

**NOTES OF THE MEETING OF THE FINANCE AND RESOURCES COMMITTEE,  
HELD ON 10 MARCH 2021 AT 4.30PM.**

**The meeting was held remotely using Zoom due to COVID -19 Restrictions.**

**PRESENT:**

D Newall	Committee Chair
S Henson	Committee Member
L Paterson	Committee Member
S Rasmussen	Committee Member
K Rosser	Committee Member
J Vincent	Committee Member

**IN ATTENDANCE**

J Thomson	Vice Principal Resources & College Development
T Elliott	Assistant Principal, Finance & Infrastructure
D McDougall	Assistant Principal, International & Business Development (to Item 21.06A)
C McConnell	Clerk to the Board (minute taker)

**ACTION**

**21.01 WELCOME AND APOLOGIES**

D Newall welcomed everyone to the meeting. Particular welcome was extended to Keith Rosser and Lindsey Paterson attending their first Finance and Resources Committee meeting.

**21.02 DECLARATIONS OF INTEREST**

There were no declarations of interest.

**21.03 MINUTE OF THE MEETING HELD ON 25 NOVEMBER 2020**

The Minute was approved as an accurate record of the previous meeting subject to one minor clarification.

**21.04 MATTERS ARISING**

The Committee noted the progress on the Matters Arising Action Grid.

**21.05 FINANCIAL REPORT TO JANUARY 2021 AND FORECAST  
OUTTURN TO JULY 2021**

T Elliott was invited to speak to the paper issued with the Agenda. T Elliott explained that the report outlined the financial position versus the phased budget for the six month period August 2020 to January 2021 and the forecast outturn position for the academic year August 2020 to July 2021 versus the academic year 2020/21 budget. The Committee was informed that the current position for 2020/21 shows a small forecast

adjusted operating surplus of £38k versus a budgeted adjusted operating deficit of £260k, outlining a favourable variance of £298k.

T Elliott took the Committee through the high level summary of key movements which the Committee noted were largely due to COVID 19. The Committee noted that the Scottish Funding Council has intimated that further funding may be available. However, details of this are not yet confirmed so this has not been included in the current forecast.

The Committee noted the explanations in the report for the income and expenditure variances over £50,000 and, in particular, discussed the difficulties being experienced, as a result of COVID restrictions, in obtaining the evidence required for some students in order to secure and retain SFC European Social Funding.

The Principal explained that the decision to delay the academic management restructure was taken due to a necessity to retain certain staff required to deliver time critical services and the impact on College staff of the extended lockdown situation which was acknowledged by the Committee.

The Committee discussed the updated position on the furlough scheme and on the College's voluntary severance scheme and noted that the furlough scheme had been used in a limited capacity for academic staff.

The Committee also considered the cash flow report which indicated that the College's cash position at end July 2021 is currently forecast to be £2.7M, equivalent to 20 days cash, which is slightly above the College baseline cash position of 15 days. The Committee noted a temporary increase in cash in January which was due to timing variances of funding.

The Committee noted the report and welcomed the improving cash position which was being reported.

## **21.06**

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

D McDougall spoke to the report which had been circulated.

The report forecast year-end income of £1.502m against a budget of £1.614m. However, the Committee noted the budgeted contribution level is considered to be achievable in the current year although income from the Flexible Workforce Development Fund (FWDF) is reduced. The Committee noted that the challenges in maintaining funding from FWDF as this is dependent upon employers who may be reluctant to release staff for training at this time.

The net contribution is now forecast at £85,000, which is an improvement on the budget of £28,000. In addition, the Committee was pleased to note that a considerably higher proportion of commercial work was now forecast to be delivered by permanent rather than temporary staff. The JT/

Committee agreed that it would be helpful to include a footnote identifying the financial benefit associated with using permanent staff.

The Committee commented that, as has been discussed at previous meetings, there can be a small margin of return generated from significant amounts of work.

**21.06A COMMERCIAL STRATEGY 2021-2024**

D McDougall spoke to the report which detailed the commercial strategy for 2021-2024.

The Committee noted that the strategy contains summary income targets for the each of the three years in the period which have been agreed with the Faculty management teams.

The Committee discussed some of the key drivers behind the strategy and noted the areas where opportunities may arise out of the pandemic. The Committee also recognised the challenges which would be faced by staff in delivery.

The Committee expressed some concern at the breadth of the aims listed and discussed how these would be prioritised. The Committee was assured that the commercial strategy steering group would take this forward.

The Committee agreed to approve the strategy noting that it should be kept under constant review as the position remains volatile.

**21.07 UPDATE ON SFC FUNDING MODEL**

J Thomson spoke to the paper which provided a summary of the main areas of the SFC Funding Model.

The Committee discussed the areas in the model, noting a number of challenges for the future within the overall model and distribution of funding to and within the Region- for example with the National Bargaining Funding.

The Committee was advised that changes in that funding are expected in 22/23.

The Committee noted that several colleges had benefited over the last three years from substantial transitional funding to assist them in meeting additional costs associated with national pay harmonisation. Now that the transitional period is over, it is to be expected that this special funding will be discontinued and that the sums involved will be shared among all colleges. Clarity is being sought on how this will impact on the College's future grant allocation.

The Committee expressed its thanks to J Thomson for a clear and helpful paper.

JT

**ACTION**

- 21.08 SFC INDICATIVE FUNDING ALLOCATION**  
J Thomson explained to the Committee that announcements in relation to future funding will be made next week and updated information will be provided to the Board.
- 21.09 GCEF FINANCIAL SUSTAINABILITY FUNDING BID UPDATE**  
J Thomson presented the paper.  
The Committee noted that as part of the approval of the recent funding bid, GCEF required a report in March and June to enable spending progress to be tracked. It has been agreed that the Finance and Resources Committee would receive the relevant report and if the Committee is content, that the report would be submitted to GCEF.  
The Committee discussed the elements of the report and made a couple of small suggestions for improvements. The Committee agreed that the paper provided a good overview of the proposed spend and was content that it should be forwarded to GCEF. It was agreed that the report should also be taken to the March Board of Management as part of an update on financial sustainability.
- 21.10 PROPOSED TUITION FEES**  
The Committee approved the Tuition Fees for 2021/22 as described in the paper.
- 21.11 CAPITAL EXPENDITURE UPDATE AGAINST MASTERPLAN**  
J Thomson was invited to speak to the paper issued with the Agenda.  
The Committee noted the position and confirmed that the update should be submitted to the next Board meeting on 24 March 2021 for approval.
- 21.12 GLASGOW CLYDE COLLEGE FINANCIAL REGULATIONS**  
The Regulations attached to the paper were approved subject to minor clarifications to be agreed with the Principal.
- 21.13 ESTATES UPDATE**  
The Committee noted the update.
- 21.14 PROCUREMENT UPDATE**  
The Committee noted the position.
- 20.15 ANY OTHER BUSINESS**  
T Elliott advised the Committee that the previous Scottish Government derogation to allow Colleges to retain commercial insurance cover has been extended to July 2024.

## **ACTION**

### **DATE OF NEXT MEETING**

2 June 2021 at 4.30pm. Location to be confirmed.