

**NOTES OF THE EIGHTEENTH MEETING OF THE FINANCE AND RESOURCES COMMITTEE, HELD ON 29 NOVEMBER 2017, AT 4.30PM IN THE BOARDROOM, LANGSIDE CAMPUS, GLASGOW CLYDE COLLEGE**

**PRESENT:**

|           |                            |
|-----------|----------------------------|
| R Fraser  | Committee Chair            |
| D Newall  | Committee Member           |
| J Vincent | Principal/Committee Member |
| S Henson  | Committee Member           |

**IN ATTENDANCE**

|           |  |
|-----------|--|
| J Thomson | Vice Principal Resources & College Development |
| T Elliott | Assistant Principal, Finance & Infrastructure  |
| G Murray  | Clerk to the Board (minute taker)              |

**ACTION**

**17.48 WELCOME AND APOLOGIES**

R Fraser welcomed everyone to the meeting. Apologies had been received from K Gasiorowska and S Cooley. D McDougall had also advised that he would be unable to attend to present his paper (Agenda Item 17.57)

**17.49 DECLARATIONS OF INTEREST**

There were no declarations of interest.

**17.50 MINUTES OF THE MEETING HELD ON 4 OCTOBER 2017**

The Minutes were approved as an accurate record of the previous meeting.

In response to a query from a Committee Member, J Thomson advised that there was no further update on the future years' Capital Funding Formula allocations from the GCRB.

**17.51 MATTERS ARISING**

Progress was noted on all of the matters arising.

**17.52 DRAFT FINANCIAL STATEMENTS FOR YEAR ENDING 31 JULY 2017**

T Elliott was invited to speak to the Report issued with the Agenda. T Elliott presented the Glasgow Clyde College financial statements for the twelve month period ending 31 July 2017. The year-end audit of the draft financial statements had been completed with an unqualified audit opinion having been given.

**ACTION**

T Elliott took the Committee through the Financial Statements inviting comments and questions. The Committee discussed each section of the Financial Statements in detail with minor recommendations being made in respect of certain wording being used. T Elliott informed the Committee of certain changes which would also be made following comments received from the Audit Committee.

The Committee discussed the KPIs within the Financial Statements and, in particular, whether these KPIs were a good measure for the College or if better measures could be adopted. J Vincent informed the Committee that Senior Management had been looking at KPIs and considering these issues. The Committee discussed the importance of being able to ascertain the true costs associated with commercial income and monitoring other sources of income. The Committee discussed student retention and success rates and where the College sits in the wider sector. The analysis of student attainment figures within the College was discussed. In response to a query from a Committee Member, T Elliott provided an explanation of the definition of 'pension benefit' as per the table on page 32 of the Financial Statements.

The Committee recommended some minor changes to the wording of the Financial Statements. Changes were suggested to the list of Executive Management Team Members on page 25 to include a date and the additional acting member. It was suggested that the paragraph relating to Commercial Income on page 20 be elaborated to be more aspirational.

In response to a query from a Board Member, T Elliott explained that the External Auditors' Report and Letter had gone to the Audit Committee and would go to the Board. T Elliott outlined the one minor recommendation within that report.

The Committee thanked the College staff for the update and praised them for managing the budget through the year to come in to a final position in line with budget.

The Committee agreed to Recommend the Draft Financial Statements to the Board for Approval.

### **17.53 FINANCIAL REPORT – YEAR TO OCT & FORECAST TO JULY 2018 INCLUDING CASH FLOW**

T Elliott was invited to speak to the Report issued with the Agenda. T Elliott explained that the reports outline the financial position versus the phased budget for the three-month period August 2017 to October 2017 and the forecast outturn position

**ACTION**

for the academic year August 2017 to July 2018 versus the academic year 2017/18 budget. The forecast position for 2017/18 shows a forecast operating deficit of £1,686k in line with the budgeted position which is a balanced underlying operating position after adjusting for additional depreciation due to asset revaluation and cash budget for priorities.

