

## Board of Management

### Meeting of the Finance & Physical Resources Committee

MINUTE OF 2<sup>nd</sup> MEETING HELD ON WEDNESDAY 2 DECEMBER 2020 AT 1500 HRS  
(FPRC2)

Present	
Nicolas Garcia (NG)	Ronnie Quinn (RQ)
Karen Kelly (KK) (Convener)	Lesley Woolfries (LW)
Paul Little (PL)	
In attendance	
Barry Ashcroft (BA)	Sheila Lodge (SL)
Paul Clark (PC)	Alex Stewart (AS)
John Gribben (JG)	Stuart Thompson (ST)
Chris Keenan (CK)	Ann Butcher (Minute)
Apologies for absence	
None	

KK welcomed CK to the meeting. CK and JG were in attendance to report on Items 3.6 and 4.1.

Item FPRC2-1	Apologies for Absence	
Paper No:	Lead: K Kelly	Action requested: Note
Decision/Noted	There were no apologies. SP and SS were not in attendance.	

Item FPRC2-2	Declarations of Interest	
Paper No:	Lead: K Kelly	Action requested: Note
Decision/Noted	There were no declarations of interest.	

Item FPRC2-3.1	Minute of Previous Meeting held on 30 September 2020	
Paper No: FPRC2-A	Lead: K Kelly	Action requested: Approve
Discussion/ Matters Arising	That the minute of the meeting be approved.	
	<p><b>Matters Arising</b></p> <p><b>Financial Regulations Update</b> ST advised that the governance relationship with, and interaction between CoGC and Glasgow International Ltd has yet to be finalised. The revised Financial Regulations will be submitted at the next meeting.</p> <p><b>Fee Waiver Policy</b> The updated Fee Waiver Policy will be submitted at the next meeting.</p>	
Decision/Noted	That the minute was approved.	

Items 3.6 and 4.1 were taken at this time.

Item FPRC2-3.6	Health and Safety Policy	
Paper No: FPRC2-F	Lead: J Gribben/C Keenan	Action requested: Approve
Discussion/ Matters Arising	<p>JG apologised for the late submission of the paper. This was due to the consultation process with Trade Unions which was only completed this week.</p> <p>CK, who is acting Health and Safety Manager, provided a detailed overview of the Policy, including the Board objectives for the management of occupational health and safety, set out under the Policy Statement and organising for health and safety outcomes for control, cooperation, communication and competence. The roles and responsibilities for implementation of health and safety at all levels within the organisation were also advised. The Committee noted that the College fully supports joint working, consultation and collaboration with employees to support the effective management of health and safety at work.</p> <p>Details of the health and safety arrangements in place for specific aspects such as drugs and alcohol, blood borne infections and asbestos, etc and the identification of significant risks through the risk assessment process were also provided.</p> <p>RQ considered that whilst some reference was made to health and safety training currently in place, this was not specifically detailed throughout the Policy and suggested that additional detail be provided to fully demonstrate the College commitment to the safety and wellbeing of staff and students. This should also be highlighted within the Policy Statement. JG agreed that additional reference to training would be added.</p> <p>LW made reference to previous H&amp;S reportage and requested an update on the rollout of Fire Safety training particularly for fire marshals. CK informed members that the Scottish Fire and Rescue Services have recently been consulted, and are very satisfied with existing measures in place in the context of the current COVID situation. Appropriate Fire Safety programmes, including evacuation training, are ongoing and will be specifically targeted (through a planned monthly themed approach) and delivered to staff early next year.</p> <p>LW pointed out that the EQIA status had yet to be concluded. JG advised that this was currently being progressed.</p> <p>PL commended the comprehensive information provided and considered this an exemplar Policy which will be used as a reference checklist by staff. SL added that this was a source document which will be communicated and used by staff for guidance purposes where appropriate.</p> <p>PC referred to the amount of detail provided within the paper including a significant amount of operational information which properly belongs in a Procedure, or set of Procedures, supporting the Policy. He suggested that in terms of Policy and Procedure governance, each take different routes for development, review, and approval. The high level Policy and Statement should be submitted for Board approval and the implementation</p>	

and review of the procedural documents should be submitted for review and approval at appropriate operational level Committees. PC referred to the College Protocol for Policy and Procedures, and offered assistance to CK in revising the current draft document over the next few weeks.

