

Finance and General Purposes Committee

Minutes

Meeting reference: FGP2016-17/01

Date and time: Wednesday 12 October 2016 at 5.30pm

Location: Room 033

Members present: Jim Crooks, Harold Gillespie, Grant Myles

In attendance: Jackie Mackenzie (Vice Principal, Finance and Estates)

Susan Bald (Vice Principal, HR and Communications)

Jenny Simmonds (Clerk to the Board)

Apologies: David Littlejohn, John McDonald, Ian Martin, Margaret Munckton, Lorna Nicoll

Chair: Harold Gillespie

Minute Taker: Jenny Simmonds

Quorum: 3

Summary of Action Items			
Ref	Action	Responsibility	Time Line
7	Highlight concerns with the forward budget position at the Board Meeting on 27 October 2016 under F&GP minute update	Harold Gillespie/Grant Myles/Jackie Mackenzie	27 October 2016
8	Prioritised list of backlog maintenance projects with details to be presented to the next F&GP meeting once final details of funding are available.	Jackie Mackenzie	30 November 2016
12	Board and Committee Agendas to be structured to reflect topics areas of Terms of Reference. A forward calendar for the Board and each Committee be developed to show what papers/topics are to be presented to each meeting.	Clerk	November 2016

Item

1 Welcome and Apologies

Harold Gillespie welcomed members to the meeting and noted apologies.

2 Additions

Action

There were no additions to the Agenda.

3 Declaration of Interest in any Agenda Item

There were no declarations of a conflict of interest.

4 Minutes of Meeting held on Wednesday 1 June 2016

The minutes were approved as a correct record.

5 Matters Arising from Previous Minutes

6.1 A summary of the accounting position year to date to accompany the F&GP Minutes when presented at the Board of Management meetings.

Action agreed and will be ongoing.

12 Student Residencies Project – Clarify Board member Charity Trustee role and responsibility

Action Update: Jackie Mackenzie reported there is no conflict of interest for Board members

12 Student Residencies Project– current proposal be presented to the Board of Management on 15 June 2015

Action Completed

12 Student Residencies Project - Student Residencies Projects - the detail of the proposal and the prices and terms, when know, to be brought back to the F&GP and then to the Board for full approval.

Action Update: A project update is included at Agenda Item 9

13 The revised RPA to be brought back to F&GP in November and presented to the Board of Management for approval in December

Action Update: Will be actioned at next meeting

14.1 Revise ToR

Action Update: This item is included at Agenda Item 12.1

6 Accounts

6.1 Draft Perth College Management Accounts for the 12

month period to 31 July 2015

Jackie Mackenzie spoke to this paper and drew members' attention to the main points of the commentary prepared by Ian Martin, Head of Finance. The highlight is that the College achieved its target break even budget recording a deficit of only 1K. It should be noted that these are the operating outcome for the year and the final accounts will reflect the statutory adjustment in terms of pension details.

One of the issues over the year has been as the College now comes under ONS there is a change in the way in which the valuation of fixed assets is assessed which has influenced our revaluation reserves and the revaluation depreciation add back.

The balance sheet includes for the first time the Pension reserves.

The difference in the amount of accruals between 31/07/15 and 31/07/16 was queried. Jackie Mackenzie noted these figures are presented in this way in the management accounts and will be reconciled in the Statutory Accounts once pension scheme details are included.

The Committee considered the accounting position to be very reassuring and congratulated the Senior Management Team and the Finance team on delivering a good result.

Noted

6.2 Draft AST Management Accounts – 12 months to 31 July 2016

Jackie Mackenzie reported that AST had had a very good year recording a profit (unaudited) of £367,886 although it should be noted that this includes £90k gain on exchange.

Noted

7 Budget Proposals 2016-17

Jackie Mackenzie presented the 2016/17 budget proposals.

Overall Jackie Mackenzie noted that the budget position is getting tighter and advised the Committee on some of the risks the College is facing.

The system being used by the SFC to allocate funds for FE across the College sector is unclear and within UHI there appears to be a disconnect in how the funds are being divided out between the partners. Both Perth College and Inverness College appear to

have missed out on the rurality and remote funding payment and so are disadvantaged. The rationale behind this decision is explained as the payments are based on the location of the College not the location of where students are based. Perth College is questioning this basis of the Rural and Remote Payment allocation.

The College has managed its budget robustly and proactively over the last few years and has met its budget while over-delivering on its targets. However, the College's performance and delivery has not been followed by increased funds.

Going forward in 2016-17 there are pressures on both income generation and on increasing costs and the College will have to be clear what can be delivered within the budget as there is less and less room to manoeuvre.

Agreed: The Committee agreed the full Board of Management should be aware of the concerns with the forward budget position.

Action: Highlight concerns with the forward budget position at the Board Meeting on 27 October 2016 under F&GP minute update.

DL/GM/JM

Approved

8 Estates Update

Jackie Mackenzie presented the Estates Project Update.

JM noted that none of the Perth College "shovel ready" projects submitted on request to UHI to inform UHI's regional submission to SFC for major capital funds were successful.

Details of the estimated backlog maintenance requirements were presented to the Committee. JM highlighted that replacement of the main lift at Brahan and upgrade/replacement of the Goodleyburn boiler house were high priority.

Action: Prioritised list of backlog maintenance projects with details to be presented to the next F&GP meeting once final details of funding are available.

Jackie Mackenzie

9 Student Residencies Project

Jackie Mackenzie noted that the referendum result to leave the EU has had an impact on the current scope of the project and there has been some changes and realignment of funding. Perth College UHI student residencies are not currently being considered for 2016/17 although the College is still paying into the Equalisation Fund. It was noted that the College could make good

use of these funds if the project were to change its nature and scope.

Members thanked Jackie Mackenzie for the update noting the College position remains as previous that the detail of any proposal and the prices and terms, when known, will be brought back to the F&GP and the Board for approval.

10 **Human Resources Update**

Members noted the overview of key HR Performance Indicators.

11 **Standing Committees**

11.1 The Committee noted there had been no Joint Negotiating Committee since the last F&GP.

12 **Committee Organisation**

12.1 Review of Terms of Reference

Agreed: The Committee agreed the Terms of Reference

Action: Board and Committee Agendas to be structured to reflect topics areas of Terms of Reference. A forward calendar for the Board and each Committee to be developed to show what papers/topics are to be presented to each meeting.

Clerk

15 **Date and Time of Next Meeting**

30 November 2016 at 16.30

16 **Review of Meeting**

The Committee agreed it had been a very well chaired meeting.

Information recorded in College minutes is subject to release under the Freedom of Information (Scotland) Act 2002 (FOI(S)A). Certain exemptions apply: financial information relating to procurement items still under tender, legal advice from College lawyers, items related to national security.

Notes taken to help record minutes are also subject to Freedom of Information requests, and should be destroyed as soon as minutes are approved.

Status of Minutes – Open Closed

An **open** item is one over which there would be no issues for the College in releasing the information to the public in response to a freedom of information request.

A **closed** item is one that contains information that could be withheld from release to the public because an exemption under the Freedom of Information (Scotland) Act 2002 applies.

The College may also be asked for information contained in minutes about living individuals, under the terms of the Data Protection Act 1998. It is important that fact, rather than opinion, is recorded.

Do the minutes contain items which may be contentious under the terms of the Data Protection Act 1998? **Yes** **No**