T Elliott took the Committee through the three variances listed, emphasising the income variance was as a result of the forecast income from the Flexible Workforce Development Fund. The Committee discussed the planned additional expenditure and the importance of having a plan for achieving this within the financial year. T Elliott outlined the internal procedures for planning requests and how these processes would be utilised to ensure spend could be achieved within the financial year.

The Committee discussed the Cash Flow Report and, in response to a query from a Committee Member, T Elliott outlined the various ways in which cash expenditure could be stopped very quickly if there was a requirement.

Having discussed the Report, the Committee thanked T Elliott for her update.

**17.54 CAPITAL EXPENDITURE & CAPITAL MASTERPLAN UPDATE**

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

J Thomson explained that the report provided an update on capital expenditure against the latest Capital Masterplan for the period from 1 April 2017 to 30 October 2017. J Thomson outlined each project as shown on the Capital Masterplan and provided an update on progress

The Committee discussed the Report and Masterplan. D Newall thanked J Thomson for the helpful presentation on Estates which had been delivered to the Board at the October Board Development Event. He suggested that the Senior Management Team create a more detailed Estates Strategy which would provide context and embed the priorities of the College. It was agreed that an Estates Strategy would be drafted and presented to the Board at a further Board Development Event to ensure the Board have an opportunity to discuss and input to the strategy before it becomes final.

DN/JV/JT/Clerk

The Committee thanked J Thomson for her update.

**ACTION**

**17.55 ESSENTIAL ESTATES IMPROVEMENT WORKS**

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

J Thomson took the Committee through the Report outlining the key developments at the Anniesland Campus and the Mary Stuart building.

The Committee thanked J Thomson for the update.

**17.56 ESTATES UPDATE**

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

Updates were given on the major Capital works including the new build teaching accommodation for Landscaping and Horticulture, the large scale plant upgrade/replacements at the Cardonald Campus with a major refurbishment of the five Tower Block building lifts, partial upgrade of the heating and ventilation system, and replacement of switchgear. An update was also given on the Langside residences with J Thomson outlining the recent correspondence from the potential Assignee's solicitor.

The Committee discussed each of the Capital works. In discussing the Langside residences, the Committee reiterated the importance of getting the potential assignee to agree to carry out the required repair works as a condition of the assignment.

The Committee noted the update and thanked J Thomson for the paper.

**17.57 COMMERCIAL & EXTERNAL FUNDING UPDATE**

In the absence of D McDougall, J Thomson was invited to speak to the report issued with the Agenda.

J Thomson took the Committee through each section of the Report. The Committee discussed the Report with more discussion taking place around the Flexible Workforce Development Fund(FWDF) and the need to ensure that delivery will be possible. The Committee Chair asked the Senior Management Team to consider the drop dead date for accepting contracts under FWDF and ensuring that delivery would be possible within the timescale.

JV/JT

The Committee thanked J Thomson for the update.

**17.58 REMIT OF COMMITTEE**

**ACTION**

The Committee discussed the Remit. It was agreed that the Remit should be more proactive rather than the current version which is reactive. The Committee would like the Remit to set out their role as being to advise rather than to simply note reports. The Committee agreed that the Remit should contain more reference to their role in Estates work. The Committee agreed that there should be no requirement to produce an Annual Report from the committee to the Board. It was agreed that D Newall would provide his suggested revisions to J Thomson and the Clerk to the Board and that they would circulate a revised draft in advance of the next meeting.

DN/JT/Clerk

**17.59 PROCUREMENT UPDATE**

The Committee noted the Procurement Update.

The Committee discussed the APUC Annual Summary Report with discussions taking place around the possibility of taking forward some of the suggestions for regional collaborations.

**17.60 COLLEGE STRATEGIC RISK REGISTER – FINANCIAL RISKS**

The Committee noted the Risk Register.

**17.61 EQUALITIES IMPACT ASSESSMENT ON DECISIONS MADE**

None

**17.62 REVIEW OF PAPERS (INCLUDING DISCLOSABLE STATUS)**

No variation to the disclosable status of papers.

**17.63 ANY OTHER BUSINESS**

None

**DATE OF NEXT MEETING**

28 February 2018 at 4.30pm, The Boardroom, Anniesland Campus