



Glasgow Kelvin College
Board of Management
Finance and Resources Committee
Minute

Minute of the Finance and Resources Committee meeting held on Tuesday, 26 September at 5.00pm, Room WG1, Springburn Campus

1. Sederunt

Robert Doyle (Chair);
 Heather McNeil (Vice Chair);
 Ian Patrick;
 Derek Smeall (Principal) MS Teams;
 John McBride;
 Steven Caldwell;
 Iain Carmichael; and
 John McBride *from 5.30pm onwards*.

In Attendance

Jeanette Evans, Vice Principal Operations;
 Doreen Shiels, Director of People and Culture;
 Alan Carr, Head of Finance; and
 Donald Higgins – Durnan, Corporate Support and Administration Manager *for recording purposes*.

2. Apologies

Apologies were received from Dr Marion Allison; Linda Ellison, Secretary to the Board; and Lisa Clark, Director of Estates and Corporate Services.

3. Terms of Reference

The meeting was quorate with eight members in attendance.

4. Declarations of Interests and Connection

- a) Interest**
- b) Connection**

There were no declarations of interest or connections raised by members. The Chair reminded members that they could declare an interest or connection at any point during the meeting.

5. Minute of the Previous Meeting held on 30 May 2023

Members accepted the minute as an accurate record of the business conducted at the meeting held on 30 May 2023.

6. a) **Matters Arising from the Previous Meeting held on 30 May 2023**

There were no matters arising from the previous meeting.

b) **Action List**

i) **Finance and Resources Committee Action Log as at May 2023**

Members noted the three items featured on the action log were now complete.

7. **Finance Report – NOT IN THE PUBLIC DOMAIN**

The Vice Principal Operations spoke to the content of the report which sought to provide members with a comprehensive update in relation to College finances.

J Evans summarised the report drawing members attention to the following key points:

- Management Accounts to 31 July 2023 show an improved position of £133k on the Quarter 3 Forecast and referred to the variances explained in the table at 3.2 in the report;
- Unfavourable variance in staff costs (referred to table at 3.3 in the report) - this was primarily due to that a double counting of National Insurance savings had been recognised and this was identified after the Quarter 3 Forecast, and an increase in the projection of the staff pay award of £73k. The original pay award was based on 5%, but at the year-end a comparison between 5% and £2k per person identified a shortfall of £73k;
- Staff Voluntary Service costs – additional costs relating to potential additional VS payment costs and Strathclyde Pension strain on fund costs not previously accounted for (adjustment made following a communication from College Employers Scotland);
- ALF Donation – £145k balance carried forward and will be used to complete College Environment stream of the Campus Reinvestment Project;
- Detail of funding applications and outcomes included at Appendix 1 as requested previously by the Committee;
- Approval sought to write off £1,657.09 in outstanding student fees debt;
- Student funding allocation spending for academic year 2022/23 as noted at point 6.1 in the report;
- Procurement – details of Single Source Justification (SSJ) provided in Appendix 2, highlighting a similar volume, however significantly reduced in value; and
- Cashflow – referred to projected position as at the end of July 2023 included in 8.2 of the report, noting that the position meets the revised cash target agreed at the previous meeting.

The Chair thanked J Evans for the detailed summary of the report and invited questions or comments from members.

H McNeil raised a question in relation to the £170k increase in teaching staff costs and if this was due to the discovery of the National Insurance double counting. J Evans confirmed this was the case.

Discussion followed in relation to the detail within the report and how this was presented.

Members agreed that a balance was needed and opined that the explanatory notes provided, aided with members understanding and allowed the opportunity for members to raise questions.

The Chair noted the report sought approval for members to approve the write-off of the student fees debt; members agreed.

Members of the Finance and Resources Committee agreed to:

- i. note the actual finance performance for the twelve months of the year reflected in the Management Accounts to 31 July 2023;
- ii. note that these numbers are still being scrutinised as part of the annual statutory external audit and that further adjustments will appear in the statutory accounts to 31 July 2023, primarily relating to pension and asset valuation adjustments;
- iii. note the Non-SFC income detail for the year and the Funding Applications schedule presented at Appendix 1;
- iv. note the College debt position at 31 July 2023;
- v. approve the bad debt write-off of £1,657.09 in Student Fees;
- vi. note the Student Funding position at 31 July 2023;
- vii. note the planned Regional activity in relation to Student Funding in 2023/24;
- viii. note the procurement update including the projected activity for 2023/24 and the SSJs approved in 2022/23, provided in Appendix 2;
- ix. note the Projected Cash Flow to 31 July 2023 as at 14 June 2023; and
- x. note the Projected Underlying Cash at 31 July 2023 and that this is within the underlying cash target.

