

BOARD OF MANAGEMENT

Finance and Property Committee Meeting

Tuesday 8 September 2020

Draft confirmed by Chair



Minute of the Finance and Property Committee meeting held on Tuesday 8 September 2020 at 5.00pm in Teams.

PRESENT:

S Mill (Chair)	A McCusker
N Lowden	B Carmichael
D Fordyce	S Hewitt
S Stirling	

IN ATTENDANCE:

J Carnegie (Vice Principal)	
S Taylor (Vice Principal and Secretary to the Board)	
B Ferguson (Head of Finance)	A Ross (Head of ICT)
B Grace (Head of Estates)	T D'All (Principal's/Board Chair PA)
J Howie (observer undertaking Board Evaluation)	

1. WELCOME

S Mill welcomed members and J Howie to the meeting.

2. APOLOGIES

Apologies were received from G Bisset and D Mackenzie

3. DECLARATIONS OF INTEREST

There were no declarations of interest

4. MINUTES OF FINANCE AND PROPERTY COMMITTEE MEETING 19 MAY 2020

The minute of the Finance and Property Committee meeting held on 19 May 2020 was approved as an accurate record.

5. MATTERS ARISING

In respect of Item 8 from the FPC Meeting on 21 January 2020, J Carnegie confirmed that arrangements and timescales had changes as a result of COVID 19, but advised that G Ritchie had been asked to support the development of the OBC. S Hewitt noted that the world had changed significantly since the initial discussions around the OBC and stated that further conversations about future direction would be held to inform this work.

S Hewitt noted the recent press coverage in respect of the potential involvement of the College as an education partner in the proposed e-sports waterfront development.

Arrangements in respect of Agenda Item 10.0 from the FPC Meeting on 10 September 2019, Procurement Update on Graduation Services and PPE, were discussed.

It was noted that graduation for 2020 had been postponed, with the hope that this could be rescheduled for the New Year.

The Finance & Property Committee noted the Matters Arising.

6. 2019/20 DRAFT OUTTURN

S Mill highlighted the draft cash-backed surplus outturn for 2019/2020 of £1.265m and commented that this was a good position given the uncertainties of likely in 2020/21.

B Ferguson summarised the paper noting it was pre-audit and that some discussions were likely to take place around the early works at Kingsway Campus which would change the figures.

B Ferguson stated that a key benefit had been from SDS honouring existing contracts in respect of both the Modern and Foundation Apprenticeships.

B Ferguson noted that the College was yet to finalise and submit a claim against the Coronavirus Job Retention Scheme for July, but the forecast claim was expected to be £702k against a forecast of £720k. This had also had a significantly positive impact on College finances.

B Ferguson stated that year end cash balances of £3.7m that had exceeded expectation, but noted that a substantial amount of this cash holding was restricted funds held for others (such as Energy Skills Partnership and Developing the Young Workforce) along with unallocated student support funds that would be reclaimed by SFC.

D Fordyce said this was a fantastic position for the College and noted that the financial planning work over the last 2 / 3 years was now coming to fruition with good principles and people in place.

A McCusker asked about the support pay additions that hadn't been seen e.g. things in the pipeline, replacement or new staff. S Taylor confirmed that additional staff costs resulted from new roles within ESP, the increased Foundation Apprenticeship contract and agreement to provide additional support to Student Services for Mental Health issues.

The Finance & Property Committee noted the 2019/20 Draft Outturn paper.

7. 2020/21 DRAFT BUDGET

S Mill highlighted that the revised draft budget forecast a break-even position for the year, predicting a cash-backed surplus of £20k and was positive movement of almost £1.5m since the initial draft budget of May 2020. S Mill noted that meetings that had taken place on a monthly basis since May with himself, J Carnegie, B Ferguson, S Hewitt and A McCusker. S Mill stated that whilst the budget showed a small surplus with a range of risks, this was overall a good position.

J Carnegie said she was pleased to be able to present a balanced budget, and noted that a lot of work had gone into analysing the key income and expenditure areas to get to this position. J Carnegie highlighted that 2020/21 recruitment numbers; and the Flexible Workforce Development Fund (FWDF) would show changes and remained as risks.