As the Policy was submitted late, it was agreed that members further review and submit any additional feedback to PC prior to submission at the next Board meeting on 16 12 20.

KK thanked all staff involved with the development of the Policy.

**Decision/Noted**

- To update as agreed.
- To provide additional feedback to PC prior to the next Board meeting.

*PL left the meeting.*

<b>Item FPRC2-4.1</b>		<b>Health and Safety Report (Q1)</b>
<b>Paper No: FPRC2-G</b>	Lead: J Gribben	Action requested: Discuss
<b>Discussion/ Matters Arising</b>	<p>JG introduced the report and advised that future reports would be provided in more diagrammatic detail. The following points were highlighted:</p> <ul style="list-style-type: none"> <li>• Members were further assured that the provision of Fire, First Aid and Person in Charge training is under constant review.</li> <li>• Appropriate Covid-19 risk assessments, including specialised facilities, have been agreed through staff and Trade Union consultation and have been published on the College website.</li> <li>• A Scottish Government H&amp;S Executive inspection was undertaken during October. The College was deemed to have a well-controlled, safe environment and all general processes were commended.</li> </ul>	
<b>Decision/Noted</b>	To note the report.	

*JG and CK left the meeting.*

<b>Item FPRC2-3.2</b>		<b>Annual Report and Accounts 2019-20</b>
<b>Paper No: FPRC2-B</b>	Lead: P Clark/S Thompson	Action requested: Approve
<b>Discussion/ Matters Arising</b>	<p>PC provided a brief overview on the narrative for the Annual Report 2019-20 which has been reduced in extent from previous years, following guidance received from External Audit and direction from the Board. A fully designed report will be produced following final approval by the Committee.</p> <p>ST introduced the financial report and advised that External Audit has provided an unqualified opinion on the financial statements. EA also considered that effective arrangements were in place regarding financial control, prevention and detection of fraud and irregularity, and standards of conduct.</p> <p>The Committee noted that for the financial year 2019-20, the College has made an underlying deficit of £360k which includes approved adjustments for depreciation and pension liabilities. The College continues to operate with a healthy cash balance at the year end.</p>	

	<p>ST reported that this deficit is a result of the impact of Covid-19 on College's activities. The College had forecast a surplus before the onset of Covid-19, and subsequently took action to reduce the loss. ST further advised that the main expenditure category for the year was staff costs which include increased employer contribution for teacher's pension costing and harmonisation costs. Employee numbers have also increased by 21 FTE from last year. He added that the College continues to operate in a challenging financial climate with the continuing impact of Covid-19.</p> <p>LW stated that whilst the Report was concise and read well, the Audit and Assurance section included some repetition. It was agreed that this section be revised. LW will provide further minor amendments and typos to PC for update.</p> <p>KK commended the Finance team for the clean audit report.</p>
Decision/Noted	That subject to agreed amendments, the report was endorsed for approval by the full Board.

<b>Item FPRC2-3.3</b>	<b>Strategic Risk Review</b>	
Paper No: FPRC2-C	Lead: P Clark	Action requested: Approve
Discussion/ Matters Arising	<p>The risks currently related to the Committee's areas of responsibility were submitted for review.</p> <p>LW referred to Risk 24 '<i>Failure of Compliance with the General Data Protection Regulations (GDPR)</i>' and queried why this was scored at a high level of 16 (RED). SL informed that the College is currently in the process of recruiting a Data Protection Officer which should be in place by mid-December. The AAC had agreed that the current Risk Score should remain at RED for further review early next year.</p>	
Decision/Noted	<ul style="list-style-type: none"> <li>To approve the Risks as agreed.</li> <li>To note the revised Risk Register as at 25 November 2020.</li> </ul>	

<b>Item FPRC2-3.4</b>	<b>College Course Fees 2021-22</b>	
Paper No: FPRC2-D	Lead: S Thompson	Action requested: Approve
Decision/Noted	To approve the 2021-22 course fees.	