8. Fixed Asset Disposal / Write Off

The Vice Principal Operations spoke to the content of the report which sought the approval of the Finance and Resources Committee for the physical and accounting disposal of obsolete assets.

The Vice Principal drew members attention to Appendix 1 which detailed the items marked for disposal and explained that disposal was required due to the College no longer using the West End Campus and a recent refresh of new ICT equipment for the Outreach Learning Centres, alongside older network equipment the College was unable to dispose of during the pandemic period, as detailed in the report.

In addition, J Evans sought approval from members to hold an auction, open to both staff and learners for items no longer required as a result of the exit from West End Campus; adding the auction would generate some income for the College and support the College's sustainability agenda.

Members of the Finance and Resources Committee agreed to:

- i. note the content of the report;
- ii. approve the disposal/write-off of these pieces of equipment as listed in Appendix 1; and
- iii. approve the College holding an auction for unwanted items, noting that an update would be provided to the Finance and Resources Committee in due course.

9. People and Culture Services Update

The Director of People and Culture spoke to the content of the report, which provided members with an update in relation to the matters within People and Culture Services, covering Human Resource Management; Organisational Development; Wellbeing; and Equality and Inclusion.

The Director summarised the report and highlighted the key points to members:

- College notified 19 April 2023 of the EIS-FELA statutory ballot which provided a mandate for industrial action and action short of strike (ASOS);
- A further ballot has been issued by the EIS to extend ASOS and for strike action beyond 12 October 2023;
- College notified by UNISON on 14 April 2023 of the result of their statutory ballot, and a mandate for industrial action in the form of strike action (strike action took place on 07 and 14 September 2023 with the next strike taking place 10 October 2023);
- Discussions in relation to the pay offers continue to be ongoing;
- No movement in relation to job evaluation; pay and grading, discussions continue to be ongoing;
- Local arrangements continue to work well with College and Trade Union colleagues meeting regularly through Joint Negotiating/Consultation Committees;
- Upgrade to a new HR and Payroll system with roll out expected by the end of the calendar year;
- Launch of the Professional Development Reviews (PDR's) for staff;
- Review of the staff induction process with a view to implementing a three-tier approach supported by digital materials; improving the process and ensuring a more consistent approach across the College;
- During 2022/23 staff were offered two opportunities to participate in Team Kelvin sessions. These were actively participated in with positive staff feedback received. The College will fund this initiative and offer to staff again in June 2024;
- Supporting teaching staff registration with General Teaching Council (Scotland);
- Equality and Inclusion Lead role currently vacant; recruitment process in progress; and
- Two projects to be taken forward over 2023/24:
 - APT a Public Social Partnership funded by the Scottish Government to reduce the employment gap; and
 - National Equality Outcomes – review College Equality Outcomes and action plan to align these with National Equality Outcomes as part of an initiative between the Scottish Funding Council and the Equality and Human Rights Commission.

The Chair thanked the Director for the summary of the report and welcomed comments or questions from members.

The Chair commented positively on the Team Kelvin sessions and welcomed that this was being funded for a further year. He asked a further question in relation to the cost of the new HR and Payroll system.

D Shiels confirmed the College's existing relationship with the provider and that the College was able to negotiate a reduced cost with both Glasgow College's Regional Board (GCRB) and Scottish Funding Council approval.

I Patrick posed a question in relation to supporting staff with GTCS registration. D Shiels provided clarification that there was a cost involved and the College hoped to assist between eight and ten staff annually and highlighted a requirement of remission time, which was one hundred and fifty hours. I Patrick asked if this had been accounted for and D Shiels advised the College was reviewing staff requirements, contracts and staff commitment.

I Patrick raised a question in relation to induction, asking if the three areas referred to would be undertaken sequentially or collectively. D Shiels advised that information would be provided pre-employment with further induction material being delivered together. She added that resources would be made digitally available for ease of access for staff.

In relation to training costs, H McNeil queried if there was a 'loyalty clause' for staff to remain at the College following completion of a qualification. D Shiels confirmed this is included for staff undertaking a professional qualification funded by the College, however, not for TQFE. H McNeil asked a further question in relation to a question included in the induction survey asking teaching staff how confident they were in how the College is run and opined that this would be a difficult question to answer for staff members newly joining the College. D Shiels agreed and to review the survey questions.