J Carnegie noted that the FFR presented to the Board, alongside the draft Budget in June, had shown the progress being made, but that levels of uncertainty continued e.g. College Guidance in relation to the Senior Phase from the Scottish Government received in the past week would have an impact.

B Ferguson took the Committee through the detail of the draft budget noting that the situation continued to be fluid. B Ferguson noted optimism with clarity in some areas including funds from SFC for the Child Poverty project and the FWDF. Additional funds from SDS (£460K) was assumed for MAs & FAs and an extra £200K for COVID-19 related employability funding. B Ferguson noted that while these were big increases in income, they were achievable and related to known activity.

B Ferguson highlighted that the Service Design Academy (SDA) as a standout area due to the niche product that was particularly sought after in terms of organisations planning COVID-19 related challenges and noted the positive move to online delivery and services in this area.

B Ferguson also highlighted that the Job Retention Scheme 'bonus' to be claimed in January 2021 had added c.180k extra income.

B Ferguson outlined planned expenditure increases of almost £3m but stated that this was a consequence of additional revenues, primarily grant funding and donations for property works, Costs benefited however from a net reduction on property of £300K and ICT of £260K, with the budget for the latter reduced to reflect accelerated spend accommodated within 2019/20.

B Ferguson noted that the pay budget incorporated an element of salary increases and also some current vacancy savings.

B Ferguson noted the cashflow projection and highlighted that the cash position remained reasonably healthy, despite an anticipated reduction from 35 days to 20 days.

S Mill noted that the Risk Appendix outlined a range of risks that were low, stating that this gave a bit of confidence around the scale of potential changes. B Ferguson confirmed that this was the case.

D Fordyce asked about the highlighted breakeven position and any associated risks with Gardyne Theatre Limited. B Ferguson confirmed this would difficult to know until the theatre was up and running again. J Carnegie confirmed that the only significant GTL cost was for one member of staff and noted that there was hope that GTL would be able to access a proposed Cultural Grants scheme for commercial theatres.

A McCusker thanked everyone for the work undertaken to create a breakeven budget.

J Carnegie noted that A Ross and the Finance Team were undertaking a Finance Systems Review Project looking at new ways of reporting on finance. The creation of data dashboards for finance information had been given a high priority by A Ross and his Team.

J Carnegie highlighted that the Internal Audit Plan would also look at, and report on, financial management and reporting.

The range of new initiatives/funds to support post-COVID jobs recovery was noted and J Carnegie confirmed that opportunities and financial forecasts arising from these new funds would be shared with the Committee once known. **J Carnegie to Progress.**

S Mill enquired about areas that the College may wish to invest in for example Digital Inclusiveness for staff and students. S Hewitt noted that he along with A Ross and S Stirling were undertaking a review of the Digital Strategy and while the majority was still relevant there were 3 core themes: Capability – Upskilling and Re-Skilling; Access to Devices; and Engagement that would require investment.

The 2020/21 draft budget was approved for submission to the Board of Management.
J Carnegie to progress.

8. PROCUREMENT UPDATE

S Mill reiterated the protocols agreed at the Finance & Property Committee in November 2018 where recurring new contract and contract renewals which exceed £50k are brought to the Committee for approval.

J Carnegie noted that the previous annual procurement report covered the period up to December 2020 and that the report being presented to the Committee was to cover the period from January – December 2021. J Carnegie also confirmed that all but one of the contracts were awarded under framework agreements.

A McCusker enquired about the £1m to HP over the next 4 years and asked if this was in line with the current ICT Strategy and previous expenditures. A Ross confirmed this was a slight change to the strategy in terms of the focus on laptops to enhance remote working but that the overall contract value was in line with previous years.

J Carnegie highlighted the Tay Cities Deal consultancy support proposal and noted that while it is not necessary to come to the Finance & Property Committee given the anticipated value, it was felt to be important to note as the contract would support future additional bids that may then exceed the £50k threshold. J Carnegie confirmed that it did not make sense for the College try to complete submissions for the Tay Cities Deal given the complexity of these. This was recognised and S Mill requested that the Committee received information once the Tender was complete. **J Carnegie to progress.**

The update and planned contract arrangements were approved.

