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Borders College

Finance & General Purposes Committee

Meeting at 18:15 on Thursday 25 May 2017

Location: Board Room, Scottish Borders Campus

Actions

Item	Action	Responsibility and Date
23/17	Fee Policy - The percentage of debts which are recovered by collection agents will be confirmed.	VP Finance & Resources
27/17	ISLT Strategy Implementation progress report – new revised date column to be included.	VP Finance & Resources

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Meeting at 18:15 on Thursday 25 May 2017

Location: Board Room, Scottish Borders Campus, Galashiels

Minutes

ITEM	MINUTE
Present In Attendance	Elaine Acaster (Chair) Tony Jakimciw Angela Cox David Peace Andy Winwood Liz Parkes Nicola McIlwraith Lorraine Sulo (Secretary) Peter Smith (Vice Principal – Finance & Resources) Deirdre McKendry (Head of Business Development Unit – Item 26/17 only) David Killean (Interim Board Secretary & Vice Principal of Quality & Innovation) Kevin Armstrong (Borders College Students' Association - President)
15/17	<u>Chair's Welcome</u> Committee members conveyed their thanks to the Regional Board Chair and the Principal in relation to the national bargaining work which was currently underway. The Committee noted that in the absence of M Mulhern, K Armstrong would be in attendance, however, voting rights could not be possible given that he was not an F&GP Committee member.
16/17	<u>Declaration of Conflict of Interest</u> A Winwood declared an interest with regards to agenda item 22/17, Estates Developments.
17/17	<u>Register of Members Interest</u> The Board Secretary confirmed that no new updates had been received, however, a request would be issued to members.
18/17	<u>Apologies for Absence</u> Apologies were received from student representative, M Mulhern.

19/17	<p><u>Minutes of Meetings held on 16 February 2017</u></p> <p>The Minute of the previous meeting was approved as an accurate record.</p>
<p>20/17</p> <p>07/17</p> <p>08/17</p> <p>11/17</p>	<p><u>Matters Arising</u></p> <p>Further information on funding sources would be addressed by the Business Development Unit update under item 25/17.</p> <p>The ISLT Implementation Plan timescales had been updated.</p> <p>The Strategic Risk Register had been updated to incorporate the previous requests.</p>
21/17	<p><u>Draft Budget 2017/18 – Paper B</u></p> <p>A copy of the Draft Budget 2017/18 paper was circulated and a summary provided by the VP of Finance & Resources.</p> <p>The following points were noted:</p> <ul style="list-style-type: none"> • In real terms funding is 24.83% lower than in 2010-11; • Income and expenditure deficit of £20k with a balanced cash position; • Any inflationary increase to utilities are expected to be offset by savings generated through the CEEP Project and SHARC system; • Shared service costs and income were included in line with currently agreed financial models; • Flexible Workforce Development Fund is a potential income; • No provision for pay increase other than 1%; • National pay bargaining was still progressing. Resulting costs have not been included in draft budget. <p>The Committee reviewed the assumptions used and confirmed their acceptance of the draft paper. The Chair requested a further meeting should any significant changes occur.</p> <p>The Committee agreed that the paper would not be published given that it was a draft version.</p>

