

# Finance & General Purposes Committee

## MINUTES

**Meeting reference:** F&GP 2019-20/03

**Date and time:** Wednesday 04 March 2020 at 5:30pm

**Location:** Room 019

**Members present:** David Littlejohn, Board Member  
Brian Crichton, Board Chair  
Craig Ritchie, Board Member  
Debbie Hutchison, Board Member  
Katrina Hodgson, Board Member

**In attendance:** Lorenz Cairns, Depute Principal (Academic)  
Veronica Lynch, Vice Principal (External)  
Graham Little (Interim Head of Finance)  
Katy Lees (Head of HR & Organisational Development)  
Ian McCartney, Clerk to the Board of Management

**Apologies:** Margaret Cook, Principal  
Catherine Etri, Associate Principal (Curriculum)  
Amy Studders (HISA Perth President)

**Chair:** **David Littlejohn**

**Minute Taker:** Ian McCartney

**Quorum:** 3

### Summary of Action Items

<b>Ref</b>	<b>Action</b>	<b>Responsibility</b>	<b>Time Line</b>
<b>6</b>	<b>7 – Estates Update</b> Depute Principal (Academic) to prepare brief based on Paper 3 for a competitive procurement process re Estates Strategy, inclusive of options appraisal.	Depute Principal	Next meeting
<b>9</b>	<b>HR Update</b> Progression Plan re mandatory training to be presented to next F&GP meeting	Head of HR & OD	Next meeting
<b>9</b>	<b>HR Update</b> Investigate useful comparators for staff turnover analysis	Head of HR & OD	Next meeting
<b>10</b>	<b>Policies</b> Corrections and amendments re Procurement Strategy to be advised to APUC	Clerk	March Board meeting
<b>10</b>	<b>Policies</b> Align amended policy with Terms of Reference and Schedules of Delegation within Governance Manual	Clerk	June Board meeting
<b>11</b>	<b>Review of Risk Register</b> Update minor amendments against Risks 5, 6, 7 & 9.	Clerk	March Board meeting

**Minutes:**

Item		Action
1	<p><b>Welcome and Apologies</b></p> <p>The Chair welcomed everyone to the meeting, and introduced Interim Head of Finance to first meeting.</p> <p>Apologies were received from Margaret Cook, Principal; Catherine Etri, Associate Principal; and Amy Studders, HISA Perth President.</p>	
2	<p><b>Additions to the Agenda</b></p> <p>There were no additions to the Agenda</p>	
3	<p><b>Declaration of Interest in any Agenda Item</b></p> <p>There were no declarations of a conflict of interest.</p>	
4	<p><b>Minutes of Meeting held on 11 December 2019</b></p> <p>Pending corrections to some minor typographical errors, the Minutes were accepted as an accurate record.</p>	
5	<p><b>Minutes of Extraordinary Meeting held on 11 February 2020</b></p> <p>Pending corrections to some minor typographical errors, the Minutes were accepted as an accurate record.</p>	
6	<p><b>Matters Arising from Previous Minutes</b></p>	
	<p><u>Minutes of Meeting held on 11 December 2019</u></p> <p><u>1 Welcome</u></p> <p><b>Action:</b> Clerk to ensure that papers for extraordinary meeting of F&amp;GP/Audit/ Board are circulated at least 1 week in advance of meeting</p> <p><b>Action Update:</b> Work in progress</p> <p><u>7 Estates Update</u></p> <p><b>Action:</b> Depute Principal (Academic) to prepare brief based on Paper 3 for a competitive procurement process re Estates Strategy, inclusive of options appraisal.</p> <p><b>Action Update:</b> Deferred to next meeting</p>	<p>Depute Principal</p>

	<p><u>14 External Audit 2018-19</u></p> <p><b>Action 1:</b> Disclosures summary actions on Paper 10 to be qualified to reflect no guarantee that all issues identified</p> <p><b>Action 2:</b> Rationale on Paper 10 to be amended to avoid pre-judgement of outstanding investigations</p> <p><b>Action Update:</b> Completed</p> <p><u>Minutes of Extraordinary Meeting held on 11 February 2020</u></p> <p>Actions relating to Items 4, 5, 7 and 8 of this meeting were completed prior to Extraordinary Board Meeting held on 20 February 2020.</p>	
7	<b>Accounts</b>	
7.1	<p><b>Perth College Management Accounts – 6 months to 31 January 2020 &amp; Mid-Year Forecast to 31 July 2020</b></p> <p>Interim Head of Finance presented Papers 3a and 3b and summarised position, noting that College was currently £72k ahead of budget.</p> <p>Chair clarification use of Training Agencies/SDS within Tuition Fees as one term had replaced the other.</p> <p>Interim Head of Finance noted the £1m cash position in the Balance Sheet included a large amount of ring-fenced income, therefore the working cash figure amounted to around £500k, or around 4 working days. Chair (BoM) proposed that there should be at least 1 week's non-ringfenced cash available at any given time, which Committee agreed with.</p> <p>Chair (BoM) noted that Commercial Income linked to Business &amp; International Development Strategies was £200k behind budget, and queried whether this was a blip or a poor starting point. Vice Principal noted that the timings with regard to phasing of payments against budgets require some work.</p> <p>Board Member queried AST contribution. It was noted that the Gift Aid element of the relationship cannot be assumed, however a service fee arrangement was also included. On query, it was clarified that AST have separate cash arrangements to the College.</p> <p>Chair noted that accuracy of budgets had been improved but some inconsistencies remained, eg Mountain Studies.</p> <p>Depute Principal sought guidance from Committee re use of Libyan</p>	

