

Board of Management

Meeting of the Finance & Physical Resources Committee

MINUTE OF 4th MEETING HELD ON WEDNESDAY 2 JUNE 2021 AT 1500 HRS (FPRC4)

Present	
Nicolas Garcia (NG) (Items 1-4.1 only)	Ronnie Quinn (RQ)
Paul Little (PL)	Lesley Woolfries (LW)
Stuart Patrick (SP) (Convener)	
In attendance	
Barry Ashcroft (BA)	Alex Stewart (AS)
Paul Clark (PC)	Martin Taylor (MT) (Item 3.3 only)
John Gribben (JFG)	Stuart Thompson (ST)
Chris Keenan (CK) (Item 4.3 only)	
Sheila Lodge (SL)	Ann Butcher (Minute)
Apologies for absence	
Karen Kelly (KK)	

SP chaired the meeting in the absence of KK.

Item FPRC4-1	Apologies for Absence	
Paper No:	Lead: Convener	Action requested: Note
Decision/Noted	Apologies were received from KK. SS was not in attendance.	

Item FPRC4-2	Declarations of Interest	
Paper No:	Lead: Convener	Action requested: Note
Decision/Noted	There were no declarations of interest.	

Item FPRC4-3.1	Minute of Previous Meeting held on 3 March 2021	
Paper No: FPRC4-A	Lead: Convener	Action requested: Approve
Decision/Noted	That the minute be approved.	
	<p>Matters Arising</p> <p>New Virtual Learning Environment (VLE)</p> <p>NG referred to item 3.6 and requested an update on progress of the new VLE. ST reported that the foundation application had been successful and the project is currently out to tender with bidder submissions required by the end of this week. The evaluation process will then commence. Whilst overall approval has been provided by the Committee, it was acknowledged that progress was now time critical and should not be delayed. It was agreed that any further discussion and decision making (ie approval to award the contract and progress implementation) should be</p>	

undertaken prior to the next meeting via email. It was noted that email approval would only be undertaken by exception.

Fee Waiver Policy

Updated guidance from the SFC is awaited and a further updated Policy will be resubmitted for approval.

Financial Regulations Update

Updated Financial Regulations will be provided at the next meeting pending approval to progress City of Glasgow International Ltd at the next meeting of the Board on 16 06 21.

Charles Oakley Building (COB)

Necessary urgent maintenance repairs are being undertaken within the COB to ensure building safety. Funding for ongoing running costs will likely expend within the next 18 months and long-term options for the building are currently being discussed by ELT. Members requested an update paper with options appraisal at the earliest convenience. PL advised that potential borrowing powers is a key dependency on the outcome of discussions and the SFC’s new methodology is expected by September. It was agreed that a paper be submitted at the December meeting.

Item FPRC4-3.2		Refund of Course Fee Policy	
Paper No: FPRC4-B	Lead: S Thompson	Action requested: Approve	
Discussion/ Matters Arising	<p>ST reported that the Policy was submitted for review with only formatting updates proposed. No content changes were proposed. LW suggested that a further generic statement be added whereby the College may consider a request for a refund due to potential changes made in relation to government announcements and public health restrictions. This was agreed.</p> <p>ST added that whilst such restrictions may change the nature of how a course is provided, the College would act responsibly and proactively to adapt course provision within such restrictions ie via online learning. Should there be a negative impact to learning and teaching then a student may be eligible for a refund.</p> <p>Pending agreed update, consultation will be undertaken with the Students’ Association and Student Engagement Team. The updated Policy will be resubmitted at the next meeting.</p> <p>NG referred to the International Student refund criteria whereby if eligible, £1k would be retained by the College and the balance refunded. He queried the short notice required for cancelling a booking ie 25 working days particularly for students who have been refused Visas. ST advised that this was standard practice and the College would not have the opportunity to replace students should this deadline be reduced. A full refund (less £100 administration fee) is provided to students who provide a Visa refusal notice.</p>		
Decision/Noted	To submit the updated Policy at the next meeting for approval.		