J McBride asked if the PDR process was newly introduced. D Shiels responded that the College had an established PDR process in place, however, was reviewed and amended when the Organisational Development Lead took up their position. She added that the process had a focus on individuals' professional development, however, analysis undertaken identified trends in training needs across the College and themed training months introduced for all staff. D Shiels also commented that the process allowed the People and Culture Team with workforce planning as the process captured information on those looking to progress, career stability or considering retirement.

J Evans commented positively that the process translated into opportunities for staff, and this was reflected in feedback received from staff members and Trade Union colleagues.

Members noted discussions were ongoing in relation to pay offers and discussed the impact of strikes and ASOS on learners.

Members of the Finance and Resources Committee agreed to note the content of the report and its appendices.

10. Annual Staff Attendance Report for 1 August 2022 to 31 July 2023

The Director of People and Culture spoke to the content of the report, which sought to provide members with the staff attendance figures for academic year 2022/23.

The Director informed members that the report was lengthy and highlighted salient points for ease:

- Absence rate for the academic year 2022/23 remained static for the first three quarters at around 5% with a decrease to 4% in quarter 4;
- Absence rate has returned to pre-covid figures, highlighting, since merger, the absence rate has hovered around 5%;
- Drew members attention to the diagrams on page two of the report, highlighting, absence rate increased for both support staff and temporary teaching staff cohorts and decreased for permanent teaching staff and management cohorts;
- Reported an increase in both short-term and long-term absence rates with long-term absence continuing to be the most impactful for the College;
- Provided clarification to members that the College considered an absence of eleven days or more as long-term, whereas CIPD and other Colleges use twenty days; the Director informed members when carrying out sector comparisons the twenty-day figure is used;
- High investment in mental health and wellbeing activities and initiatives;
- High number of working days lost due to mental health and wellbeing (47 employees – 11 suffered from a diagnosed mental health condition and 36 experienced poor mental health);
- Drew members attention to the Covid statistics detailed on page five of the report, highlighting, where staff were able to, they worked from home;
- Referred to the tables drawing a comparison between the College absence statistics and the CIPD Health and Wellbeing at Work Report 2022 (2023 report not published at the time of writing the report);
- Reported an average of ten working days lost in comparison to 9.9 working days in academic year 2021/22; and
- Highlighted resource implications of a higher rate of sickness absence, particularly associated with teaching staff with budgetary implications for temporary teaching staff costs and an impact on service delivery; however, this was being actively managed through the application of the Attendance Management and Support Policy.

The Chair thanked the Director for their detailed summary and welcomed comments or questions from members.

The Vice Chair raised a question in relation to long term absence figures and the difference between temporary and permanent teaching staff. The Director clarified the College employed a small number of temporary teaching staff in comparison to the number of permanent teaching staff.

The Chair asked a question in relation to managers handling of staff absence cases. D Shiels advised the process was supported by the HR Business Partner looking at assisting staff members to return to work using College policies and procedures, occupational health referrals and the College partnership with Able Futures (work mental health support service).

J McBride posed a question in relation to the Covid related absence figure of 0.41% and its impact on the College. D Shiels responded that the 2023 CIPD report stated Covid continues to impact employee wellbeing, however, this trend does not appear to be impacting the College at present. She added staff reporting as being Covid positive and isolating continued to work from home. D Shiels added that quarterly reports show an increase in staff reporting Covid positive tests.

J McBride asked if the actual cost in terms of absence was known. D Shiels confirmed that the College did not currently collate the costing information. Discussion followed and members agreed that having the costing information would be beneficial; D Shiels agreed to include the costings in future reports.

Discussion continued and I Patrick opined that it would be useful to have a comparison with other Colleges. D Shiels referred to the HR Network and advised that the College had similar absence rates to other Colleges across the sector. Members noted the correlation between long term absence and the probability of significant costs in managing long-term absence and opined that it would be useful to have national figures. D Shiels agreed to consult with colleagues within the HR Network to obtain statistics and feedback.

D Shiels to collate costing information in relation to the cost of staff absence within the College and include National statistics if available.

Members of the Finance and Resources Committee agreed to note the content of the report.

11. Estates and Capital Update Report (including SFC Infrastructure)

The Vice Principal Operations spoke to the content of the report which provided members with update in relation to estates and capital matters.