	<p>money. Vice Principal noted that the AST General Manager had been tasked with identifying source to repay, and this task is still in progress.</p> <p>Interim Head of Finance advised that the Mid year Forecast was due to be submitted by the end of March and approval of process was sought.</p>	
<b>7.2</b>	<p><b>AST Management Accounts (CLOSED)</b></p> <p>[REDACTED]</p>	
<b>8</b>	<p><b>Estates</b></p>	
	<p><b>8.1 Estates Update</b></p> <p>Depute Principal summarised Paper 5 noting in particular the backlog maintenance figure of £13m, which prompted discussion over the need for a 5-year planned maintenance strategy, and likely levels of funding available for Estates expenditure given information from the Infrastructure Commission for Scotland.</p> <p>Board Member queried £10k unplanned expenditure on ASW, given the building was so new – it was clarified that this was due to air conditioning issues.</p> <p>Chair (BoM) queried whether the sale of the Kinross Learning Centre was included in the forward cash projections. Interim Head of Finance clarified that it was, however this would be held as a capital receipt.</p> <p>Committee was informed that 71 applications had been submitted for vacant Head of Estates position</p>	
<b>8.2</b>	<p><b>Tenders: Catering Contract (CLOSED)</b></p> <p>[REDACTED]</p>	
<b>9</b>	<p><b>Human Resources</b></p>	
	<p><b>HR Update</b></p> <p>Head of HR &amp; Organisational Development presented Paper 8, highlighting key points therein.</p>	

	<p>Chair (BoM) noted that the continued delay in achieving satisfactory levels of completion of mandatory training was wholly unacceptable. Head of HR and Depute Principal advised on mitigating circumstances, but accepted principle. Chair (BoM) noted that any failure arising from lack of mandatory training would land at the Board and proposed that a paper outlining a progression plan in this area be brought back to the next F&amp;GP meeting. This was <b>AGREED</b> by Committee</p> <p>Board Member queried comparative figures for turnover to allow meaningful analysis. Head of HR &amp; OD to investigate useful comparators.</p>	<p>Head of HR &amp; OD</p> <p>Head of HR &amp; OD</p>
<b>10</b>	<b>Policies</b>	
	<p><b>Procurement Strategy &amp; Policy</b></p> <p>Depute Principal introduced papers 9 and 10, and noted that the 2-year timescales allowed direct alignment to the College Strategic Planning timetable.</p> <p>Board Member sought clarification on some terminology and phrases utilised within the document. Clerk to instruct APUC to provide clarity on such terminology, and to correct faulty footers and page alignments prior to the papers being submitted to the Board for final approval.</p> <p>Subject to the above being carried out, Committee <b>APPROVED</b> the Procurement Strategy &amp; Procurement Policy documents.</p> <p>Board Member note the need to align amended policy with Terms of Reference and Schedule of Delegation within Governance Manual.</p> <p>Chair (BoM) queried staff training around the new policies and procedures. Head of HR &amp; OD noted that this would be captured within the ongoing plans related to amended financial regulations.</p>	<p>Clerk</p> <p>Clerk</p>
<b>11</b>	<b>Compliance</b>	
<b>11.1</b>	<p><b>Review of Risk Register</b></p> <p>Committee reviewed items on Risk Register within the remit of the Committee and found the risk levels to be correct.</p> <p>Minor amendments were noted against Risks 5, 6, 7 &amp; 9 which Clerk would update prior to the next Board meeting.</p>	<p>Clerk</p>
<b>12</b>	<b>Performance Management – Balanced Scorecard</b>	

	<p>Clerk outlined Paper 12, noting the links to the KPIs generated by the Strategic Plan.</p> <p>On reviewing the Balanced Scorecard, Committee expressed dissatisfaction with the use of retrospective measures and suggested use of a real-time assessment Scorecard to allow for real-time adjustments.</p> <p>Clerk instructed to look at more appropriate KPIs and consider a dashboard-style presentation.</p>	
<b>13</b>	<p><b>Committee Minutes</b></p> <p>The minutes for the following meetings were received and noted:</p> <ul style="list-style-type: none"> <li>● JNC Support Staff, 12 December 2019</li> <li>● JNC Lecturing Staff, 22 January 2020</li> <li>● JNC Consultation meetings 03 December 2019, 11 December 2019 &amp; 15 January 2020 (Summary only)</li> </ul>	
<b>14</b>	<p><b>Date &amp; Time of next meeting</b></p> <p>Wednesday 27 May 2020 at 5:30pm</p>	
<b>12</b>	<p><b>Review of Meeting</b></p> <p>The Committee agreed the meeting had covered its Terms of Reference.</p>	

Information recorded in College minutes are 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**   
**\* Excepting Items 7.2 & 8.2**

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**