

MINUTES

Minutes of the Finance, Commercial and Estates Committee meeting held on Tuesday 8 June 2021 at 9.30am via Microsoft Teams.

Present: Jim Trail OBE (Chair), Sarah Ferguson, Hugh Hall, Joseph Harney, Gordon Mole, Phillip Thompson

Apologies: Patrick Carnie

In Attendance: Susan Dunsmuir, Kris Getchell, Colin Quinn, Sue Reekie, Marianne Philp

1 Welcome

The Chair welcomed those present to the meeting, and in particular Phillip Thompson who had recently been appointed as a Co-opted member.

It was noted that a briefing session had been on the Learning and Skills Contract with the Scottish Prison Service (SPS) immediately prior to the meeting. The presentation slides are available on Microsoft [Teams](#). Some of the successes and challenges of the contract were discussed. It was noted there may be potential to work with existing and new partners to provide further support to learners within the community post liberation.

2 Minutes of the Previous Meeting: 2 March 2021

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.

4 Digital Services Update

The contents of the paper that had been circulated were outlined and noted. It was highlighted that there continued to be a focus on supporting agile and flexible working which involved a range of initiatives. It was noted that new posts within Digital Services had been created to support the shifts required and increase capacity. Within the projects listed, wireless replacement was highlighted as amber within the report, however this project had now been completed. All projects were therefore noted as green with no areas of concern.

5 Estates Update

The contents of the paper that had been circulated were outlined and noted. An update was given on each of the projects in turn, all of which were noted as green with no areas of concern.



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It was noted that the Director: Estates was retiring in the summer and thanks were expressed to him on behalf of the Committee for his input to the work of the College and his contribution to the College. Members passed on best wishes for a long and happy retirement.

5.1 Dunfermline New Campus Project Board (DNCPB) Update

Links to the meetings held since the Committee last met were included for information.

5.2 Glenrothes Campus Refurbishment – Outline Business Case

The contents of the paper that had been circulated were noted. Members noted that the Strategic Case for Investment (extract from Outline Business Case (OBC)) and the Concept Design had been made available on Microsoft Teams, and that the full OBC could be circulated as soon as it was finalised should members wish to see further detail.

It was highlighted that the refurbishment was in line with the College's Estates Strategy and had been intimated to members previously.

It was confirmed that the OBC was due to be submitted to SFC Capital Decision Point Committee for approval at the end of June 2021 and, if approved, would allow the College to proceed to Full Business Case (FBC) stage.

Members confirmed their endorsement to proceed with the project as planned, however it was noted that approval was not required at this stage as had been requested in the paper and that arrangements would be made to seek approval of the OBC once it had been finalised.

6 Financial Update

The contents of the paper that had been circulated were noted. It was highlighted that as at 30 April 2021, the College was £1,028k ahead of the year to date F1 position. The variances, as shown on page 21 of the Boardpack, were outlined.

The year end projection was outlined, as detailed on page 24 of the Boardpack and the various income and expenditure assumptions were explained. A surplus of around £1m was projected, and the College had informed SFC of this position.

Attention was drawn to the cash balance as detailed on page 27 of the Boardpack. Significant spend was anticipated before the financial year-end as indicated on the graph, and sufficient cash was available for this.

7 Commercial Activity Update

The contents of the paper that had been circulated were noted. It was highlighted that the overall forecasted outturn for the year for commercial activity was 2.4% over the F1 forecast.

Members commended the commercial and finance teams for their work over the period, commenting that the performance of the College had been superb given the particularly challenging circumstances faced and when compared with other Colleges.

A brief update was given on forthcoming changes to the commercial team due to the retirement of the Director: Business Development in August.

Decision: To set out the College's approach to redoubling our efforts to grow commercial revenue income and incentivising relevant staff to further engage in revenue generation and innovation/knowledge exchange activities in partnership with industry.

Responsibility: Chief Financial Officer

Deadline: 14 September 2021

8 Draft Budget 2021-22

The contents of the paper that had been circulated were noted. It was confirmed that the draft budget for 2021-22 was showing a £490k underlying surplus for 2021-22. It was noted that a prudent approach had been taken to the commercial income budget due to the ongoing uncertainties surrounding restrictions.

Decision: To recommend the draft budget 2021-22 to the Board of Governors for approval.

Responsibility: Chief Financial Officer

Deadline: 23 June 2021

9 Accounting Policies for Year End 31 July 2021

The contents of the paper that had been circulated were noted. It was confirmed that no significant changes were proposed.

Decision: To approve the accounting policies for year end 31 July 2021.

Responsibility: Chief Financial Officer

Deadline: 31 July 2021

10 Treasury Management Policy

The contents of the paper that had been circulated were noted. It was confirmed that more detail on risk management had been added to the policy.

It was noted that the use of petty cash was very low with the majority of payments now being made by BACs which reduced risk.

Decision: To further strengthen the policy by referring to independent audits/checks undertaken in relation to cash.

Responsibility: Chief Financial Officer

Deadline: 31 July 2021

11 Procurement Update

The contents of the paper that had been circulated were noted. No Procurement Projects required approval at the meeting, however two that had been approved by email since the last meeting had been referenced in the paper for completeness. Members endorsed the decision taken to approve these.

It was highlighted that the Procurement Strategy was due to be reviewed in 2022 however APUC had requested that Colleges update their strategy to reflect the ongoing climate change emergency. The proposed changes were highlighted in the document.



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Decision: To approve the changes to the Procurement Strategy.

Responsibility: Chief Financial Officer

Deadline: 31 July 2021

12 **Review of Remit and Self-Evaluation and Annual Report to the Board**

The contents of the paper that had been circulated were noted. Members confirmed that they were content with the remit with the minor changes as proposed in the paper agreed. They confirmed that the format of papers had been enhanced recently and had improved discussion at the meeting. Members commented that virtual meetings had not reduced overall effectiveness of the Committee but that options for face to face and hybrid meetings should be explored once restrictions are further eased, in line with the survey results currently being gathered.

Decision: To feed information to the Director: Governance and Compliance for inclusion in the draft Annual Report to the Board.

Responsibility: All Committee Members

Deadline: 30 June 2021

13 **Date of Next Meeting**

Thursday 24 June 2021 at 4pm (extraordinary meeting to approve FFR)

Thursday 14 September 2021 at 9.30am