

Paper 1

**Minute of the Finance and Resources Committee Meeting
held on 13 May 2024 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 (Support Staff)
Roddy Henry	Principal

In attendance:

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

Apologies for Absence:

Alyson Tobin	Member, Board of Directors.
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Part A - Opening Business	
1.	Welcome, Apologies and Declaration of Interests (Chair) The Chair welcomed everyone to the meeting and noted apologies had been received from Alyson Tobin. There were no declarations of interest.
2.	Minute of Previous Meeting held on 11 March 2024 (Paper 1) The minutes of the previous meeting were accepted as accurate.
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. Action: DOBD to recirculate amended Financial Regulations. Action; DOBD to recirculate the Financial Planning Timetable.
Part B - Items for Decision	
4.	2024/25 Budget (Paper 2) The current projection for the 2024/25 budget is for a £16k deficit. Income targets have yet to be finalised and are currently on the conservative side. The Committee agreed that it did not want to recommend a deficit budget to Board. The Principal noted that the budget presented here is a first draft and a balanced budget will be presented to the Board in June. There is opportunity with the appointment of the Business Development post to increase the income targets to allow for a break-even budget without looking for too much reduction in expenditure given the largest item of expenditure is staff salaries. The Director of Ops and Business Development is scrutinising the non-staff expenditure to ascertain if there are any further savings to be made there. Action F&R04:B4 DOBD to present a balanced budget to Board in June.

	<p>A Member asked if it would be possible to split out catering costs between those for the College students and those that could be attributed to events to help clarify the profit on events.</p> <p>Action F&R04:B4 DOBD to look into the possibility of separating catering costs going forward.</p> <p>The DOBD was congratulated on the work done to date on the budget.</p>
5.	<p>2024/25 KPIs/Targets (Verbal)</p> <p>The Principal reported lots of work ongoing around these such as exploring partnerships with a number of companies so that Newbattle would provide the venue but not the other planning and organisation around an event. Once the FFR is completed then KPIs for 2024/25 should flow from there.</p>
<p>Part C – Items for discussion</p>	
6.	<p>Budget Monitoring 2023/24 (Paper 3)</p> <p>The DOBD explained some current variances and that by the year end most areas are expected to be as originally forecast with external income reaching the stretch target. Congratulations were extended to the whole team for achieving this. The variation from the original forecast outturn is largely due to additional staffing costs such as backpay, the cost of cover and the BDM salary, all of which the Board was sighted on.</p> <p>SFC have also agreed to the College carrying forward the cash advance made to the College with a renewed date of 31 July 2025 for repayment.</p> <p>£112k from the cash balance has now been moved to a higher interest rate paying account and a cash flow report is submitted monthly to SFC. SFC are requesting that a projected cash flow up to July 2025 also be submitted along with the FFR.</p> <p>There will also be the addition of a VAT refund which the College is working with KPMG on, the exact amount is not yet known but will likely be showing as income towards the end of the next financial year.</p>
7.	<p>Risk Register Update (Paper 4)</p> <p>The Principal talked through the latest amendments to the Risk Register.</p> <p>The score for financial stability has been reduced slightly. Compared to the majority of other colleges, Newbattle is in a relatively stable place at the moment.</p> <p>The risk around student experience has been increased slightly with outcomes expected to be lower than the previous year which was particularly outstanding. The HNC class have been critical in their student feedback showing only a 33% satisfaction rating against 95% for all other students. The Principal explained there were a number of clear factors behind this and the Depute Principal is fully looking into this and it will be discussed in more detail at Learning and Teaching Committee later in the week.</p> <p>Recruiting and retaining key staff is on a more even keel with a new Curriculum Manager recruited to start on 20 May. There have been issues around recruiting an Estates and Facilities Assistant and that will go out to advert for the third time shortly with some tweaks to the job title and job description. Some single point of failures have been noted, in</p>

	<p>particular the Finance Officer however the Senior Administrator has volunteered to be trained in some of this work to allow for cover to be provided.</p> <p>Regarding the organisational culture the pay dispute is still ongoing with little sign of movement and that continues to impact on everyone. The Principal said he felt that the majority of staff understood where the sector is at financially and that there is little optimism for additional funding from the Scottish Government.</p> <p>The Committee thanked the Principal for the comprehensive update.</p>
8.	<p>Director of Operations and Business Development Report (Paper 5) The DOBD talked through items in their report not already covered elsewhere in the meeting.</p> <p>Progress has been made with the LRPA and it is hoped this will be finalised shortly and circulated to Board. A route to Board especially for appeals processes is still a sticking point though.</p> <p>Some building maintenance is taking place with full occupancy in the residences during July.</p> <p>Future Proof Learning have developed a questionnaire/survey for all staff which will be tweaked over the coming weeks and circulated to staff towards the end of the academic year or the start of the next one. Members noted that they liked the simplicity of this first staff survey and the opportunity for staff to give suggestions for improvement. Discussion took place re the 10 point scoring scale as opposed to one with fewer points.</p> <p>Action F&R04:C9 Principal and DOBD to reconsider scoring scale in survey.</p> <p>Personal Development Reviews (PDRs) are now being introduced for all staff with the process filtering down the line management structure.</p> <p>The Committee welcomed the report and noted the positive progress made in a number of areas.</p>
9.	<p>Review of Terms of Reference (ToR) (Paper 6) It was agreed to amend the text around Committee quorum to read that the majority of Members present should be independent.</p> <p>Action F&R04:C9 Board Secretary to review policies which come to Committee for approval or recommendation to Board and also ensure consistency in wording across the ToR.</p>
Part D – For Information	
10.	There were no items for information.
Part E – Closing business	
11.	<p>Any Other Business It was Gill Hogg’s last F&R meeting before leaving the Board and thanks were extended to Gill for all her contributions.</p>
12.	<p>Date of next meeting Tuesday 17 September 2024 at 9.30am on Campus.</p>

