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REGIONAL BOARD REPORT

Subject: Report from the Finance & General Purposes Committee	Purpose: For Approval <input type="checkbox"/> For Discussion <input type="checkbox"/> For Information <input checked="" type="checkbox"/>
Prepared by: Elaine Acaster	Date: 8 June 2022
Purpose: To provide an account of the meetings held during May 2022.	
Linked to Strategic Ambition: Take a leading role in enabling an inclusive, resilient and sustainable Scotland Performance Measures: Recognised as national leaders in sustainable practice	
Linked to Strategic Risk Register: 2 - Financial Plan Objectives New Risk Commentary: N/A	
Executive Summary: Minutes of the meeting held on 5 May 2022 are attached. A verbal account of the meeting held on 26 May 2022 will be provided.	
Recommendation:	
Previous Committee Approvals: No	

Borders College

Finance & General Purposes Committee

Meeting at 17:30 Thursday 5 May 2022

MS Teams

Actions

Item	Action	Responsibility and Date	Action Status
60/21	Feedback on Public Sector Climate Change Duties Report to be followed up by new Sustainability Manager.	VP F&CS	Ongoing, sustainability strategy update will go to June Board
24/22	VP Finance and Corporate Services is to follow up the point on foundation apprenticeships with curriculum staff.	VP F&CS	£303k budget 2021/22, claw back £61k £199k allocation 2022/23
	VP Finance and Corporate Services is to clarify the staff costs increase.	VP F&CS	This relates to the increase in admin central costs due to investment in programme management
	Executive Director – Enterprise and Business Innovation is to pick up the point on student communication on the strike action.	ED E&BI	Complete – report back at next meeting
25/22	VP Finance and Corporate Services is to provide the full list of insurance coverage for the next committee meeting.	VP F&CS	Complete – item on next F&GP agenda

Borders College
Finance and General Purposes Committee
Meeting at 17:30 Thursday 5 May 2022

MS Teams

Minutes

ITEM	MINUTE
Present	Elaine Acaster (Chair) Karl Davy Liz Parkes David Peace
In Attendance	Ray McCowan (Regional Chair) Hazel Robertson (Vice Principal – Finance and Corporate Services) Jane Grant (Executive Director – Enterprise and Business Innovation) Ingrid Earp (Regional Board Secretary) Ryan Wilkinson (Minutes)
19/22	Chair's Welcome The Chair welcomed all members and attendees to the meeting.
20/22	Declaration of Conflict of Interest No declarations were raised.
21/22	Register of Member's Interest No items were raised.
22/22	Apologies for Absence Apologies were received from Angela Cox, Jess McBeath (notes and comments provided prior to the meeting) and Lynn Mirley.
23/22	Minutes of Previous Meeting Held on 24 February 2022 The minutes were approved as an accurate record and representation of the previous meeting. The Chair noted that the minutes of the last meeting set a good context for this additional meeting, to allow members to meet to consider the draft budget and raise any questions they may have.
24/22	Matters Arising VP Finance and Corporate Services is to follow up the point on foundation apprenticeships with curriculum staff. ACTION: VP F&CS

