

BOARD OF MANAGEMENT

Finance & Property Committee

Tuesday 6 December 2022 at 5.30pm
Microsoft Teams Meeting



Draft confirmed by Chair

Minute of the Finance and Property Committee meeting held on Tuesday 6 December 2022 at 5.30pm via MS Teams

PRESENT:

D Fordyce	S Stirling
L O'Donnell	B Lawrie
S Hewitt	R McLellan
G Robertson	

IN ATTENDANCE:

J Carnegie (Vice Principal)	B Ferguson (Head of Finance)
S Taylor (Vice Principal)	P Muir (Board Administrator)

1. WELCOME

D Fordyce welcomed everyone to the meeting.

2. APOLOGIES

Apologies were received from D Mackenzie, B Carmichael, and B Grace

3. DECLARATIONS OF INTEREST OR CONNECTION

G Robertson noted his role as Chair of the Board for Gardyne Theatre Limited. In addition, B Lawrie noted his role as member of the Finance committee for Fife Cultural Trust.

4. MINUTES OF PREVIOUS MEETING

The minute of the Finance and Property Committee meeting held on 25 September 2022 was approved as an accurate record.

5. MATTERS ARISING

J Carnegie confirmed that all outstanding Matters Arising were updated.

6. FINANCE

6.1 Management Accounts & Forecast

B. Ferguson summarised the management accounts, highlighting that there had been minimal movement from the previous meeting. B Ferguson stated that pay provision would not be accurate as this was based around a 2% increase which it was known was not likely to be acceptable given current inflation rates. It was also noted that no account had yet been taken of possible in-year Voluntary Severance (VS) costs.

B Ferguson stated that cash balances had reduced as expected due to repayment of EU funding held by the college and the annual payment in respect of the Gardyne loan.

B Ferguson noted that funding for HE fees had also not yet been received but that this was not an unusual situation at this point in the year.

D Fordyce noted the financial risks highlighted and noted that the likelihood element of the risk surrounding pay should perhaps be moved to high. It was noted that the key element around this risk was whether or not any increase beyond that forecast was funded or not. This was discussed and it was agreed that the risk be updated. **B Ferguson to progress.**

B Lawrie noted the comments in respect of VS costs and the likelihood over time that these would become unsustainable. S Hewitt noted that this had been flagged to the Scottish Funding Council (SFC) for the sector as a whole. D Fordyce noted the need for progress around these issues at a national level.

The management accounts and forecast were noted.

6.2 Tuition Fees 2022/2023

J Carnegie highlighted the document and noted that some tuition fees had been increase in line with the approved Financial Strategy increased, however the College was sitting at the higher end of the scale for fees so room for movement was limited.

The proposed fees were approved.

7. INFRASTRUTURE

J Carnegie summarised the work progressing, noting that it had been a busy period, but good progress had been made. The update was welcomed.

8. PROCUREMENT

8.1 Annual Procurement Report

B Ferguson introduced the annual report highlighting that this was predominantly a legislative requirement confirming adherence to the required procurement practices.

The College approach to invoice payment and any impact of costs associated with late payments was discussed and B Ferguson noted that invoices were paid as soon as possible (usually within 7 days) and that late payments only arose where there was a query around the invoice or good received. It was noted that late payment fees were very minimal. It was agreed that the report wording would be updated to reflect this. **B Ferguson to progress.**

The arrangements and support in place via APUC and partnership with Abertay University were noted.

The annual report was approved.

8.2 Procurement Update

B Ferguson summarised the update, highlighting the contracts awarded since the previous meeting in line with agreed procedures.

BF noted that there was a contract requirement pending to support purchase of equipment for the Tay Cities TCEP project. This had arisen due to the need to seek approval to re-profile £197k spend from 2021/22 financial year into 2022/23.

This procurement was discussed, and approval granted by the Committee with the stipulation that any significant change in the spend be brought back to the Committee for approval via e-mail.

J Carnegie to progress if required.

8.3 Procurement Strategy

B Ferguson noted the requirement to produce an annual update to the procurement strategy and stated that the changes made were predominantly to reflect the updated legislation as a result of Brexit and changes to better reflect sustainability within the strategy.

All changes had been highlighted in blue and D Fordyce welcomed this approach to allow Committee members to see the areas that had been updated.

The revised strategy was approved.

9. STRATEGIC RISK REGISTER

J Carnegie noted that the focus remained on the financial sustainability risk, with no change suggested at this point in time. S Taylor confirmed that the Strategic Risk Register was being reviewed in a few areas, with this to be considered by the Audit and Risk Committee in March 2023.

10. MICHELIN SCOTLAND INNOVATION PARC (MSIP)

S Hewitt confirmed that he would cover this item and noted the previous discussions and updates around the MSIP project and the Skills Academy partnership with the College.

S Hewitt noted the options appraisal undertaken and the clear steer that the close collaboration option was preferred, supported by a clear Memorandum of Understanding, and underpinned by a financial plan and understanding of risks etc. S Hewitt noted that this was still a work in progress, so the paper was for information rather than approval at this stage.

The update was welcomed, and G Robertson asked about the legal standing of MSIP itself. S Hewitt summarise this, noting that it was established as a partnership including Michelin, Skills Development Scotland, and the City Council, funded by the partners. S Hewitt noted that the College involvement would be through the Skills Academy as a partnership between the College and MSIP and confirmed that arrangements were developed on an initial shorter term basis to allow skills arrangements to be tested prior to any long-term financial agreements being developed.

The update was noted.

11. VP CORPORATE SERVICES REPORT

J Carnegie stated that her report was for noting but highlighted the earlier opening of 2022/23 recruitment to align with school's support for UCAS and next stages for pupils. It was noted that a good response had been received, with applications coming in quickly.

The work of the Service Design Academy was noted, with this progressing well despite the retirement and (current) non replacement of the manager. The lack of clarity around future Flexible Workforce Development Funding was noted, with the College continuing to progress and prepare work for this despite the uncertainty.

Activity within Gardyne Theatre was noted, including very popular provision of free Christmas movies as part of the Thrive project. These had 'sold out' in just over an hour, with many GTL staff volunteering to work for free to support the initiative. This was welcomed by the Committee.

The report was noted.

12. DATE OF NEXT MEETING – Tuesday 28 February 2023 at 5.00pm via Teams

Action Point Summary

Action	Responsibility	Date
Pay risk within management accounts to be reviewed	B Ferguson	31 December 2022
Update to procurement report to reflect College approach to invoice payment	B Ferguson	31 December 2022
Any substantial change in planned TCEP procurement to be raised with Committee via e-mail for further approval	J Carnegie	28 February 2023