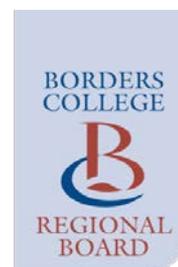


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Borders College

Finance & General Purposes Committee

Meeting at 17:30 on Thursday 3 October 2019

Location: Board Room, Scottish Borders Campus

Actions

Item	Action	Responsibility and Date	Action Status
09/19	Benchmarking on high-level financial ratios to be sought.	VP Finance & Corporate Services	
40/19	Procurement & Purchasing Thresholds - SLT approval levels would require to be clearly confirmed as being up to £25,000.	VP Finance & Corporate Services	
41/19	Financial Regulations - a separate meeting on Tuesday 15 October 2019 at 1.30pm will be held. Members to confirm their availability with L Sulo.	All	Completed
42/19	Draft Strategic Report & Financial Statements required changes: Page 7 - Strategic Goal table to include clearer explanation and note on method being used. Pages 24 & 25 - The presentation of the cashflow and aged debt charts to be clearly readable. Members were invited to forward any further comments on the draft report to the VP Finance and Corporate Services before 11 October 2019.	VP Finance & Corporate Services All	Completed
43/19	Bad debt to be reported to SFC.	VP Finance & Corporate Services	
44/19	Draft Annual Report of F&GP Committee - Membership of committee members throughout the year to be included.	VP Finance & Corporate Services	Completed
45/19	Estates - Confidential paper to be forwarded to the Audit Committee for information.	VP Finance & Corporate Services	Completed
48/19	Employee Engagement Survey – agenda item for 21 November 2019.	VP Finance & Corporate Services	Completed

Borders College

Finance and General Purposes Committee

Meeting at 17:30 on Thursday 3 October 2019

Location: Board Room, Scottish Borders Campus, Galashiels

Minutes

ITEM	MINUTE
Present	Elaine Acaster (Chair) Angela Cox (Principal) Tony Jakimciw Jess McBeath Liz Parkes David Peace
In Attendance	Hazel Robertson (Vice Principal – Finance & Corporate Services) Lorraine Sulo (Minutes)
33/19	<u>Chair's Welcome</u> The Chair welcomed everyone to the meeting. The Committee were advised that unfortunately due to pressures of work David Johnson would no longer be able to continue as a member of the F&GP Committee, but would continue on the Curriculum and Quality Committee. The Committee recorded their appreciation to James Ayling who had recently resigned as Board Secretary. The Committee's student member representative was confirmed as David Elder who had been elected for a second year to the BCSA VP for Education position.
34/19	<u>Declaration of Conflict of Interest</u> A Cox declared a conflict of interest with Paper F, Business Review, given her position as BFET Trustee.
35/19	<u>Register of Members Interest</u> No declarations were received and members were reminded to declare any new interests to the Principal's PA.
36/19	<u>Apologies for Absence</u> Apologies from D Elder had been received.

37/19	<p><u>Minutes of Meetings held on 2 May 2019</u></p> <p>The minutes from the previous meeting were approved as an accurate record.</p>
<p>38/19</p> <p>08/19</p> <p>09/19</p> <p>10/19</p> <p>23/19</p> <p>24/19</p> <p>25/19</p>	<p><u>Matters Arising</u></p> <p>Efforts had been made to increase the F&GP Committee membership with a representative from the business sector, however, this had not been successful. The Committee agreed to close this action.</p> <p>VP Finance & Corporate Services hoped to discuss benchmarking on the high-level financial ratios with peers at this week's Finance Development Network meeting.</p> <p style="text-align: right;">ACTION: VP F&CS</p> <p>Both Strategic Risk actions had been completed.</p> <p>Revised Terms of Reference would be discussed under item 39/19.</p> <p>The five year scenario planning request had been completed and submitted to the Chair's Committee over the summer period.</p> <p>All Business Review actions except the two relating to income had been completed, however, VP Finance & Corporate Services provided assurance that these should become easier to report through the new financial year.</p>
39/19	<p><u>F&GP Terms of Reference – Paper B</u></p> <p>The revised Terms of Reference had been issued by email to the Committee by the Board Secretary for final approval.</p> <p>Approval was ratified by the Committee.</p>
40/19	<p><u>Procurement & Purchasing Thresholds – Paper C</u></p> <p>The VP Finance and Corporate Services provided an overview of the report which outlined the significant changes to procurement and purchasing which were being proposed in order to streamline and reduce bureaucracy. The proposals had been considered and endorsed by the Senior Leadership Team.</p> <p>The Committee was assured that an implementation plan would be followed with a scheme of delegation for SLT as not all members would require such authorisation. Initially this would include Facilities, ISLT and Portfolio 3 due to the higher value contracts these areas procured. It was also clarified that approval levels for SLT would be set at up to £25,000.</p> <p>The risk of invoice fraud was raised given that this was on the increase. The VP Finance and Corporate Services advised that a number of audit checks were in place and that these would remain. Evidence checks are completed prior to payment and the College also completes the National Fraud Initiative matching process which is reported to the Audit Committee. Targets for the raising of purchase orders will also be set and any variances in fees which required to be approved.</p>

