

MINUTES

Minutes of the Finance, Commercial and Estates Committee meeting held on Tuesday 13 March 2018 at 9.30am in Room ES02, Stenton Campus, Glenrothes.

Present: Shona Cochrane (Acting Chair), Jen Anderson, Edward Blades, Garry Dickson, Hugh Hall (Principal), Jen Walls

Apologies: Jim Trail

In Attendance: Susan Dunsmuir, Kris Getchell, Marianne Philp (Director: Governance and Compliance)

1 Welcome

The Chair welcomed those present to the meeting.

2 Minutes of the Previous Meeting:

2.1 30 November 2017

2.2 Joint Meeting: 30 November 2017

The minutes of the previous meetings were approved as an accurate record.

3 Matters Arising / Actions Outstanding

The contents of the paper that had been circulated were noted. It was noted that Action 2 would now be taken forward by Susan Dunsmuir and that this would be taken forward once annual accounts had been laid before Parliament and published.

4 Financial Update

4.1 Management Accounts to 31 January 2018

The contents of the papers that had been circulated were noted. The main highlights and issues were outlined.

4.2 Year End Projection – Risks and Opportunities 2017-19

The contents of the papers that had been circulated were noted. It was highlighted that the College is currently projecting a shortfall in academic fees of £51k and commercial income of £239k. Work was continuing to close this gap and improve the position by the year end. It was noted that at this point last year, the commercial income shortfall was £690k so a significant improvement had been made due to better reporting and closer monitoring.

It was noted that steps had been taken to address the issues which had resulted in the SFC clawback of £163k in relation to 2015-16 ESF credits so this would not happen in future years.

Members were advised that Colleges had agreed that they should make the one-off payment of £100 to support staff which had been provided for, as detailed on page 20 of the Boardpack.

It was noted that depreciation cash could only be used for restricted matters, such as cost of living increases and loan repayments, and could not be used for reinvestment as had previously been the case.

4.3 Capital Spend

The contents of the paper that had been circulated were noted.

4.4 Treasury Management Update

The contents of the paper that had been circulated were noted. It was highlighted that the College cash position had been higher than it should have been at the start of the financial year as it included £1.5million of student funding that had been paid back. As in 2017, due to having to manage cash over both an April/March and an August/July period, the College will require to be paid some of the monies due in mid April 2018 from SFC 2 weeks earlier. This had been confirmed in writing by the SFC as had been requested at the last meeting.

It was confirmed that information on student funding was issued as part of the enrolment process. However the College was looking at how to streamline processes more and actively target students eligible for funding, which should have a positive impact on retention figures.

4.5 Procurement Update and Recent and Forthcoming Tender Activity

The contents of the paper that had been circulated were noted. It was highlighted that the OJEU threshold had risen from £164k to £181k which had been amended in the approval levels in the College's Financial Regulations. Members approved any anticipated spend for contracts over £181k.

The spreadsheet on page 32 of the Boardpack had been updated to include contract values for the ICT projects.

4.6 Indicative Funding: 2018-19

The contents of the paper that had been circulated were noted. In summary, it was suggested that the funding for Fife College for 2018-19 was the same as last year, but with no account taken of inflation, cost of living or other rising costs, which meant a slight drop in reality. National bargaining costs had been funded in full.

It was noted that there was a slight drop in the credit target as childcare was to be delivered within current targets rather than as something additional. ESF credits had also dropped.

Discussions were ongoing between the College and SFC in relation to student support funds as the allocation was based on 2016-17 figures rather than 2017-18 which was based on a new policy. If the allocation remains as currently stated, this could give a shortfall of £700k. There were also discussions ongoing about the £1m increase to support the maintenance backlog, which was insufficient for Fife College's needs. It was anticipated that this figure would increase slightly.

4.7 Proposed Changes to Financial Regulations

The contents of the papers that were circulated were noted. Members thanked the Assistant Principal for producing this summary paper rather than the Regulations in full.