Item FPRC4-3.3		Learning Experience (My Development)	
Paper No: FPRC4-C	Lead: J F Gribben/M Taylor	Action requested: Approve	
Discussion/ Matters Arising	<p>JFG introduced the Business Case proposal for a new platform 'My Development', which will underpin the College workforce planning requirements, (as set out in the People and Culture Strategy). The platform will also provide a baseline for General Teaching Council Scotland (GTCS) registration for lecturing staff, and data analytics required to pursue taught degree awarding power (TDAP) ambitions.</p> <p>LW welcomed the proposal and the technical detail provided which supports the Strategy. She considered that as this was a significant investment, the narrative should also make clear reference to efficiencies and savings that would be made once the new VLE is established.</p> <p>JFG agreed that there would be staff cost savings with automated record storage however overall efficiencies would be difficult to quantify. MT added that some cost savings could be equated at this stage, and further highlighted potential opportunities for income generation through the provision of commercial courses. BA agreed that the benefits would be significant however stressed that the preparation costs involved in data cleansing could not be underestimated. Information on efficiency savings will be included.</p> <p>LW further raised some concern as to whether the Project Management Office would be in place to support this project given the current timelines. ST informed the Committee that the current programme timeline would need to be revised with the completion date expected by November 2021. The committed expenditure levels for 2020-21 and 2021-22 would also need updated. Members noted that budgetary provision has been made in the draft 2021/22 budget to support the procurement and purchase of the new system. This was endorsed.</p> <p>NG highlighted that there was no mention that this platform would be integrated with the new VLE system and hoped that this would not interfere with the significant learning curve required for lecturing staff. JFG reported that whilst there were some similarities the systems were clearly distinct. A summary of this information will be provided if required.</p>		
Decision/Noted	<ul style="list-style-type: none"> • To update the Business Case as discussed. • To approve the investment in the Learning Experience (LXP) Platform. 		

MT left the meeting at this time.

Item FPRC4-4.1		Sustainability Strategy	
Paper No: FPRC4-D	Lead: S Lodge	Action requested: Discuss	
Discussion/ Matters Arising	<p>SL introduced the revised Sustainability Strategy which has now been updated to reflect relevant external drivers. The ambitious targets which have been set are now more stretching and realistic in that they relate to areas where the College can exert control. The focus on environmental and financial sustainability has now been sharpened by removing elements which fittingly belong in the People and Culture, and Development Strategies.</p>		

SL thanked NG and the Students' Association for their participation in a survey of all students which provided views of and attitudes to Sustainability in the College. This survey will be followed up with student focus groups in the new session and any additional agreed targets may be added to the Strategy. NG requested that a copy of the student consultation report be provided at the next meeting. This was agreed.

Decision/Noted

- To note the updated Sustainability Strategy.
- To submit a copy of the student consultation report at the next meeting.

NG left the meeting.

Item FPRC4-4.2		Digital Strategy
Paper No: FPRC4-E	Lead: B Ashcroft	Action requested: Discuss
Discussion/ Matters Arising	<p>BA reminded the Committee that a draft copy of the Digital Strategy had been submitted and presented at the previous meeting. The Strategy was now submitted in an improved format with no further content changes proposed. A further version will be designed in line with the other College strategy documents.</p> <p>PL requested that predictive analytics be included. He further added that given the recent cyber-attack, Aim 6 Cyber Security should be given more prominence. These requests were agreed.</p> <p>LW commended the Strategy and considered that the narrative was easy to digest and was very user friendly.</p> <p>Minor text size updates were highlighted and will be updated.</p>	
Decision/Noted	To update the Strategy as agreed.	

CK entered the meeting at this time.

Item FPRC4-4.3		Health and Safety Report
Paper No: FPRC4-F	Lead: J F Gribben/C Keenan	Action requested: Discuss
Discussion/ Matters Arising	<p>The Health and Safety report from 1 February – 31 April 2021 was submitted for review. JFG informed the Committee that the Principal has now met with the vast majority of staff online. This has provided an opportunity for staff to hear about the new College Strategic Plan and ambitions. An outline of the substantial safety measures which are now in place across the College was also provided to staff. The briefings concluded with a health and safety training event. CK advised that in addition, individual risk assessments and further training has been provided where appropriate. Staff mental health and wellbeing continues to be fully supported.</p> <p>Members were informed that staff have been encouraged to undertake DSE for home workers training and assessment. As a result, various levels of equipment have been provided where necessary. A hybrid working policy is also being developed which will require a further DSE assessment.</p>	

A College wellbeing survey has also been delivered by Robertson Cooper. Staff completing the survey have been provided with a personalised wellbeing snapshot report on their wellbeing and resilience. A full report will be provided to the Board in due course.

