

Finance and General Purposes Committee

Minutes

Meeting reference: FGP2018-19/04

Date and time: Wednesday 22 May 2019 at 5.30pm

Location: Room 019

Members present: David Littlejohn (Chair), Brian Crichton, Margaret Cook, Katrina Hodgson, Craig Ritchie

In attendance: Lorenz Cairns, Depute Principal (Academic)
Veronica Lynch, Vice Principal (External)
Andrea Saunders (Finance)
Penny Davis (Interim Secretariat)

Quorum: 3

Summary of Action Items			
Ref		Responsibility	Time Line
7	Indicative Budget Present full budget to Board.	Head of Finance	12 June 2019
9.1	Estates Update Prioritise development of estates strategy.	Principal/Senior Management	tbc
11	Aviation Academy for Scotland – Tay Cities Deal Present preferred site proposal to Board. Provide financial analysis/risk assessment to Board.	Head of External Engagement Head of External Engagement/ Head of Finance	12 June 2019 November Board meeting

Item

1 Welcome and apologies

The Chair introduced those present to the meeting.

Apologies had been received from Debbie Hutchison.

Action

2 Additions to the Agenda

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 the Meetings of the Finance and General Purposes Committee held on 27 February 2019

The minutes were accepted as an accurate record, noting a minor typographical error on Page 4, line 4.

5 Actions arising from the meeting on 27 February 2019

7. Balanced Score Card

Action: Review Balanced Score Card for implementation during 2019-20.

Action Update: on meeting agenda.

8. Learning Centres

Action: Include item on the agenda for next Board meeting.

Action Update: Complete.

9. Estates Updates and Tenders

Action: Provide update to the next Board meeting.

Action Update: Complete.

6. Accounts

6.1 Perth College Management Accounts – 9 months to 30 April 2019

The Head of Finance introduced the Management Accounts, reporting a favourable position overall against budgeted income and expenditure to Period 9. Members were advised that:

- SFC grants and specifically ESIF allocation were the main factor in a lower than budgeted income figure for the period;
- A new member of staff had been appointed to progress a review of the model for pay costs analysis, which would result in more accurate reporting going forward;
- Estates related expenditure in the coming months would partially address the current underspend in that area but some degree of underspend was expected at the year end.

The Committee agreed that the report format was significantly improved in terms of clarity and accuracy of reporting.

Members discussed aspects of the report including:

- The performance of catering and residences, and the shift towards a more active management approach by the College.
- Unbudgeted spend in procurement, which Members were advised was a one-off occurrence due to staff movement.
- The margin for delivery costs in China. The Head of Finance advised that further work was being done to enable clearer attribution of staff delivery costs to commercial and academic activity.

6.2 Perth College Group Forecast to year end 31 July 2019

The Head of Finance provided a verbal report, and confirmed that work was ongoing, including optimisation of estates spend, to ensure the College closed the year as close to budget as possible.

6.3 AST Management Accounts – 9 months to 30 April 2019

The Head of Finance introduced the AST Management Accounts, reporting that these were moving in a positive direction and that it was expected to close the year on budget.

The Head of External Engagement advised Members of the potential to align revenue streams going forward.

The Principal and Board Chair reported that a very positive AST Board strategy session had taken place considering the medium to long term outlook for the organisation.

7 Indicative Budget for 2019-20

The Head of Finance presented the Indicative Budget, noting that the indicative salary budget was in place but ROA figures were awaited from UHI. The Financial Directors and Practitioners Group was meeting the following day and it was expected to have a full budget in place in time for the June Board.

Head of
Finance

8 Reporting

8.1 Revised Balanced Score Card

The Principal introduced a review of the Balanced Score Card and invited comments from the Committee. Sample reports would be presented to the Board in June.

Members agreed that the objective was to have a manageable number

of key performance indicators and minimise unnecessary reporting. The College executive would retain oversight of a more detailed set of indicators.

It was noted that KPIs themselves would be considered once the format was agreed.

9 Estates

9.1 Estates Update

The Depute Principal presented a report on estates activity including backlog maintenance, summer works and progress with the sale of the Kinross Learning Centre, for which the bidding process was due to close at the end of June.

It was noted that the College was currently engaged in negotiations over radio mast leases and had recovered some back payments from high users.

A Member enquired about plans to provide electric car charging points for students. It was confirmed that this would be considered as part of a review of current provision.

It was agreed that developing a new estates strategy, based on a more robust financial management approach, would be a priority for the College going forward.

Given the limited capital spend that would be available across the sector as a whole, the focus would be on maximising impact and recognising the importance of key infrastructure such as IT. Evolving climate change requirements would also be a consideration, and opportunities for alternative funding streams including sponsorship would need to be explored.

Principal/
Senior
Management
Team

10 Human Resources

10.1 Human Resources Update

The Depute Principal presented a report on human resources activity, highlighting that:

- two offers had been made that day in relation to filling the four current vacancies on the HR team;
- the Staff Conference was taking place on 21 June;
- a two-year job evaluation process for support staff would commence on 1 September;
- consultation on learning centre closures was underway.

Members were also provided with sickness absence data and updates in relation to developing a Menopause Policy and addressing period poverty.

11 Aviation Academy for Scotland – Tay Cities deal

The Head of External Engagement outlined a business case based on £8.1m total funding from Perth College/AST and Tayside Aviation and an equivalent sum from the UK Government via the Tay Cities Deal.

The outline business case had been submitted and feedback was awaited, with a view to a full business case being complete in November. A preferred site proposal would be brought to the Board in June.

It was advised that an informal indication had been received of £0.5m support from UHI. Dialogue would be progressed once the business case was accepted.

The Committee discussed progress, risk, and the point at which the College would be fully committed to the initiative, ie, when contracts were agreed.

Detailed financial analysis and a risk assessment would be brought to the November Board.

Head of
External
Engagement

Head of
External
Engagement

12 Standing Committees

Joint Negotiating Committee

Support Staff – 7 March 2019 Lecturers – 7 March 2019

The Depute Principal, who had attended both meetings, provided a brief report.

The Committee noted the minutes.

13 Date and time of next meeting

The 2019-20 meetings schedule would be brought to the Board on 12 June 2019.

14 Review of Meeting

Members agreed the meeting had covered its Terms of Reference.

Information recorded in College minutes and papers 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.

Status of Papers **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 and papers about living individuals, under the terms of the General Data Protection Act 2018.

Do the papers contain items which may be contentious under the terms of the General Data Protection Act 2018? **Yes** **No**