

NOTES OF THE THIRTEENTH MEETING OF THE FINANCE AND RESOURCES COMMITTEE, HELD ON 5 OCTOBER 2016, AT 4.30PM IN THE BOARDROOM, LANGSIDE CAMPUS, GLASGOW CLYDE COLLEGE

PRESENT:

D Newall	Committee Chair
S Henson	Committee Member (Teaching Staff Representative)

IN ATTENDANCE

E Harris	Depute Principal
J Thomson	Vice Principal Resources & College Development
T Elliott	Assistant Principal, Finance & Infrastructure
D McDougall	Assistant Principal, International & Business Development
G Murray	Clerk to the Board (minute taker)

APOLOGIES

S Walsh	Principal and Committee Member
A Fortuny	Student Representative
S Cooley	Committee Member

ACTION

16.35 WELCOME AND APOLOGIES

D Newall welcomed everyone to the meeting. Apologies were noted from S Walsh and S Cooley. A Fortuny had not offered apologies in advance of the meeting but was not in attendance. D Newall noted that the meeting was not quorate and therefore no decisions could be taken. It was agreed that those present would still discuss the business on the Agenda.

16.36 DECLARATIONS OF INTEREST

There were no declarations of interest.

16.37 MINUTES OF THE MEETING HELD ON 8 JUNE 2016

The Minutes were approved.

16.38 MATTERS ARISING

All matters on the action grid had been complete subject to the following:-

16.20 – J Thomson has still to circulate the comparison data on carbon footprint management. It was agreed that this action should come off of the action grid and that J Thomson should provide an update within the Estates update, when appropriate.

ACTION

16.27 J Thomson has considered the request for additional student space at Anniesland and advises that there is no solution in the short term. J Thomson agreed to meet with A Fortuny to discuss this.

16.28 Policy 2.1: Financial Procedures and Budgetary Control – J Thomson to consider the wording of point 2.

JT

Policy 2.2 Procurement – the new Procurement policy had been circulated in advance of the meeting and comments received electronically from S Walsh. Members discussed the policy and agreed that the policy would be recirculated electronically to offer absent members a further opportunity to comment and approve the proposed changes.

GM

16.22 J Thomson provided an update on the Scottish Funding Council Indicative Funding Allocation 2016/17 advising members that a new SFC funding allocation model for the Glasgow Region is being worked on for future years.

16.39 UPDATE ON FINANCIAL OUTTURN 2015/16

16.42 DRAFT PRIMARY FINANCIAL STATEMENTS

T Elliott provided the Committee with a verbal update on the Financial Outturn Position for 2015/16 advising members that this was in line with what had been previously forecast. T Elliott advised that the Report going to the Board for the final financial outturn for 2015/16 would be similar to that at Agenda Item 16.42. T Elliott took members through the paper 16.42 issued with the Agenda and highlighted the key changes to the Forecast Outturn which was reported to the Board in August 2016. Those Changes related to FRS17 which is an Actuarial Adjustment relating to Pensions. In addition, a further change is due to the 2014/15 Balance Sheet figures having been restated to take account of the new Statement of Recommended Practice (SORP) and the subsequent treatment of Publicly Funded Deferred Capital Grants,. T Elliott talked the members through those changes and the resulting impact on the draft financial statements.

The Committee discussed the paper (Agenda Item 16.42) and there was discussion on the impact on the financial statements of the potential fluctuations in pension costs, for example, an increase in employer contributions.

16.40 BUSINESS DEVELOPMENT UPDATE

D McDougall was invited to speak to the paper issued with the Agenda.

D McDougall advised that the report at this meeting focussed on the targets for the year ahead rather than reporting on income generated in the year to date. Subsequent meetings will receive an update on in year income. It was noted that the target for

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income from sources other than SFC for 2016/17 is £3.66m, which is £500k greater than the actual performance for session 2015/16.

D McDougall took the committee through the report and outlined the various activities set out in the Business Development Growth Plan including a Saturday College, Summer Camps, Online/BlendEd Courses, Easter Revision, International Short Courses, International Consultancy/advisory, International Students, SDS Modern Apprenticeships, SDS Employability Funded Courses and European Projects Funding.

D Newall complemented the SMT on the wide range of activities proposed but observed that there may be difficulties with some of the suggestions and advised that the College may be best to channel its energy into specific projects rather than wasting energy on those which do not look promising. D Newall highlighted some of the difficulties that may be involved such as the potential low profit margin of a Saturday College, limited revenue of online courses and the political barriers which may prevent the increase in Visa-sponsored study. Discussions took place around these potential difficulties.

Members discussed the potential positives and negatives of the various items within the growth plan with members providing challenge to the proposed growth plan. D McDougall explained some of the work being done to mitigate risk and ensure maximum return from the projects.

Extensive discussion took place around the possibility of providing international consultancy. D Newall stressed the need to ensure any related contracts were carefully looked at. T Elliott also raised a potential issue around procurement and international consultancy stressing that the contracts would have to be considered to ensure there was no breach of any procurement delegated limits.

During the discussion on Skills Development Scotland Modern Apprenticeships, S Henson advised that the construction industry may be another area of growth based on an upturn in this area and noting how full the construction courses are this year.

D Newall thanked D McDougall for the full update.