Decision/Noted

To note the update report.

CK left the meeting.

Item FPRC4-4.4 | Financial Plan 2020-21 Update

Paper No: FPRC4-G	Lead: S Thompson	Action requested: Discuss
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**Discussion/
Matters Arising**

ST reported that due to additional funding sources received (through delivery of additional credits; COVID support grants; Young Persons Guarantee and National Transition Training Funding; Job Retention Scheme and compensation through loss of Halls income), the overall financial position has significantly improved. However, it was noted that much of this funding had been provided on a “one-off” basis. With cost savings also being made, the current projected financial performance to 31 July shows a surplus of £576k for 20-21. He added that ELT are exploring additional capital and revenue investment before the year end which will involve reconfiguration of teaching spaces and specialist rooms, therefore a breakeven position is anticipated by the year end.

RQ praised ST and the Finance Team for reaching this outcome, particularly given the position reported at the previous meeting. Members commended all staff involved.

PL added that this was very much a collective effort which included lobbying the Scottish Government and SFC for additional funding and delivering additional credits within Faculties. He also thanked all staff.

Decision/Noted

To note the update report.

Item FPRC4-4.5 | Draft Financial Plan 2021-22

Paper No: FPRC4-H	Lead: S Thompson	Action requested: Discuss
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**Discussion/
Matters Arising**

ST provided the Committee with an overview of the Financial Plan 2021-22 based on 3 sets of financial assumptions. He informed that with the high level of uncertainty across several major items of income and expenditure, ELT considered that even if the College finances were to return close to normality, the College would still be forecasting a deficit. The current projected loss based on the realistic assumption is £0.8m.

The Committee noted the significant uncertainties surrounding the projection, especially relating to the demand for commercial and international training. The additional potential initiatives that ELT can make to further reduce the projected loss were highlighted.

ST further reported that the College will continue with a blended teaching model for 2021-22 to take account of anticipated ongoing social distancing. Teaching models to increase and improve the online provision (to minimise the reduction in income) are being considered with commercial courses on

offer being reviewed to best meet demand in the new working environment. He stressed that unless restrictions are eased or removed during 2021-22 there will be a major challenge to increase other income streams with a reduction in halls enrolment and funding also anticipated. The realistic assumption for staff costs, which include national pay awards and increased staff costs linked to workforce planning and new areas of investment will also be challenging.

Whilst the Committee appreciated the challenges involved in setting a realistic budget and acknowledged the levels of uncertainty in the forecast at this time, they were not comfortable with the assumption of a deficit budget.

PL advised that 2021-22 would be a year of transition and reminded that it is currently difficult to plan a robust budget to achieve a breakeven position. The deficit would be closely monitored and managed.

LW requested clarification on when the SFC would require Colleges to return to a breakeven position ie by 2022-23. She also asked for advice on when the College Company would generate income which could be transferred to the College.

ST informed that the SFC plan is for Colleges to return to a breakeven position by 2022-23 year end and considered that income would need to be increased and costs controlled to reach this target. He also advised that the impact of the College Company was still in discussion with the auditors and the scale of initial investment and payback period had yet to be finalised. A phased repayment is being considered over multiple years with returns envisaged after a 3 year period. An updated business case will be presented at the next meeting of the Board.

LW stated that a breakeven position for 2022-23 was not evidenced within the Plan and requested that further work be undertaken to refine costs and potential income to reach a breakeven position. This was agreed and an updated Plan will be submitted at the next meeting of the Board.

Decision/Noted

To submit an updated Plan as agreed at the next meeting of the Board on 16 June 2021.

Item FPRC4-4.6 Non Compliant Spend Report 2020-21

Paper No:
FPRC4-I

Lead: S Thompson

Action requested: Discuss

ST reported that the College is on target to eliminate non-compliant spend by the end of 2021-22. A few outstanding areas of non-compliance are being addressed and robust processes are now in place and will be monitored to ensure future compliance. Members noted that the emergency repair work being carried out at COB is also compliant.

Decision/Noted

To note the update and progress in the volume and value of regulated non-compliant procurement expenditure.

