

MINUTES

Minutes of the Finance, Commercial and Estates Committee meeting held on Thursday 21 November 2019 at 4.30pm in the Carnegie Conference Centre, Dunfermline.

Present: Jim Trail OBE (Chair), Jade Burnett, Shona Cochrane, Hugh Hall, Joseph Harney

Apologies: Garry Dickson

In Attendance: Gail Dunn, Susan Dunsmuir, Kris Getchell, Sue Reekie, Marianne Philp

1 Welcome

The Chair welcomed those present to the meeting.

2 Minutes of the Previous Meeting: 17 September 2019

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

3 Matters Arising / Actions Outstanding

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

Action 1: It was confirmed that the deadline for this item should be changed to 17 March 2020.

4 Digital Services Update

The contents of the paper that had been circulated were outlined and noted. The main projects as outlined on page 7 of the Boardpack were outlined in detail. It was noted that the all of the projects detailed on page 9 and 10 of the Boardpack were green.

Decision: It was confirmed that the text relating to the Human Resources and Payroll system should be adjusted to read "A portion of the remaining budget will be used to fund a Project Management role to oversee the project within the College" and a realistic amount for cost should be shown rather than a balancing figure against the initial project cost in future papers.

Responsibility: Kris Getchell

Decision: 11 December 2019

5 Estates Update

The contents of the paper that had been circulated were outlined and noted. It was highlighted that a draft Estates Strategy would come to the next Committee meeting.

An update was given on the current position with regards to the new campus. A full update would be given to the Board of Governors at the meeting on 11 December 2019. It was noted that reaching agreement on the Masterplan was key to being able to move forward, preferably



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in a two phased approach. It was confirmed that the word “continue” should be changed to “contribute” in the penultimate bullet point of page 12 of the Boardpack.

It was clarified that on page 13 of the Boardpack, the projects had been streamlined into three major projects. In future reports, only strategic projects would be included.

It was confirmed that there was some interest in the Viewfield campus by an external third party.

6 Financial Update

The contents of the paper that had been circulated were noted. It was highlighted that the College was £144k ahead of the year to date budget position as at the end of October 2019. The main variances were outlined and it was noted that no significant risks had been identified to date.

It was noted that the F1 forecast was similar to the budget. Academic fees had been reduced by £200k, commercial income had increased, and direct staffing had decreased. Whilst the HE target for 2019-20 had been increased by £300k, this would require to be reduced as the stretch would not be achieved.

It was noted that a request for an increased allocation of student funding would be requested from the Scottish Funding Council as part of their reallocation process. It was noted that bursary costs had increased due to changes in the benefits system and universal credits.

Decisions:

- To update the papers to include text missing in the notes on page 20 of the Boardpack.
Responsibility: Marianne Philp **Deadline:** 30 November 2019
- To recommend the approval of the F1 budget for 2018-19 to the Board of Governors.
Responsibility: Susan Dunsmuir **Deadline:** 11 December 2019

7 Commercial Activity Update

The contents of the paper that had been circulated were noted. Members were pleased to note that the position was slightly ahead of target. It was noted that non managed VQs were not on target as clients were moving towards short professional programmes tailored to company needs. There was a requirement to reshape the College portfolio to meet market needs.

Whilst the venue was shown as being behind target, this was due to the impact of having the University Hub in the Carnegie Conference Center which meant there was less space to rent. However the position was slightly ahead on where it was at this time last year and it was anticipated the target would be met at the year-end.

Members noted that it was positive to note new business in the Aberdeen areas and there was a discussion the renewables and care markets in particular. It was also positive to have a discussion around markets and an understanding of them which is real progress compared to where we were previously.



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8 Academic Fees 2020-21

The contents of the paper that had been circulated were noted. It was confirmed that the proposal was to leave fees at current levels, with the exception of NQ courses where an increase in fee from £320 to £360 was suggested.

Members asked what the impact would be of reducing fees. It was confirmed that courses were not price sensitive and would not result in an increase in sales.

There was a discussion about distance learning courses and whether or not those fees could be reduced since there is a potential for an increased budget.

It was suggested that, from a student's perspective, the issues experienced relate to travel, universal credits, funding, childcare and the ability to work. Fees were not of significant concern. It was noted that the introduction of the breakfast club had proved popular and successful.

Decisions:

- To approve the fees for 2020-21
- To investigate the potential impact of reducing the fees for Distance Learning courses.

Responsibility: Susan Dunsmuir

Deadline: 31 January 2020

9 Procurement Update

The contents of the paper that had been circulated were noted. Members were pleased to note that there were no instances of non-compliant spend within the Procurement Annual Report. Members were advised that the College had received a score of 83% in the Procurement Capability Review.

Decisions:

- To approve the procurement projects, with the exception of the Dunfermline Learning Campus, which would be discussed in detail as and when decisions were required.
- To approve the Slavery and Human Trafficking Policy Statement for year ended 2018-19.
- To approve the Procurement Annual Report for 2018-19.
- To report back to the Committee on the comparison of the Procurement Annual Report with other colleges at a future meeting.

Responsibility: Susan Dunsmuir

Deadline: 17 March 2020

10 Update to Finance Regulations

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

11 AOCB

The Chair drew attention to the external audit annual report which had noted that the Finance, Commercial and Estates Committee had the lowest attendance levels and asked members to contact the Director: Governance and Compliance if any alternative arrangements would make attendance easier. It was confirmed that attendance would be looked at in more detail across the Board and each of the Committees, and a paper would be brought to the Board of Governors for consideration so that any action could be taken as required.

12 Date of Next Meeting

Tuesday 17 March 2020 at 9.30am in the Boardroom, Dunfermline Campus