<b>Item FPRC2-3.5</b>	<b>Annual Procurement Report 2019-20</b>	
Paper No: FPRC2-E	Lead: S Thompson	Action requested: Approve
Discussion/ Matters Arising	<p>The Annual Procurement report for 2019-20 was submitted and the overview of Procurement activity within the year was reviewed.</p> <p>ST reported that the marginal increase in non-compliant spend from the previous report was due to an ongoing review of the manned guard security provided for the student Halls of Residence. This was previously compliant however the contract has now expired. Members were assured</p>	

	that expiry of contracts are flagged well in advance by the Procurement Team however due to a recent change in the security provision at St Luke's Halls, ELT have been exploring the possibility of delivering this service in-house and the decision is pending final agreement.
Decision/Noted	To endorse the Annual Procurement Report 2019-20 for approval at the next meeting of the full Board.

Item FPRC2-4.2		Financial Plan 2020-21 Update	
Paper No: FPRC2-H	Lead: S Thompson	Action requested: Discuss	
Discussion/ Matters Arising	<p>ST presented the Financial Plan 2020-21 which has now been further revised to include additional information as requested by the Committee. The report has also been aligned to the delivery of the 8 strategic aims stated within the College Strategic Plan.</p> <p>ST reported that most income sources will continue to be significantly lower than pre COVID levels for the majority of the financial year. The approved 2020-21 financial plan included a £2.6m (16%) reduction in fee income. The current fee income forecast for 2020-21 has shown good recovery with an increase of £1.7m (10.8%) mainly due to increased commercial and overseas income. Significant financial challenges still remain as sources of income from student accommodation and catering have decreased.</p> <p>Staff costs are forecast to increase particularly in relation to the delivery of additional commercial and overseas activity and FWDF courses. Additional staff costs due to Covid-19 have also increased. Overall operating expenditure has decreased due to Covid restrictions however this is offset by additional PPE and Estates costs. The College has invested substantially to ensure that the campus is as safe an environment as possible for staff and students.</p> <p>The current projected deficit of £1,829k for the 12 months to 31st July 2021 was noted. SMT are continuing to explore potential savings options to improve the College financial sustainability position.</p> <p>ST further informed members on the SMT proposal to make application to the College Foundation for additional funding. The three separate applications were reported as follows:</p> <ul style="list-style-type: none"> <li>• <b>Blended Learning Fund</b> – Creation of a fund (300k) to support Faculty proposals to improve the student experience by increasing the quality and volume of online teaching materials and the support the delivery of remote teaching.</li> <li>• <b>Adobe Licenses</b> – Purchase of student Adobe Licenses for remote study. Adobe had provided free temporary licenses to students during the Covid-19 outbreak, however this no longer applies and remote license costs will now be incurred by the College from Adobe. The definitive cost is currently being determined.</li> <li>• <b>Upgrade/replacement of student learning platform</b> – redevelopment of the current learning platform is being explored and potential costs are being investigated.</li> </ul>		

	Following some discussion the Committee agreed that the proposed initiatives would be beneficial to both students and staff. Given the ongoing requirement to mitigate against the current forecast deficit, members agreed the proposed applications. Pending the outcome of the funding bids, it was agreed that additional contingency planning options be investigated. Faculty bids for the blended learning fund will also be progressed.
Decision/Noted	<ul style="list-style-type: none"> <li>To note the Financial Plan 2020-21.</li> <li>To submit applications as agreed to the College Foundation.</li> </ul>

<b>Item FPRC2-4.3</b>	<b>Non-Compliant Spend Update Report</b>	
Paper No: FPRC2-I	Lead: S Thompson	Action requested: Discuss
Discussion/Matters Arising	Further reference was made to the discussion recorded under Item 3.5. This matter will be progressed as soon as possible.	
Decision/Noted	To note the progress in reducing the volume and value of regulated non-compliant procurement expenditure.	

