieve this vision which will be aligned to the Systems Integration Strategy.

KK thanked BA for his insightful presentation.

Decision/Noted To note the update.

Item FPRC2-5.3		Credit Delivery Update
Paper No: FPRC2-L	Lead: S Thompson	Action requested: Note
Discussion/ Matters Arising	<p>The Committee noted the under recruitment of Full-Time students in August 2019. It is anticipated that the College will deliver the SFC credit target through additional FT courses starting in January 2020, additional evening and weekend provision and additional ESOL delivery.</p> <p>ST advised on the recent successful Internal Audit review of the 2018-19 data return. The overall level of assurance was noted as Good with no recommendations made.</p>	
Decision/Noted	To note the update report.	

Item FPRC2-5.4		Treasury Management Report 2018-19
Paper No: FPRC2-M	Lead: S Thompson	Action requested: Note
Decision/Noted	To note the report.	

Item FPRC2-5.5		FR Authorised Limits Report
Paper No: FPRC2-N	Lead: S Thompson	Action requested: Note
Discussion/ Matters Arising	<p>The report was reviewed. RQ noted the inconsistencies in reporting of the purpose for overseas travel. The level of detail provided will be increased.</p> <p>RQ further queried the amount spent on the Atlantic Cup Challenge with Arundel Community College, USA. ST advised that this amount is a biennial cost.</p>	
Decision/Noted	<ul style="list-style-type: none"> To provide additional information on the purpose of international travel. To note the report. 	

Item FPRC2-6		Any Other Notified Business
Paper No: FPRC2-O	Lead: S Thompson	Action requested: Note
Discussion/ Matters Arising	<p>Annual Climate Change Report Return</p> <p>The College CO2 emissions from the start of the year were reviewed. Over the 3 year period (2016-2019), the College has reduced its CO2 emissions by 22.2% with current emissions including 93.6% from gas and electricity. The short-term challenge to reduce the CO2 emissions was recognised.</p> <p>The Committee suggested that gas and electricity usage contained within the Facilities Management report should be directly linked to compliance with the climate change duties, and noted the overall objective to reduce the CO2 emissions by at least 80% by 2050. This was agreed.</p>	
Decision/Noted	<ul style="list-style-type: none"> To provide additional information within the Facilities Management report as agreed. 	



- To note the report.

Item FRPC2-7	Disclosability of Papers	
Paper No:	Lead: P Clark	Action requested: Verbal
Decision/Noted	That with the exception of the Annual Procurement Report, which is now non-disclosable pending Board approval, the disclosability status of papers as described on respective cover sheets be retained.	

Item FPRC2-8	Date of Next Meeting	
Paper No:	Lead: Convener	Action requested: Note
Decision/Noted	Wednesday 26 February 2020	

The meeting closed at 7.15 pm

ANNEX TO THE MINUTE

ACTION POINTS ARISING FROM THE MEETING

Item	Description	Owner	Target Date
FPRC2-3.2	Annual Report & Accounts: Amend as agreed and submit for approval to full Board.	ST/PC	BoM 04 12 19
FPRC2-3.4	Annual Procurement Report: Update as agreed and submit for approval to full Board.	ST	BoM 04 12 19
FPRC2-5.1	FM Report: Provide further refined reportage.	ST	26 02 20
FPRC2-5.5	FR Authorised Limits Report: Provide additional information the purpose of international travel.	PC for RG	ASAP
FPRC2-6	Annual Climate Change Report Return: Link to gas and electricity usage within the FM report.	ST	26 02 20

ACTION POINTS ARISING FROM THE MEETING

Item	Description	Owner	Target Date
FPRC1-3.3	Review and update highlighted sections of Annual Report	PC/ST	20 11 19 Complete
FPRC1-3.6	1. Provide the Committee with the text on Fee Waiver Policy which will be presented to students 2. Remove reference to other non-relevant content (e.g. reference to Orkney & Shetland Colleges)	ST	Ongoing
FPRC1-3.7	1. Enhance the detail within the assumptions made in the FFR paper. 2. Provide appropriate guidance to student members regarding the significant aspects of financial planning/forecasts.	ST	26 02 20
		ST/PC	26 02 20
FPRC1-3.8	1. ST to ensure that PRNC reference includes the division of that Committee into PNC and Remuneration. 2. Highlight more improvements. 3. ST to include reference to “due regard to Public Sector Pay Policy” in respect of senior staff pay 4. ST to circulate with changes highlighted	ST	Complete
FPRC1-3.9	Provide further update on Fraud Prevention Policy to the Committee	ST	BoM Mtg 12 02 20
FPRC1-4.6	Revise Risk Scores as agreed	PC	20 11 19 Complete
FPRC1-5.3	Change status of paper to disclosable	PC	ASAP Complete