Item FPRC4-4.7 Strategic Risk Review

Paper No:

Lead: P Clark

Action requested: Discuss

FPRC4-J		
Discussion/ Matters Arising	The risks currently related to the Committee's areas of responsibility were submitted for review. PC highlighted the recent risk movements and fluctuating risk scores. Due to the improved financial performance a change to the risk score for Risk 15 – ' <i>Failure to achieve operating surplus via control of costs and achievement of income targets</i> ' was recommended ie 3 x 3 = 9 (AMBER). This was agreed.	
Decision/Noted	<ul style="list-style-type: none"> To approve the review of Finance and Physical Resources Risks as detailed in the Risk Management Action Plans. To note the Risk Register dated 27 May 2021. 	

Item FPRC4-5.1	Facilities Management Report	
Paper No: FPRC4-K	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 February - April 2021.	

Item FPRC4-5.2	IT Progress Report	
Paper No: FPRC4-L	Lead: S Thompson	Action requested: Note
Decision/Noted	To note the progress report on the delivery and operational performance of the College IT Service.	

Item FPRC4-5.3	Credit Delivery Update	
Paper No: FPRC4-M	Lead: S Thompson	Action requested: Note
Decision/Noted	The Committee noted that the current planning and projection for 2020-21 will achieve the Credit target and maximise the SFC ESF Funding claim.	

Item FPRC4-6	Any Other Notified Business	
Paper No:	Lead: Convener	Action requested: Note
Decision/Noted	None.	

Item FRPC4-7	Disclosability of Papers	
Paper No:	Lead: P Clark	Action requested: Verbal
Decision/Noted	That the disclosability status of papers as described on respective cover sheets be retained.	

Item FPRC4-8	Date of Next Meeting	
Paper No:	Lead: Convener	Action requested: Note
Decision/Noted	Wednesday 29 September 2021	

The meeting closed at 5.05 pm.

ANNEX TO THE MINUTE

ACTION POINTS ARISING FROM THE MEETING

Item	Description	Owner	Target Date
FPRC4-3.1 02 06 21	VLE: That any urgent decision making matters required prior to the next meeting be undertaken by email.	PC/ST	Prior to 29 09 21
FPRC4-3.1 02 06 21	Fee Waiver Policy: Submit update at next meeting.	ST	29 09 21
FPRC4-3.1 02 06 21	Financial Regulations Update: Submit update at next meeting.	ST	29 09 21
FPRC4-3.1 02 06 21	COB: Submit options appraisal paper at December meeting.	PL/ST	01 12 21
FPRC4-3.2 02 06 21	Refund of Course Fee Policy: Submit update at next meeting.	ST	29 09 21
FPRC4-3.3 02 06 21	My Development: Update Business Case as agreed.	JFG	ASAP
FPRC4-4.1 02 06 21	Sustainability Strategy: Submit student consultation report at next meeting.	SL	29 09 21
FPRC4-4.2 02 06 21	Digital Strategy: Update as agreed.	BA	ASAP
FPRC4-4.5 02 06 21	Draft Financial Plan 2021-22: Submit updated Plan as agreed.	ST	BoM 16 06 21

ACTION POINTS ARISING FROM THE MEETING

Item	Description	Owner	Target Date
FPRC3-3.4 03 03 21	Fee Waiver Policy: Adapt student version to guidance note.	ST	ASAP Updated
FPRC3-3.6 03 03 21	VLE: Submit application to Foundation subject to addition of decision gates.	ST	ASAP Complete
FPRC3-3.6 03 03 21	VLE: Submit paper for noting at next meeting of the Board.	ST/PC	24 03 21 Complete
FPRC3-4.1 03 03 21	Financial Scenario – 5 Year Plan: submit twice yearly.	ST/PC	Ongoing Agreed
FPRC3-4.5 03 03 21	Digital Strategy: Provide update reports at future meetings.	ST/BA	Ongoing Agreed
FPRC1-3.1 30 09 20	Matters Arising - Financial Regulations Update: Submit revised regulations at next meeting.	ST	02-12-20 03 03 21 Updated
FPRC3-4.8	Charles Oakley Building (COB) – Draft Business Case: To progress a revised business case for COB as agreed.	RG	Ongoing Updated