<b>Item FPRC2-5.1</b>	<b>Facilities Management Report</b>	
Paper No: FPRC2-J	Lead: S Thompson	Action requested: Note
Decision/Noted	To note the reportage on business as usual in Estates and Facilities Management for the operational period August - October 2020.	

<b>Item FPRC2-5.2</b>	<b>IT Progress Report</b>	
Paper No: FPRC2-K	Lead: S Thompson/ B Ashcroft	Action requested: Note
Decision/Noted	To note the progress report on the delivery and operational performance of the College IT Service.	

<b>Item FPRC2-5.3</b>	<b>Credit Delivery Update</b>	
Paper No: FPRC2-L	Lead: S Thompson	Action requested: Note
Decision/Noted	To note that the College has fully delivered the SFC Credit target for 2019-20.	

<b>Item FPRC2-5.4</b>	<b>Treasury Management Report 2019-20</b>	
Paper No: FPRC2-M	Lead: S Thompson	Action requested: Note
Decision/Noted	To note update on the College's investment strategy and performance over the academic year 2019-20.	

<b>Item FPRC2-5.5</b>	<b>FR Authorised Limits Report</b>	
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<b>Paper No:</b> FPRC2-N	Lead: S Thompson	Action requested: Note
<b>Decision/Noted</b>	To note the report.	

<b>Item FPRC2-6</b>	<b>Any Other Notified Business</b>	
<b>Paper No:</b>	Lead: Convener	Action requested: Note
<b>Decision/Noted</b>	None.	

<b>Item FRPC2-7</b>	<b>Disclosability of Papers</b>	
<b>Paper No:</b>	Lead: P Clark	Action requested: Verbal
<b>Decision/Noted</b>	That the disclosability status of papers as described on respective cover sheets be retained.	

<b>Item FPRC2-8</b>	<b>Date of Next Meeting</b>	
<b>Paper No:</b>	Lead: Convener	Action requested: Note
<b>Decision/Noted</b>	Wednesday 3 March 2021	

*The meeting closed at 5.00 pm.*

## ANNEX TO THE MINUTE

### ACTION POINTS ARISING FROM THE MEETING

Item	Description	Owner	Target Date
FPRC2-3.6 02 12 20	<b>H&amp;S Policy:</b> provide additional feedback to PC prior to the next Board meeting	ALL	Prior to 16 12 20
FPRC2-4.2 02 12 20	<b>Financial Plan 2020-21:</b> Submit applications as agreed to the College Foundation.	ST	ASAP

### ACTION POINTS ARISING FROM THE MEETING

Item	Description	Owner	Target Date
FPRC1-3.1 30 09 20	<b>Matters Arising</b> - Financial Regulations Update: Submit revised regulations at next meeting.	ST	02-12-20 03 03 21
FPRC1-3.1 30 09 20	<b>Matters Arising</b> - Fee Waiver Policy: Submit update at next meeting.	ST	02-12-20 03 03 21
FPRC1-3.2 30 09 20	<b>Committee Annual Report</b> - Submit Sustainability Update at a future meeting	ST	ASAP <b>Complete</b>
FPRC1-3.3 30 09 20	<b>Programme of Work</b> – Include related Covid updates within Health and Safety reports.	JG	Ongoing <b>Complete</b>
FPRC1-3.4 30 09 20	<b>Health and Safety Policy</b> – submit at next meeting.	JG	02 12 20 <b>Complete</b>
FPRC1-4.3 30 09 20	<b>Forecast Financial Plan 2020-21</b> - Provide additional detail on potential initiatives as agreed	ST	02 12 20 <b>Complete</b>
FPRC1-4.5 + 4.6 30 09 20	<b>Review of IT and Finance Function Effectiveness Reports</b> - Provide updates on progress of agreed actions.	ST	Ongoing
FPRC3-4.8	<b>Charles Oakley Building (COB) – Draft Business Case:</b> To progress a revised business case for COB as agreed.	RG	Ongoing
FPRC1-3.7	1. Enhance the detail within the assumptions made in the FFR paper. 2. Provide appropriate guidance to student members regarding the significant aspects of financial planning/forecasts.	ST ST/PC	26 02 20 26 02 20 <b>Complete</b>