22/17	<p><u>Estates Developments – Paper C</u></p> <p>The VP of Finance and Resources updated the Committee on the current progress on previously agreed estates and accommodation projects.</p> <p>A draft offer in writing had been received for the Melrose Road property, however, this had been rejected as it had not agreed with the detail of the initial verbal offer. The Committee will be kept up to date should further progress be made.</p> <p>The College’s Estates Strategy will be presented at the June Regional Board meeting.</p> <p>The Committee noted the contents of the report.</p>
23/17	<p><u>Fee Policy – Paper D</u></p> <p>An overview of the paper was provided by the VP of Finance and Resources. The main proposed changes clarified instalment options for fee-paying students.</p> <p>The percentage of debts which are successfully recovered by collection agents will be confirmed.</p> <p style="text-align: right;">ACTION: VP F&R</p> <p>The Committee noted the contents of the report.</p>
24/17	<p><u>Outcome Agreement Funding 2017/18 – Paper E</u></p> <p>The Committee reviewed the Outcome Agreement funding allocations from the Scottish Funding Council for the academic year 2017-18, which had resulted in slight increases for Credit Funding but decreases in Student Support Funding and Capital Maintenance Funding.</p> <p>The detailed implications of the funding announcement were included in the assumptions of the Draft Budget 2017/18 (Paper B).</p> <p>The Principal advised that she would be joining the new Rural Fund Review Group.</p> <p>The Committee noted the contents of the report.</p>
25/17	<p><u>Business Development unit Update – Paper F</u></p> <p>The Head of Business Development Unit (BDU) joined the meeting and provided an update on the progress of the BDU in relation to budget performance and planned activity.</p> <p>The Committee learned that the unit is currently progressing areas of new business across all areas of vocational learning with positive meetings having been held. A full review of Community Learning will take place over the summer period in order to determine the requirements of customers. Opportunities from outwith the region are also being reviewed and progressed.</p>

	<p>The Principal advised that a high number of community learning customers were repeat customers, therefore, there was a necessity to reach new customers.</p> <p>Customers have been advised of the changes to ILA funding and guidance has been provided by BDU. A re-launch of the Edinburgh office is being planned and a paper providing further information on various funding sources was circulated to the Committee.</p> <p>The Committee agreed that this had been an encouraging report on BDU progress. Due to commercial sensitivity the paper would not be published.</p> <p>The Head of BDU left the meeting.</p>
<p>26/17</p>	<p><u>Business Review to 30 April 2017 – Paper G</u></p> <p>The VP of Finance and Resources updated the Committee on the College performance for the year to date and changes made in the Quarter 3 Budget Review.</p> <p>The balance sheet showed a total net liabilities of £3.3M at 30 April 2017, compared to net assets of £0.7M at 30 April 2016. The significant variances were:</p> <ul style="list-style-type: none"> • Commercial and Consultancy – negative variance of £202k, with £180k from BDU. While a small amount of this is offset by a reduction in income, the majority is timing-related. • Staff Costs – negative variance of £27k, although this includes an accrual for annual leave of £136k. • Other Institutional Costs – positive variance of £41k – mostly as a result of an underspend in irrecoverable VAT and adjusted at Quarter 3. <p>An explanation was provided on the accrual of annual leave which staff can receive payment for if they have not taken their leave by a certain point and leave the organisation.</p> <p>The projected deficit for the year was expected to be met and the Committee noted the variances to date.</p> <p>The Committee noted the contents of the report and approved the paper for publication.</p>
<p>27/17</p>	<p><u>ISLT Strategy Implementation Review – Paper H</u></p> <p>The Committee reviewed the progress on the ISLT Strategy Implementation Review. A new column to show the revised dates will be incorporated into the progress report.</p> <p style="text-align: right;">ACTION: VP F&R</p> <p>The Committee noted the content of the report and approved the paper for publication.</p>

28/17	<p><u>Strategic Risk Register – Paper I</u></p> <p>The Committee reviewed the Strategic Risk Register which was considered by the Senior Management Team on 17 May 2017 and agreed that no further changes were required.</p> <p>The Committee noted the contents of the report and approved the paper for publication.</p>
29/17	<p><u>Any Other Business</u></p> <p>The Chair advised that A Winwood’s term as staff representative would finish at the end of June. The Committee thanked him for his contributions throughout his term and wished him well for the future.</p> <p>The Committee also thanked K Armstrong for his attendance and input throughout his Student President term.</p>
30/17	<p><u>Date of Next Meeting</u></p> <p>The next meeting will be held at 4.30pm on Thursday 26 October 2017.</p>

Signed.....

Signed.....

Chair

Clerk to the Board