9/22	<p>It was noted that the 2022/23 budget will be challenging. VP Finance and Corporate Services is to clarify the staff costs increase.</p> <p style="text-align: right;">ACTION: VP F&CS</p> <p>The current impact of the ongoing dispute on students is limited, with all staff working to ensure minimal disruption. The student member noted that he has had some disruption to his classes, and that students are not being kept informed. Executive Director – Enterprise and Business Innovation is to pick up the point on student communication on the strike action.</p> <p style="text-align: right;">ACTION: ED E&BI</p>
10/22	<p>With regards to the Business Review the dispute with Heriot-Watt University has been resolved and the slippage of the Melrose Road receipt has also been resolved.</p>
11/22	<p>The Executive Director – Enterprise and Business Innovation noted that all is going well in their area and is pleased that the Board will get to see the range of activities that are taking place.</p>
12/22	<p>With regards to the Asset Management Strategy, there are possibilities of future changes to the Galashiels campus but the discussions will be brought together next year. There have been discussions on the development of e-sports, new engineering workshops, and the creation of a technology corridor. The One Stop Shop project for student support is progressing well. The College is also in talks with SBC with regards to the Lowood Estate and how Borders College could develop and utilise this space.</p> <p>The pilot immersive classroom in partnership with BT was discussed. The immersive learning environment and VR will be used to support many different aspects of the curriculum. There will be financial implications for the College, but the costings have not yet been finalised, there may be the possibility to bid to get the money back from BFET.</p>
25/22	<p>Insurance Tender Award</p> <p>VP Finance and Corporate Services is seeking approval of the insurance tender outcomes.</p> <p>Borders College is looking to replace its insurance from Zurich with insurance from FE Protect, based on a qualitative and financial review. It would be a 2+2-year contract, with significant cost savings obtained.</p> <p>A member questioned what the insurance covers. VP Finance and Corporate Services noted that the insurance covers a wide range of things like building reinstatement, theft, damages, cyber security, vehicles, car repairs and business continuity. VP Finance and Corporate Services is to provide the full list of coverage for the next committee meeting.</p> <p style="text-align: right;">ACTION: VP F&CS</p> <p>Members of the committee approved the change of insurers to FE Protect.</p>
26/22	<p>Draft Budget</p> <p>Although the College does not have the full planning guidance from SFC, this item is on the agenda so the members can begin to consider various scenarios and implications of each.</p>

	<p>The current budget is not yet balanced, but it should be for the next F&GP Committee later in May.</p> <p>VP Finance and Corporate Services has set up three views – optimistic, least pessimistic and most pessimistic. The SFC income is set, and does not provide extra funding for pay inflation, which is a significant factor.</p> <p>Following presentation of the Paper, members questioned and discussed the three scenarios and most significant issues.</p> <p>EIS is currently in dispute with the College sector, the current offer represents a pay award that is over and above what the College can afford, and the Sector would be looking towards Scottish Government to provide additional funding.</p> <p>It was noted by members that the utilities costs are very high. The VP Finance and Corporate Services noted that APUC are trying to reach an agreement on this. The projection of increase on utilities is £250k, approximately £75k will be apportioned to Heriot-Watt University.</p> <p>The income budget will be set at the start of the academic year and any further funding coming in will be a significant benefit for the College due to overheads being fully covered in the baseline.</p> <p>There is a reduction planned in the Heriot-Watt income as a result of an accounting error. Discussions are ongoing around Heriot-Watt's use of the Galashiels Campus. The sinking fund was referred to, Audit advice will be required in relation to this.</p> <p>£424k savings have been identified by SLT members, and VP Finance and Corporate Services is confident that this is achievable.</p> <p>Over the past few years restructuring has taken place and this might have to be considered again.</p> <p>Members asked about the impact of the savings on students and their learning experience. VP Finance and Corporate Services noted that a proportion of the savings would be in the area of efficiency of teaching and delivery with no direct impact on students anticipated.</p> <p>It was noted that if the College stops offering particular courses then this will impact on credits. VP Finance and Corporate Services noted that this would only be the case if we did not replace these with more efficient and effective courses.</p> <p>Staff costs are 69% of overall costs at the College.</p> <p>A member was unclear on the column entitled '2022 savings proposition'. VP Finance and Corporate Services noted that the proposition column was the total of all of the things that SLT members had put forward for consideration. It was again noted that the budget position is challenging, and the Chair commended that staff are working positively to achieve the savings required. The College should be in a position to have a suitable proposition for the Board to approve by the June meeting.</p>
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	The Regional Chair noted that with some lack of clarity around items such as pay inflation and the rising cost of utilities there may be a possible requirement to go beyond forecast savings of £424k and move some from the £463k column over into the first-year savings. VP Finance and Corporate Services noted that this could be an option, and that talks around the sinking fund would be accelerated first in an attempt to solve this issue.
27/22	Equality, Diversity & Inclusion (Standing Item) No items were raised.
28/22	Papers for Publication (Standing Item) No draft or commercially sensitive papers will be published.
29/22	Any Other Business There was no other business to be discussed. The Chair extended congratulations to VP Finance and Corporate Services on her new position and noted that the College and the Regional Board members will miss her and the work she has done.
30/22	Date of Next Meeting The date of the next Finance and General Purposes Committee is Thursday 26 May 2022 at 17:30 via Microsoft Teams.

Signed.....

Chair

Signed.....

Board Secretary