16.41 ESTATES UPDATE

J Thomson was invited to speak to the report issued with the Agenda.

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J Thomson provided an update on the main current estates matters for Glasgow Clyde College. An update was provided on the major Capital works which had been undertaken over the summer, being the roof replacement at the Cardonald campus and the upgrade of the library and creation of the new Innovation Centre at the Langside Lighthouse building.

The Committee were advised of the ongoing capital projects – the new build teaching accommodation for Landscaping and Horticulture at the Langside campus and the upgrade of the lifts at the Cardonald campus. And they were advised that the next project to be considered as part of the capital masterplan is a new planned covered combined entrance for the Mary Stuart building and the Lighthouse building at the Langside campus.

Updates were also given on the sale of the lease at the Langside Residences and the fire compartmentation works at the Anniesland campus.

The Committee discussed the updates and discussion moved to the possibility of obtaining further funding for maintenance through the additional SFC Capital Grant. Discussion took place about the recent additional funding announced of £2.1 Million to the Glasgow Region and how this was going to be split between the three Colleges within the Region. Discussions also took place around the requirements associated with this funding, in particular, the timescales within which the funding would have to be allocated or spent.

The Committee discussed the update.

16.43 AUDIT SCOTLAND 2014/15 COLLEGES OVERVIEW REPORT

The Committee discussed the Audit Scotland Annual Report on Colleges for 2014/15, in particular, those areas having an impact on the Finance and Resources Committee. The key areas of the report were highlighted to members, being the need for long term financial planning and compliance with the Code of Good Governance.

The Committee discussed the importance of long term financial planning. D Newall suggested that the Committee set aside time to consider financial scenario planning. He suggested that members of the Audit Committee also attend such a discussion with the invite being extended to the Chairs of the other Committees. The outcomes of the meeting could then be fed back to all board members. It was suggested that at least an hour

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be set aside at the start of the next Finance and Resources Committee meeting for these discussions.	GM
The Committee were advised that the College's compliance with the Code of Good Governance had been considered at the Audit Committee (only relating to that Committee and the Audit Committee requirements under the Code) and that a full scale review would be undertaken by G Murray with a view to updating the December Board.	GM
16.44 GLASGOW CLYDE COLLEGE EDUCATION FOUNDATION UPDATE	
J Thomson was invited to provide an update on the Glasgow Clyde Education Foundation (GCEF) and the paper issued with the agenda. J Thomson advised that the GCEF AGM had taken place on 27th September. Due to industrial action that day the AGM had been reduced in attendance and another event was planned for a later time to discuss the activities achieved through GCEF funding. Copies of the GCEF Annual Report would be circulated to Board Members with the October Board Papers.	GM
J Thomson advised that she would prepare a paper for the October Board on the strategic priorities for the GCEF funding in future.	JT
J Thomson reminded the Committee that the GCEF was seeking two nominations for trustees from the College Board of Management.	
16.45 RISK REGISTER – FINANCIAL RISKS	
J Thomson was invited to provide an update on the College's Strategic Risk Register in relation to financial risks.	
J Thomson highlighted the changes to the Strategic Risk Register since the last meeting, explaining that the changes were largely as a result of the recommendations of a recent internal audit report. For example, changes had been made to the format of the mitigating actions, a reduction in the number of risk categories and amended wording in relation to some risks.	
An update was provided on the recent discussion of the Risk Register by the Audit Committee. J Thomson outlined the views of the Audit Committee that the risk register contained too many risks and that work was going to be done to look at streamlining this. J Thomson advised that she planned to have a meeting with the new Chair of the Audit Committee, David Watt, to take this	

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forward. D Newall advised that it didn't necessarily matter how many risks were on the register as long as the SMT and the Board were comfortable with what is on it. J Thomson also advised that a risk appetite had also been discussed at the SMT and the recent Audit committee and that a paper would be coming to the Board at its October meeting on the College's risk appetite.

JT

16.46 PROCUREMENT UPDATE

T Elliott was invited to provide an overview of the recent, current and future procurement related activities within Glasgow Clyde College.

Updates were given on areas of notable tender activity; the new Finance System; Waste Management Services; Project Management Services for Construction and Refurbishment Projects; Principal Designer and Quantity Surveyor for the Landscaping and Horticulture teaching development at Langside; Provision of Design Team Composed of Architect, Civil Engineer, Traffic Consultant and Electrical Engineer for the Cardonald Campus Car Park Upgrade; Provision of Public Affairs Services to Glasgow Clyde College; and the new Library Management System.

The Committee discussed the updates. In particular, discussion took place around the new Finance System and the costs associated with that. T Elliott advised that the finance system is hoped to be ready within six months.

D Newall advised members that Angus Warren the Chief Executive of Advanced Procurement in Universities and Colleges (APUC) would be attending the board meeting on 26 October to provide a short update on procurement regulations and associated processes.

16.47 EQUALITIES IMPACT ASSESSMENT ON DECISIONS MADE

It was noted that equalities issues were considered in respect of Estates plans. No decisions had been taken at the meeting.

16.48 REVIEW OF PAPERS

The Committee agreed that the papers were well presented and provided the right level of information.

16.49 ANY OTHER BUSINESS

None

ACTION

DATE OF NEXT MEETING

4.30pm on 30 November 2016, The Boardroom, Langside Campus.