

**NOTES OF THE MEETING OF THE FINANCE AND RESOURCES COMMITTEE,  
HELD ON 25 NOVEMBER 2020 AT 4.30PM.**

**The meeting was held remotely in accordance with COVID -19 meeting restrictions.**

**PRESENT:**

D Newall	Chair
S Henson	Committee Member
S Rasmussen	Committee Member
J Vincent	Committee Member

**IN ATTENDANCE**

J Thomson	Vice Principal Resources & College Development
T Elliott	Assistant Principal, Finance & Infrastructure
D McDougall (for Item 20.58 )	Assistant Principal, International and Business Development
C McConnell	Clerk to the Board (Minute Taker)

**ACTION**

**20.51 WELCOME AND APOLOGIES**

The Chair welcomed everyone to the meeting. The Chair advised that Item 20.58 Commercial and External Funding Update would be taken first for convenience. The minute records the numbering as per agenda.

**20.52 DECLARATIONS OF INTEREST**

There were no declarations of interest.

**20.53 MINUTES OF THE FINANCE AND RESOURCES COMMITTEE MEETING HELD ON 7 OCTOBER 2020**

The draft Minute was approved as an accurate record of the meeting held on 7 October 2020.

**20.54 MATTERS ARISING GRID**

The Committee noted the progress made on the matters on the Action Grid. The Committee noted that two additional actions from the previous meeting are being taken forward.

**20.55 DRAFT FINANCIAL STATEMENTS FOR YEAR ENDING 31 JULY 2020**

T Elliott spoke to the paper and gave an overview of the Annual Report and Financial Statements taking the Committee through each section.

The Committee were informed that the financial statements were prepared in line with the Statement of Recommended Practice (SORP) 2019: Accounting for Further and Higher

## ACTION

Education and in accordance with Financial Reporting Standards FRS 102. Where applicable, the Report and Financial Statements also comply with the 2019-2020 Government Financial Report Model (FReM) issued by the Scottish Government. The financial statements conform to the Accounts Direction and other guidance issued by the Scottish Funding Council.

The Committee noted that the External Auditor has issued an unqualified opinion in respect of the financial statements.

The statements showed a deficit of £3.102M which, after allowing for non-cash items, equated to an Adjusted Operating Surplus of £276k. The Committee noted the reported deficit, adjusted operating surplus and the various non-cash adjustments in the statements.

The Committee considered all sections of the report noting the changes to the narrative suggested by the Audit Committee, The Committee complimented management and staff on the outturn delivered and on the professionalism involved in preparation of the reports.

The Committee recommended the Reports are submitted to the Board for approval subject to the changes agreed at Audit Committee on 23 November 2020.

TE

### **20.56 FINANCIAL REPORT YEAR TO OCTOBER 2020 and OUTTURN FORECAST TO JULY 2021**

T Elliott spoke to the Report and the Appendices, which provided an update on the financial position and cash position of the College for the three-month period to October 2020 and the Forecast Outturn to July 2021.

The Committee noted that the current position for 2020/21 shows a forecast adjusted operating deficit of £244k versus a budgeted adjusted operating deficit of £260k.

The Committee discussed the report noting the uncertainties due to the impact of COVID-19 and other budgetary assumptions. The Committee commented on the importance of ensuring that approval of the Voluntary Severance Scheme is not delayed and asked that the date for final approval is confirmed with Glasgow Colleges Regional Board.

The Committee noted the report.

JT

### **20.57 CAPITAL EXPENDITURE AND MASTERPLAN UPDATE**

J Thomson spoke to the report.

J Thomson provided the Committee with an update on capital expenditure for the period from 1 April 2020 to mid-November 2020 against the capital plan for the College.

The Committee noted that the initial SFC/GCRB funding for estates maintenance was £2.88Million which was £945k for life cycle maintenance and £1.94Million for very high priority estates maintenance. The very high priority estates maintenance funds have been allocated to six project areas and the appointed design team are progressing the tenders for these works.

A tender has also been issued for the Student Social Space refurbishment works at Anniesland which is to be partly funded by the further capital allocation from SFC/GCRB for economic recovery.

The Committee noted the contents of the update.

## **20.58 COMMERCIAL AND EXTERNAL FUNDING UPDATE**

D McDougall spoke to the Report.

The Committee was advised of the progress in achieving funding from sources other than the Scottish Funding Council for the year to 31 July 2021. At this stage in the year, the report includes actual income to 31<sup>st</sup> October 2020 and forecasts to the end of July 2021.

The Committee considered the details of the commercial income statement noting that the overall target for commercial and SFC Flexible Workforce Development Fund (FWDF) income is £1.614M. The budgeted income to date was £397K and the current actual is £489K. The forecast net contribution for the year is now £37K, which is a £12K improvement on the budgeted figure. The Committee recognised that the figures are representative of an early stage in the year being only the first quarter of the year.

The Committee discussed the staffing costs associated with commercial and FWDF income and the balance between temporary and permanent staff. D McDougall confirmed that, where possible, permanent staff would be utilised.

The Committee heard that savings had been made in the Business Development Unit amounting to £44K equivalent in the Unit itself and a further saving from absorbing some work from one of the College faculties.

The Committee discussed the future opportunities for the College and noted the focus on the Flexible Workforce Development Fund. The Committee also discussed the impact on delivery from the move to online learning and the impact of COVID-19 on leisure classes. The Committee noted that new leisure courses had been introduced this year but had to be postponed due to the COVID-19 restrictions.

The Committee thanked D McDougall for the report.

The Committee noted the report.

## **20.59 ESTATES UPDATE**

J Thomson spoke to the report.

## **ACTION**

The Committee noted the impact of the COVID-19 restrictions on the College in relation to the Estates team.

The Committee heard that catering facilities were closed when Tier 4 restrictions were imposed and the staff have been furloughed. Contactless enhanced vending machines have already been installed at all campuses.

The Committee noted the update.

### **20.60 TUITION FEE UPDATE**

T Elliott advised the Committee that fee levels for EU students post Brexit are currently under discussion with the sector and therefore the fee structure will be brought to the next Committee on 10 March 2021.

**TE**

### **20.61 GLASGOW CLYDE COLLEGE FINANCIAL REGULATIONS**

TE spoke to the paper.

The Committee discussed the proposed changes to the Regulations as indicated in the report. The Committee noted that some references to Scottish Funding Council should be to Glasgow Colleges' Regional Board and asked that this be checked before the Regulations are finalised.

The Committee also noted that references to post Brexit procurement regulations need to be clarified.

TE undertook to revise the Regulations and bring to the next meeting of the Finance and Resources Committee for approval.

**TE**

## **Items for Noting**

### **20.62 PROCUREMENT UPDATE**

The report was noted by the Committee.

### **20.63 GLASGOW CLYDE EDUCATION FOUNDATION UPDATE**

The Committee noted the contents of the update.

### **20.64 COLLEGE STRATEGIC RISK REGISTER**

The Committee noted the paper.

### **20.65 ANY OTHER BUSINESS**

The Chair advised that Items 20.56 and 20.57 will be added as noting items to the Board agenda for 9<sup>th</sup> December 2020.

The Chair asked that a report on the SFC Funding Model is prepared and brought to the next Finance and Resources Committee meeting on 10 March 2021.

**JT**

## **DATE OF NEXT MEETING**

Wednesday, 10<sup>th</sup> March, 2021 at 4.30pm.

Location to be confirmed.