	<p>The Committee approved the principle of the proposal along with the SLT approval levels which would require to be clearly confirmed as being up to £25,000.</p> <p style="text-align: right;">ACTION: VP F&CS</p>
<p>41/19</p>	<p><u>Financial Regulations – Paper D</u></p> <p>The Chair advised that a separate meeting on Tuesday 15 October 2019 at 1.30pm would be held in order to fully review the updated Financial Regulations. Members were asked to confirm their availability with L Sulo. Apologies were received from J McBeath who would forward comments prior to the meeting.</p> <p style="text-align: right;">ACTION: ALL</p> <p>One area of concern raised was Section C 11.4 and the permanent virement from a non-pay budget to a pay budget which would require further discussion on 15 October 2019.</p>
<p>42/19</p>	<p><u>Draft Strategic Report & Financial Statements 2018-19 – Paper E</u></p> <p>The VP Finance and Corporate Services provided an overview of the report which included an extract of the draft annual report and financial statements for review. The draft corporate governance statement had been discussed with the Audit Committee on 26 September 2019.</p> <p>The strategic report had been updated and enhanced to improve the overall look and readability of the document. A small number of areas, indicated in yellow, would be updated once the information was available. Feedback on the College's previous annual report and accounts through the Board self-evaluation had scored low therefore it was essential that Board members identified any further areas for improvement.</p> <p>The draft outturn was currently a small deficit of £28k which compared favourably to the original FFR projection of £47k deficit. Since preparing the report a pension scheme actuarial loss of £1.3m had been confirmed but this would not affect performance. The College estate had also undergone a valuation which had increased by £3.5m, although Newtown St Boswells campus had reduced in value. It was confirmed that there would be no affect on SOCIE.</p> <p>The following points were noted:</p> <p>Page 7 - Strategic Goal table to include clearer explanation and note on method being used. Pages 24 & 25 - The presentation of the cashflow and aged debt charts to be clearly readable.</p> <p style="text-align: right;">ACTION: VP F&CS</p> <p>Members were invited to forward any further comments on the draft report to the VP Finance and Corporate Services before 11 October 2019.</p> <p style="text-align: right;">ACTION: ALL</p>

<p>43/19</p>	<p><u>Business Review – Paper F</u></p> <p>The VP Finance and Corporate Services provided an overview of the Business Review paper which provided an analysis of the financial position at the end of July 2018.</p> <p>The following items were highlighted:</p> <ul style="list-style-type: none"> • FFR was submitted to SFC at the end of September • SOSEP funding of £2.2m received in year • £150k donated to BFET • £45k from in year redistribution for delivery of 300 additional credits • Financial ratios – Proportion of non SFC income was above target largely due to SOSEP funding. Staff costs were above target due to the impact of national bargaining and job evaluation. <p>One bad debtor had exceeded the threshold for reporting to the Committee and to SFC, due to two debts relating to the same student - accommodation and tuition fees which totalled £8,920. The two debts had initially not been identified as the same debtor and procedures had since been improved to ensure this was not repeated. The VP Finance and Corporate Services sought approval from the Committee to write off the debt which was above the £5k threshold, and would also require to be reported to the SFC. The Committee confirmed its approval.</p> <p style="text-align: right;">ACTION: VP F&CS</p> <p>The Committee noted the contents of the report.</p>
<p>44/19</p>	<p><u>Draft Annual Report of the F&GP Committee to the Regional Board 2018-19 – Paper G</u></p> <p>The Committee agreed that the draft provided a comprehensive report of activities for the past year with a new section on self-evaluation. It was agreed that it would also be helpful to include the membership of committee members throughout the year.</p> <p style="text-align: right;">ACTION: VP F&CS</p>
<p>45/19</p>	<p><u>Estates Strategy Implementation Update – H</u></p> <p>An update on the implementation of the College’s Estates Strategy was provided by the VP Finance and Corporate Services.</p> <p>A confidential paper on the renewable waste water plant was provided to the Committee. This would also be forwarded to the Audit Committee for information.</p> <p style="text-align: right;">ACTION: VP F&CS</p> <p>Longer term options for Tweedbank and Newtown sites had been discussed with the Assistant Principals with a number of options being considered. These will be brought to the F&GP Committee prior to being submitted to the SFC for consideration by the end of the year.</p>

