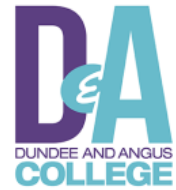


# BOARD OF MANAGEMENT

## Finance and Property Committee Meeting

Tuesday 2 March 2021

*Draft confirmed by Chair*



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Minute of the Finance and Property Committee meeting held on Tuesday 2 March 2021 at 5.00pm via MS Teams

**PRESENT:**

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

**IN ATTENDANCE:**

J Carnegie (Vice Principal)	S Taylor (Vice Principal)
B Ferguson (Head of Finance)	J Grace (Vice Principal)
B Grace (Head of Estates)	A Ross (Head of ICT)
T D'All (Principal's/Board Chair PA)	

### 1. WELCOME

S Mill welcomed members to the meeting and welcomed Kevin Ditcham to his first meeting.

### 2. APOLOGIES

None

### 3. DECLARATIONS OF INTEREST

None

### 4. ELECTION OF VICE CHAIR

Donna Fordyce was confirmed as Vice Chair of the Finance & Property Committee.

### 5. MINUTES OF FINANCE AND PROPERTY COMMITTEE MEETING 8 DECEMBER 2020

The minute of the Finance and Property Committee meeting held on 8 December 2020 was approved as an accurate record.

### 6. MATTERS ARISING

Finance Strategy will be brought to the May 2021 meeting along with an update on the OBC for the STEM Centre. **J Carnegie and B Grace to progress.**

A McCusker asked if the move to remote Learning & Teaching moving forward would impact on the ways of working and OBC needs.

J Carnegie noted that there was an expectation that there would be minimal change from the previous version of the OBC due to the flexible nature of the original proposals and the specialist nature of the planned accommodation, but noted that the revisions would take account of opportunities like MSIP and Tay Cities Deal (TCD).

## **7. FINANCE**

### **7.1 BUDGET MONITORING REPORT**

S Mill highlighted the management accounts for Month 6 (August – January) which incorporated the budget that was approved in September 2020 together with the latest forecast for the year. S Mill noted the significant increase in forecast outturn to £469k.

B Ferguson summarised the report and the various changes in forecast.

B Ferguson noted that SFC income, although remaining below budget, had increased by £172K. Whilst there was some additional funding focused upon student welfare, this net increase is largely due to additional confirmed funding of £388K for the Kingsway project.

B Ferguson outlined the Risks and Opportunities noting confidence in the prospect of positive movement and taking advantage of this. However, the risk of achieving core credit target at a national level was a challenge.

B Ferguson stated that there was an indicative allocation to deliver an additional 1,862 Credits, split between Young Persons Guarantee and Transitional Training Funding activity. Aside from the challenges of enrolling sufficient numbers within this academic year, conditions of this provisional allocation stipulates that Credits delivered must be in excess of core target.

B Ferguson also highlighted the theoretical losing of ESF Funding with SFC warning that ESF contribution will be lost if the sector does not achieve its core Credit target.

B Ferguson highlighted that the College had taken advantage of the opportunity afforded by the furlough scheme - £447K has been claimed under the Job Retention Scheme in the period to January and the forecast through to April has been revised to £800K.

J Carnegie noted the possibility of an extension to Job Retention Scheme with an announcement by the UK Government expected.

B Ferguson noted that further additional COVID related funding (of up to £700k) may be allocated to D&A College but noted that this did not yet feature in reporting as an announcement was still awaited.

A McCusker asked about the Flexible Workforce Development Fund (FWDF) and whether it was possible to carry monies forward. B Ferguson confirmed that the College was still working on the 19/20 allocation to be spent by December 2021 with the 20/21 allocation to be spent by March 2022.

S Hewitt highlighted that it was important that the College reinvest any in-year funding to look at new ways of working and to support delivery of the 2025 Strategy – what are the things we need to invest in to be a College we want to be: Estates, Staffing and Long Term Planning. Along with investment in ICT Equipment.

S Hewitt noted that the Senior Leadership Team (SLT) were currently assessing priorities and will bring an update to the May 2021 Committee.

J Carnegie confirmed that looking to make a loan payment (a mortgage holiday had been taken in August 2020) would be an option if there were no other call on the in-year funds but the intention was to think more long term.

S Hewitt noted the strategic opportunities and planning the direction of travel. An ideal time to step back and define the College we want to be – community focused with enhanced partnerships.

The budget report and update was welcomed.

