

Paper 1

**Minute of the Finance and Resources Committee Meeting
held on 11 March 2023 on Teams**

Present:

Dorothy Welch	Member, Board of Directors/Chair Finance and Resources Committee
Gill Hogg	Member, Board of Directors and SIM
Colin Pritchard	Member, Board of Directors
Katie Baumann	Member, Board of Directors (Academic Staff)
Roddy Henry	Principal

In attendance:

Mary Slater	Director of Operations and Business Development
Ingrid Earp	Board Secretary
Asher Tufail	Business Development Manager

Apologies for Absence:

There were no apologies for absence.

#	Agenda item
Part A - Opening Business	
1.	Welcome, Apologies and Declaration of Interests (Chair) The Chair welcomed everyone to the meeting and Colin and Asher to their first Finance and Resources meeting. There were no declaration of conflicts of interest.
2.	Minute of Previous Meeting held on 6 November 2023 (Paper 1) The minutes of the previous meeting were accepted as accurate other than the correction of a typo on page one to Mary Slater's name.
3.	Matters Arising/Action and Decision (A&D) Log (Paper 1a) Actions still outstanding or ongoing have been marked as such on the A&D log.
Part B - Items for Decision	
4.	Pricing and Fees 2024/25 (Paper 2) This paper has previously been discussed by SMT with a focus on looking at what a realistic increase in price may be for next year with regard to fees and also commercial pricing such as day delegate rates and so on. Event prices have been increased by 5% with language schools increasing by approximately 9%, with some variations. It was noted that this pricing would not stop some negotiation around prices and that it this revision would be done annually going forward.

	<p>The Committee was assured that due diligence had been done and that the work done on competitor market research will be refreshed by Asher. There have been lots of enquiries recently about weddings and it was noted that the financial viability of such events needs to be clarified with one option being partnering with someone else to do the 'heavy lifting' of the event planning. The Committee agreed this would be a good avenue to explore.</p> <p>The proposals in the paper were agreed.</p>
<p>5.</p>	<p>Finance Regulations (Paper 3) This paper was approved at Audit and Risk Committee subject to a couple of amendments so is being brought to Finance and Resources largely for information.</p> <p>It was noted there were a couple of typos and reference to Planning and Resources Committee rather than Finance and Resources.</p> <p>Action F&R03:B5 Dir of Ops and Bus Devt to amend errors/typos in Regulations.</p>
<p>6.</p>	<p>Financial Planning Timetable (Paper 4) The Committee thanked the Dir of Ops and Bus Devt for the useful paper noting that day to day budget monitoring should be carried out by the Senior Management Team and reported to F&R Committee. F&R have oversight and should be made aware of any significant discrepancies. The management accounting outturn should also be presented at each F&R meeting.</p> <p>Action F&R03:B6 Dir of Ops and Bus Devt to clarify wording used in the paper and amend the timetable as appropriate.</p> <p>The process for setting the next year budget begins in March and April for submission for approval to Board in June and so to the F&R meeting in May.</p>
<p>Part C – Items for discussion</p>	
<p>7.</p>	<p>Budget Update (Paper 5) Following discussion at previous meetings the presentation of the accounts has been amended, the Committee welcomed these changes.</p> <p>Events income is on track for the £100k stretch target with £92k achieved to date. £25k has been confirmed from the Trustees. The deferred income from SFC is included but is not actual cash at hand to spend: the Committee requested this be excluded for their purposes as the Committee is largely interested in funds available to spend in year and the expenditure against those.</p> <p>Action F&R03:C7 Dir of Ops and Bus Devt to revise the budget re exclusion of deferred income.</p> <p>Regarding expenditure the biggest increase has been in staff costs including payment of some back pay.</p> <p>SFC have asked for cash flow forecast to July 2025 and this will be completed after the mid year FFR and the budget for 2024/25.</p>

<p>8.</p>	<p>National Bargaining Update (Paper 6)</p> <p>The Principal talked through the paper noting that not a great deal has changed since the last update with the debate and dispute becoming very entrenched at a national level. Scottish Government have made it very clear over a number of months that there is no additional funding forthcoming for colleges. Colleges have stated that the pay award on the table is the best and final offer. Staff appear keen to receive the pay award however both Unison and EIS-FELA have yet to put the offer to their members. Committee members asked if colleges had considered enforcing the pay award; the principal advised that this is not something the college or the sector would want to do at this stage.</p> <p>A number of colleges are now running open Voluntary Severance Schemes with the budget for the upcoming financial year looking like flat cash for teaching provision at best, with other areas of college funding being reduced to meet this flat cash budget.</p> <p>Industrial action is ongoing with EIS-FELA undertaking a resulting boycott. This has the potential to directly impact a number of students and the feeling across the sector is that a consistent approach needs to be taken. The principal has advised lecturers that participating in this action may result in a deduction of pay as it is a breach of contract.</p> <p>The job evaluation exercise has not achieved a resolution or agreed way forward either with much of the data previously collected now very out of date and back pay potentially due to 2008. There is significant concern over how long funding for backpay will be available. Efforts are being made to find a pragmatic solution to this.</p> <p>The Committee thanked the Principal for the update.</p>
<p>9.</p>	<p>Investing Surplus (Paper 7)</p> <p>Funds currently in a deposit account are generating approximately £115/month interest at present. Moving the funds to a different account would generate approximately £380/month.</p> <p>Decision F&R03:C9 Committee agreed to move the funds to a higher interest rate account.</p>
<p>10.</p>	<p>Risk Register Update (Paper 8)</p> <p>The revised Risk Register was introduced reflecting the discussions on risk appetite. The Committee suggested that the mitigating factors and financial risk could be, perhaps, revisited and asked if there was anything that could be done around the financial risks. The Principal replied that he felt all was being done that could be around the financial risks given the uncertainty around key factors out of the hands of the College. The risk will be revisited when the budget for 2024-25 is drafted.</p> <p>The Committee noted the report.</p>
<p>11.</p>	<p>Director of Operations and Business Development Report (Paper 9)</p> <p>The Dir of Ops and Bus Devt talked through the report noting that with some staffing changes the College is currently advertising an Estates and Facilities post.</p> <p>Discussions around the LRPA with Unison are ongoing with feedback from a recent branch meeting expected shortly.</p> <p>A group of Wisconsin students are currently at the College which is going well with relations between the organisations in a good place. There has also been increased</p>

	<p>interest from other language schools but there is a balance to be maintained across the type of commercial activity the College undertakes.</p> <p>The College is working with Future Proof Learning on a staff engagement project, including a survey which will be finalised shortly. This will be very much an engagement exercise and an opportunity for open dialogue.</p> <p>It was noted that the repositioned and revamped Quiet Room for students is working very well, and is well used by students with student counsellors also using it.</p> <p>The Committee noted the report.</p>
Part D – For Information	
12.	<p>Public Bodies Climate Change Report (Paper 10) This paper, circulated to the Committee for information, has now been submitted.</p> <p>The Committee noted the paper.</p>
Part E – Closing business	
13.	<p>Any Other Business The only other item of business was the dates of future meetings. The Committee agreed that they don't necessarily have to be on Monday mornings but should generally try to fit for the majority of independent Members.</p>
14.	<p>Date of next meeting Monday 13 May 2024 at 9.30am on Campus.</p>