9. COVID-19 UPDATE ARRANGEMENTS

B Grace, A Ross and B Ferguson delivered a detailed PowerPoint presentation to the Committee outlining the range of work completed to support the creation of adapted campuses and remote working (see appendix 1).

S Mill congratulated the Teams on a job well done throughout the pandemic. A McCusker echoed this sentiment noting the phenomenal job to keep up the remote learning and getting all campuses up and running for the new Academic Year.

S Mill enquired about how the College would deal with any behaviour issues.

J Carnegie confirmed the guidance received from the Scottish Government and noted the thoughts of the First Minister and the National Clinical Director of the Scottish Government in respect of social responsibility. J Carnegie confirmed that not adhering to Health & Safety Regulations could be a matter of gross misconduct, and stated that the College would take appropriate action where necessary.

S Taylor stated that the College would employ students (or others) as Learner Engagement Assistant in each campus to help with the enforcing the wearing of face coverings and general physical distance and hand hygiene obligations. S Taylor also noted that the unions along with the Students' Association had been very supportive and had signed up to a joint statement outlining College and individual responsibilities in respect of health and safety guidance.

J Carnegie noted that the NHS Health Protection Team would look at the guidance, systems and processes the College has in place if required. J Carnegie stated that she could also report that there had been no positive COVID-19 cases on campus to date.

10. ESTATES UPDATE

B Grace noted that the Kingsway Campus project was progressing well. An update on the issue regarding the Library roof slab should be received by Friday 11 September 2020.

B Grace confirmed that the new social space was nearing completion and looked great. This was on target to be completed in time to welcome our new student on 21 September 2020 along with the new external entrance and staircase.

S Mill asked about the commitment the College had made, if any, to the Michelin site. B Grace confirmed that the College was in discussions but that no formal or legal commitment had been undertaken.

The Estates update and related arrangements were approved.

11. ICT RESOURCE PLAN

A Ross drew the Committee's attention to the positive changes as a result of the Cyber Attack, including the forced move to One Drive and accelerated migration to the Cloud. The progress over the last 6 months had guaranteed that various systems and information including: HR, Payroll, finance payments etc would remain intact if the College was to suffer another attack.

A Ross said that the Business Case for VDI had changed as a result of newer technologies and the way in which staff were now working. The VDI contract end in April 2021 and it was intended that VDI would be phased out after that.

A Ross noted that there had been progress regarding the College phone system moving away from ISDN and using internet connections. The plan to move towards an option appraisal with a solution to replace the phone system to a Cloud based system in the next year was noted.

The ICT Resources Plan was approved.

12. STRATEGIC & COVID-19 RISK REGISTERS

S Mill noted that the Risk Registers has been annotated to only include the relevant Risk for the Finance & Property Committee and thanked S Taylor for the update.

S Mill highlighted Risk 2.2 noting this had been revised downward to 3 due to the 19/20 Outturn and balanced Budget.

The Committee approved the updated Risk Register in respect of those risks under Finance & Property.

13. VP CORPORATE SERVICES REPORT

J Carnegie noted that her report was for noting but wanted to take the opportunity to highlight the work undertaken by the SDA Team and noted the addendum to the report.

S Mill acknowledged the work undertaken by the SDA.

S Mill enquired about the likelihood of an improved situation in respect of the Catering provision by the College. B Grace provided a brief update noting that this was challenging due to the COVID 19 restrictions. It was noted that discussion were still ongoing in relation to the catering service that can be offered to students.