## **8. ICT**

### **8.1 TELEPHONY SOLUTIONS**

A Ross provided the Committee with background information on the 10-year-old system currently in use highlighting concerns that this was no longer supported.

The options appraisal was reviewed, and the different options considered. A Ross stated that having reviewed solutions by multiple vendors who offer a direct routing solution in Teams, the solution delivered by 8x8 was considered to be the most complete solution. This solution balanced costs, resiliency and support and provides the simplest, compliant route for procurement.

D Fordyce noted the opportunity for agile working which is being seen by more organisations and a positive move forward.

A Ross confirmed that the tender process had taken place with 3 different vendors with the cheapest cost procurement from the framework within the budget.

A McCusker noted the cultural shift and the use of Microsoft Teams and asked if there would be any impact on student with this change. A Ross confirmed that this was unlikely and should be relatively straight forward. However, training would be provided.

The Committee approved the proposed Telephony solution.

### **8.2 VIRTUAL DESKTOP SOLUTIONS**

A Ross provided background to the request to the Committee to approve renewal of support and maintenance for the full VM Ware application for one year.

A Ross highlighted the purchase of laptops for use by students due to the COVID-19 pandemic and the discovery of instances where educational software which the College was licensed to use on the corporate network but would either carry an additional charge for students to purchase their own version (e.g. Adobe) or the device they used could not support this software. To resolve this issue the spare capacity of the VDI infrastructure was being used to enable students to access a College workstation from home and therefore the VDI infrastructure was still required.

S Mill enquired about the lifespan of the laptop provision and A Ross confirmed that this was expected to be around 7 years with upgrades. The College has a rolling replacement schedule in place and accommodated within budgets.

The Committee approved the proposed renewing of the support and maintenance of the full VM Ware application for one year.

## **9. ESTATES**

### **9.1 ESTATES UPDATE**

B Grace provided an update on Estates noting plans for the demolition of the old library at Kingsway Campus and the use of a time-lapse video to record the progress from demo to the raising of the new building.

B Grace confirmed that SFC have provided the additional offer of grant for the redevelopment of Kingsway Campus - £591,00 to be spent by 31 March 2021. B Grace noted that this would be achieved with the purchase of the steel structure and design elements of the project. A clear spending strategy had been provided to SFC.

B Grace noted additional funding received from the Scottish Funding Council diminished the requirement to seek additional financial support from the Dundee and Angus Foundation. However, it remained the intention to request access to funding of up to an additional £250k instead of the original £500k.

B Grace intimated that because of COVID-19 pandemic there was an opportunity to bring forward Phase 2 of the Kingsway Campus redevelopment – social space and training restaurant with the plan to have new high quality spaces ready for use for the 2021/22 academic year.

B Grace noted that work was ongoing with the MSIP project with no decision currently being made. A Project proposal would be brought to Finance & Property before making any commitments. B Grace noted the summary provided to the Committee from Grant Ritchie and Jim Brown the Director of Energy Skills Partnership, who will support the College (up to 0.5 FTE per week) to bring the plans, activities and structures required for the Michelin Scotland Innovation Parc (MSIP) and Tay Cities Deal projects into fruition.

A McCusker congratulated the team on a fantastic job.

J Carnegie noted that the new build to house Hair, Beauty & Complimentary Therapies was expected to be completed by December 2021. J Grace confirmed that the completion date of December 2021 worked well for students starting in Semester 2 noting that students and staff could not wait to experience their new environment.

J Carnegie confirmed that there was an opportunity to play around with the 2<sup>nd</sup> and 6<sup>th</sup> floors of the Tower at Kingsway Campus to support and encourage new ways of working especially in light of the likelihood that not all staff working from home would return full-time to campus.

## **10. PROCUREMENT**

### **10.1 PROCUREMENT POLICY**

S Mill enquired about the level of significant changes to the Policy.

J Carnegie noted changes to the Procurement Value and how the College made purchases along with section 7.3 Environmental & Sustainability and the Climate Change Emergency and the Scottish Governments setting of net-zero emission by 2045.

J Carnegie noted a major revision on Scotland's Policy of Procurement especially around sustainability and buying local. J Carnegie also noted the hope to develop community payback options at a national level.

D Fordyce suggest that future changes / additions to policies be highlighted for easy identification of the actual change(s). This suggestion was welcomed.

The Procurement Policy was noted.

## **10.2 PROCUREMENT UPDATE**

It was noted that the situation around PPE remained fluid, with very volatile pricing. APUC was issuing weekly updates on the overall state of the market and availability of particular items.