	<p>Significant backlog maintenance works on the Newtown St Boswells campus will be progressed during 2019/20 with the improvement of the portacabins being the priority.</p> <p>VP Finance and Corporate Services provided an update on the potential sale of Melrose Road. It is expected that further news will be forthcoming next week.</p> <p>A discussion took place on the Health and Safety section of the paper. VP Finance and Corporate Services clarified that this section would include any new incidents which may have occurred since the previous update, however, none had been received.</p> <p>The Committee noted the contents of the report.</p>
46/19	<p><u>ISLT Strategy Implementation Update – Paper I</u></p> <p>The VP Finance and Corporate Services provided an overview of the report which provided the Committee with an update on progress with the implementation of the College’s ISLT Strategy.</p> <p>Significant projects for delivery in the next three years had been identified through the Digital Delivery and Development Plan with a prioritised costed action plan being finalised. The key priority project is the upgrading of the Identity Management System as other projects could not progress without this upgrade. Requests are going to be submitted to BFET for funding the implementation of a new eportfolio solution and further roll out of student laptop loan lockers.</p> <p>SOSEP funding has enabled the installation of a network of digital hub rooms across the campuses which are connected to digital spoke sites in local schools (phase one) and phase two including other locations in businesses and communities. However, funding for maintenance costs of such facilities is a concern. It was clarified that SBC have taken responsibility for maintenance of the installed spokes. The partnership with Dumfries & Galloway College has resulted in a common platform for shared material to be available through DigiSkillScotland.com.</p> <p>Concerns remain about insufficient funding for ICT and it is understood that a case is being made to increase this as part of the spending review.</p> <p>Work is ongoing across the sector to develop an ICT Strategy and a Digital Strategy both of which will be informed by the Digital Ambition Short Life Working Group.</p> <p>The Committee noted the contents of the report.</p>
47/19	<p><u>Strategic & BREXIT Risk Registers – Paper J</u></p> <p>The College’s Strategic Risk Register had been updated since the previous Board meeting. The risks identified as being above target were highlighted with reasons provided.</p> <p>The Committee was pleased to hear that the College had achieved Cyber Security Plus accreditation.</p>

	<p>The BREXIT assessment had been updated following discussions with SFC and feedback from the Colleges Scotland BREXIT Forum. An assessment of business critical supplies was underway and planning would be raised with contractors such as BaxterStorey through update meetings held by the Facilities Manager. An Erasmus sector group was in place to develop new agreements which would enable the project to continue.</p> <p>A new web filtering software has been procured which will cover all networks for students, public and staff. The maximum filtering service will be implemented for students and public over the October 2019 break.</p> <p>The Committee noted the contents of the report.</p>
48/19	<p><u>Employee Engagement Survey 2019 – Paper K</u></p> <p>Due to time constraints the Committee agreed to discuss the Employee Engagement Survey at its next meeting on 21 November 2019.</p> <p style="text-align: right;">ACTION: VP F&CS</p>
49/19	<p><u>Equality & Diversity (Standing item)</u></p> <p>No items were raised.</p>
50/19	<p><u>Papers for Publication (standing item)</u></p> <p>All papers except D, K and E would be published.</p>
51/19	<p><u>Any Other Business</u></p> <p>No items were raised.</p>
52/19	<p><u>Date of Next Meeting</u></p> <p>The next meeting of the F&GP Committee will be 4pm on Thursday 21 November 2019.</p>

Signed.....

Chair

Signed.....

Board Secretary