Decision: To approve the proposed changes to the Financial Regulations.

Responsibility: Susan Dunsmuir

Deadline: 1 April 2018

5 Update on Commercial Strategy and Full Cost/Commercial Activity

The contents of the paper that had been circulated were outlined and noted. It was highlighted that the paper gave additional detail to give reassurance on some of the points raised at the last meeting and to give members of the Committee an idea of the level of discussions taking place with Directors of Faculty on their progress towards targets.

From the detail given, members queried why Stenton campus seems to do poorly within Construction. It was confirmed that numbers can switch between campuses based on demand, and also there was a staff resourcing issue which meant some work had been pushed into next academic year.

It was confirmed that the care target gap would be closed by the year-end due to the roll on / roll off nature of this work. In addition the FWDF target had now been met and additional work would be funded.

Decision: To look again at the issues relating to the Stenton campus to better understand these and to identify any potential solutions.

Responsibility: Susan Dunsmuir/Hugh Hall

Deadline: 13 April 2018

6 Update on Digital and ICT Strategy

The contents of the paper that had been circulated were outlined and noted. It was highlighted that the report had been further developed into a traffic light format. For future meetings, it was proposed that summaries be prepared for new topics, any topics highlighted as red, and those being marked as complete, and that anything highlighted as amber or green would not have further detail provided.

Good progress was noted in terms of the restructure with some issues identified in relation to acceptance of change. A new Service Portfolio Manager had been identified and an announcement would be issued as soon as this was confirmed.

Members agreed that the datacentre solution was essential to support remote working and to give staff flexibility over where work could be undertaken.

It was noted that the forthcoming audit on Cybersecurity would give a good platform on which to take forward priorities and to measure progress.

A query was raised about GDPR and it was noted that the Digital Team were supporting this work, but it was led by the Director: Governance and Compliance. There were overlaps between GDPR and Cybersecurity and the two areas would work closely together to ensure requirements were met.

Decision: To move to a shorter version of traffic lights reporting as described above for future meetings.

Responsibility: Kris Getchell

Deadline: 12 June 2018

7 Estates Strategy Review

It was noted that the Estates Strategy 2014-24 had been produced in 2014, and a review had recently been completed in January 2018. It was highlighted that once complete, there would be four main Fife College campuses – new Halbeath, Stenton, St Brycedale and Levenmouth.

Fourteen key findings had been identified, and these were outlined briefly to members.

Concerns were noted with regard to the hub route proposal for the new build and a brief update was given on discussions with the Scottish Government and SFC. A full update would be given to the Board of Governors at the June 2018 meeting.

Members queried if consultation had been undertaken with students over moving activity to Dunfermline and what the reasons for this were. It was confirmed that consultation had been undertaken, and that entry level courses would be run from all campuses, with the main campuses then having centres of excellence for topics that people would progress into. One of the concerns raised by Board members was in relation to the ability to travel, and a request had been made to do a detailed travel plan at the relevant point. It was confirmed that activity could be reviewed as we progress with the business case. It was also highlighted that key to the strategy was to have flexible space to cater for changing curriculum and demand in the future. Utilisation remains an issue due to specialist workshops and Faculties block booking out rooms so changes to timetabling and allocation of rooms is required.

Decisions:

- To approve the fourteen key findings identified in the report, and to take those recommendations forward as appropriate.

Responsibility: Tom Gorman

Deadline: Ongoing

- To provide a summary of the key findings to the Board of Governors.

Responsibility: Tom Gorman

Deadline: 28 June 2018

8 Update on Arm's Length Foundation (ALF)

The contents of the paper that had been circulated were noted.



Fife College

9 Minutes of Carnegie Enterprise Board of Directors Meeting

The contents of the minutes that had been circulated were noted.

10 Date of Next Meeting

Tuesday 12 June 2018 at 9.30am, Boardroom, Halbeath Campus, Dunfermline.