The College had an existing framework for Associate Trainers, which was due to expire in March 2021. There was an option to extend this framework for a further year, but it was considered preferable to retender this year.

S Mill asked if the Timetabling Software renewal was the final extension? A Ross confirmed that the Software was renewed annually on a rolling basis but would seek clarification on this.

The Committee approved the contracts within the update.

## **11. PROJECTS**

### **11.1 TAY CITIES DEAL**

S Hewitt highlighted the key points of the Tay Cities Deal that was quickening pace. Jim Brown (Energy Skills Partnership - ESP) had brought a lot of skills and enthusiasm to the project and was using his connections to support the work needed.

The Tay Cities Deal Outline Business Case for Advanced Engineering had been submitted, subsequent questions had been answered and the bid was now back with the Scottish Government for consideration.

In terms of the Biotech project and SME project, the College was working well with Ekos, the consultancy firm that have been preparing our business cases.

S Hewitt also highlighted the work being undertaken by Caryn Gibson, the new Economic Partnership Manager who was focusing on the SME piece.

S Mill highlighted the need for clarity around any financial exposure (for example any matching funding) and the risks for the College in respect of these projects. This was recognised and would be included as part of the approval's arrangements.

Discussion took place around skills gaps and it was suggested that for the BioMed and MSIP there was a need for Technician level skills to get 'boots on the ground' and D&A College can service this type of demand with current staff and knowledge.

The upskilling and reskilling staff would become a priority, with industry and other partners being partners in this along with the College and universities.

J Grace confirmed that the “offer” was key – what we can deliver with staff’s skill set front and centre. There was also time to adapt mainstream curriculum and requirements, with the curriculum workstream focusing on this.

S Hewitt noted that (in terms of the MSIP arrangements) there were good opportunities for D&A staff to be upskilled with a range of providers on site.

S Taylor also noted that the College (via ESP) had access to high quality training / course and professional development opportunities.

## **12. COVID-19 UPDATE**

### **12.1 ESATES & INFRASTRUCTURE**

B Grace highlighted the work ongoing for a safe return, from 8 March 2021, for small numbers of students and staff on campus with updated mitigations and clear guidance created.

A Ross noted current priorities were for continuing support for remote working and making sure things are up and running for return to campus.

J Carnegie confirmed that the maximum number of students returning on campus was 5%, with this focused on critical and timebound delivery. J Grace noted that these were a small number of students primarily apprentices and/or those in their final year of practical study.

### **12.2 FINANCE & GOVERNANCE**

B Ferguson summarised the priorities around: workstream objectives; Finance Management; cash balance; alternative funding; credit control e.g. bad debt.

## **13. STRATEGIC RISK REGISTER & COVID REGISTER**

S Mill noted the improved position of item 2.2. of the Risk Register (Failure to achieve institutional sustainability) and to seek approval from the Audit & Risk Committee to reduce the “likelihood” to 3 from 4. **S Taylor to progress.**

The Committee agreed this course of action.

## **14. VP CORPORATE SERVICES REPORT**

J Carnegie summarised her report, highlighting the excellent work being undertaken by the Help Points in contacting students and encouraging engagement in their programme of study.

Recruitment continued to be the focus despite not being able to offer a face to face service for our February start programmes, we have successfully recruited 425 learners.

J Carnegie noted that SDA were now in a position for the Business Plan to be reviewed. There was huge demand for service design with the possible need to recruit new consultants to bolster the team.

S Mill stated his praise for the work of the SDA noting the very positive feedback he had received from the ongoing project with his colleagues at Angus Council.

D Fordyce welcomed the news and progress of the SDA around the online / blended learning and the opportunity to reach more people/businesses even the internal market.

A McCusker noted that this was an ideal opportunity to look at the structure of the SDA along with the Business Plan.

#### **15. DATE OF NEXT MEETING**

Tuesday 11 May 2021 at 5.00pm via MS Teams

#### **Action Point Summary**

<b>Action</b>	<b>Responsibility</b>	<b>Date</b>
Revised Finance Strategy to be developed	J Carnegie / B Ferguson	11 May 2021
Revised STEM Centre OBC to be developed	J Carnegie / B Grace	11 May 2021
2.2. of the Risk Register (Failure to achieve institutional sustainability) - to seek approval from the Audit & Risk Committee to reduce the "likelihood" to 3 from 4.	S Taylor	9 March 2021