14. DATE OF NEXT MEETING

Tuesday 24 November 2020 at 5.00pm as part of the Joint Audit & Risk and Finance & Property Committee

Action Point Summary

Action	Responsibility	Date
Information on new fund opportunities and income forecast to be made available the member of the Committee.	J Carnegie	24 November 2020
Draft Budget to be presented for approval at the September Board meeting.	J Carnegie	29 September 2020
Committee to be updated on the outcome of tender arrangements for Tay Cities Deal bid support	J Carnegie	24 November 2020

COVID19 – Estates and Infrastructure Arrangements

Billy Grace and Andy Ross

Start of Lockdown

- Key priority - Maintaining the health of our campus buildings
- Continue with Statutory Maintenance programme
 - Legionella Checks
 - Fire/Intruder Alarms
 - Passenger lifts
 - LEV systems etc.
- This involved Estates Staff and Contractors attending our campus buildings to carry out these essential tasks every week

Creation of Campus Visit Risk Assessment

- College Staff and Contractors
- Booking system implemented
- One signing-in point on each campus to control access and activity.
- Visit time on campus was limited
- Cleaning process after each visit

Adaptation of College Estate to mitigate the COVID-19 risk

- Partnership working with departmental managers and unions to develop COVID-19 friendly learning and working environments
- Establish the COVID-19 room capacities to maintain physical distancing
- **Develop one-way systems in all campus building.**
- Install signage, wall mounted sanitiser dispensers and protective screens in all campus buildings.
- **Student Association engagement – empathy walks at each campus**

Health and Safety

- Development of return to campus Risk Assessment
- Development of Physical Distancing Guidance document.
- Create Risk Assessment template using Estates RA to assist academic and support departments with development of RA for their areas of responsibility.
- This promoted a consistent approach to the development of departmental RAs
- COVID-19 mitigations key element of departmental RAs
- All Risk Assessments held centrally and accessible on the staff portal

Enhanced Cleaning Regime

- Enhanced cleaning regime guidance developed for cleaners
- Touchpoints –balustrades, door handle, push plates, lifts and toilets are a regular cleaning priority
- Cleaning staff on duty throughout the day
- Fogging machines have been purchased to assist with quick classroom, gym and dance studio turnarounds

Enhanced Cleaning Video



Leading Learning, Inspiring Success

Welcome Back

DA | WELCOME

To our Covid-19 Adapted Campus



Hand sanitiser dispensers are available at all entrances, toilets and corridors.



Please adhere to the directional systems.



Please adhere to the advice posted throughout the campus.



Wash your hands regularly. NHS advice posters located in all toilets.



MIND THE GAP

Please remember to adhere to physical distancing guidance



Please Respect Others

Kingsway Campus Video



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ICT – Start of Lockdown

- 346 laptops issued to staff at the outset of lockdown
- 93 laptops issued to students delivered to the doors of students
- Services previously only available on campus moved to Multi-factor authenticated solution
- On campus since early June to rebuild our campus workstations

ICT – Preparing for Next Session

- Moving to a model of laptops and docks -flexibility for remote / on campus working
- 545 laptops being rolled out to staff (480 built)
- 414 laptops for students arriving in October.
- Study Zones on all campuses created

Finance & Governance Workstream

Brian Ferguson

Leading Learning, Inspiring Success



Operational Efficiency & Resilience

- **Remote working** – Bottomline PT-X Cloud BACS software installed, working alongside RBS Bankline
- **Flexible student payment options** – Capita Recurring card payments module installed to Pay360 receipting system to work alongside Secure payments on-line and by phone
- **Cash payment alternatives** – additional Equals pre-paid cash cards issued together with credit cards
- **Cash collection alternatives** – roll-out of additional Chip + Pin and Smart Mobile devices

Financial Sustainability & Governance

- **Cash preservation** – loan repayment holiday secured from Santander
- **Maximise Opportunities** – Furlough and Coronavirus Job Retention Scheme claims (£529,695 to June and cumulative estimate to July of £702,000)
- **Maximise funding** – Flexible use of SFC Capital & Maintenance funding
- **Budget Development** – re-assessment of new information and assumptions to aid budget revision
- **Budget Monitoring** – monthly updates for Chairs of the Board and Finance & Property Committee
- **Internal engagement** – Workstream members, workstream leads, Senior Leadership Team
- **External engagement** – SFC and Finance Development Network