The Vice Principal highlighted to members previous discussions relating to £106k from capital planning/expenditure for year 2022/23. This was not spent by the end of March 2023 due to the College awaiting information in relation to Springburn Campus cladding panels. She confirmed that this was carried forward into 2023/24. However, with discussions ongoing with the external contractor, the budget had not been associated with the cladding panels as yet. J Evans drew members attention to Appendix 1, which detailed the capital expenditure for 2023/24, noting that this included the £106k carried forward from 2022/23. J Evans also informed members the spend proposals within Appendix 1 had been approved by J Godfrey at GCRB.

J Evans referred members to Appendix 2 of the report, which contained photography of the extensive estates works undertaken over the summer period. J Evans reported ongoing works in relation to Campus Reinvestment and the College Environment would continue throughout 2023/24. She provided members with an update on the land matter at Springburn advising that correspondence with Hydepark Residents Association was now via the College lawyers.

Concluding her report, J Evans advised members that she had become a member of the Scottish Funding Council - College Infrastructure Delivery Group and provided a brief overview of the purpose of the group, referring members to the link included in the report, which was a presentation from the first meeting provided for their information.

The Chair thanked the Vice Principal for the summary of the report and welcomed questions or comments from members.

J McBride raised a question in relation to the presence of Reinforced Aerated Autoclaved Concrete (RAAC) in campus buildings. In response, J Evans advised

due to the dates the College campus buildings were constructed, it was unlikely that RAAC was used or present, adding that this was verified by an external Surveyor.

J McBride raised a further question, referring to the £106k carried forward from 2022/23 capital expenditure, noting from the Audit Scotland papers in item 14, '*Colleges were not permitted to retain reserves*'. J Evans provided assurance that this £106k did not constitute reserves and that GCRB was fully aware and had authorised the carry forward of the monies.

Members of the Finance and Resources Committee agreed to note the content of the report, link, and appendices.

12. Environmental and Sustainability Update

The Vice Principal - Operations spoke to the content of the report which sought to provide members with an update in relation to environmental and sustainability matters.

J Evans advised the report covered a number of items of interest and drew members attention to: a planned auction of items no longer required following the exit of West End Campus; 'Green Week', taking place between 02 – 06 October 2023 with the Environmental and Sustainability Manager working collaboratively with the Marketing and Commercial Manager; and the College being a Green Gown Awards 2023 finalist.

J Evans continued by highlighting to members the funding activities undertaken, with the largest award being from the Scottish Central Government Energy Efficiency Grant. She advised members of the deadlines associated with spending and a Project Manager being appointed to oversee the various projects.

Members acknowledged the work undertaken in this area and commented positively on the impact.

Members of the Finance and Resources Committee agreed to note the content of the report and appendix.

13. Health and Safety Update

The Vice Principal Operations summarised the report prepared by the College Health and Safety Manager, highlighting key points to members, including:

- From the sixty-nine actions following the COSHH incident in March 2022, 82% are now complete and the rest are in line with agreed targets;
- Explanation provided for the increase in recommendations following fire risk assessments from fifteen to twenty-two; appointment of a new fire safety contractor 'a fresh pair of eyes' and unavoidable delay in checks or inspections over the 2020-2022 time period;
- Two RIDDOR reports made with no follow ups required from the Health and Safety Executive;
- Lobbying of Glasgow City Council (Traffic and Road Safety Department) to improve pedestrian crossing facilities at East End and Easterhouse Campuses;
- Completed works on various initiatives to enhance the safety of staff and contractors when working at height operations and conducting roof-work.

The Chair thanked the Vice Principal for her summary and invited questions or comments from members.

Members discussed the frequency of reporting and agreed, going forward, health and safety items should be reported quarterly, not cumulatively throughout the year, to the Finance and Resources Committee, with an annual report provided to the Committee and then to the Board of Management.

J Evans to liaise with the Health and Safety Manager to implement reporting frequency as requested by members.

Members of the Finance and Resources Committee agreed to note the content of the report and appendix.

14. a) **Audit Scotland Briefing Paper – Scotland’s Colleges 2023**
b) **Audit Scotland – Scotland’s Colleges 2023 Analysis**

Items 14a and b were discussed collectively.

The Vice Principal – Operations informed members that Audit Scotland provide the briefing paper and analysis annually, following College’s lodging their annual accounts and the submission of reports by College Auditors. She summarised both papers highlighting salient points, including the financial pressures facing the sector and the required infrastructure investment. She also highlighted that Audit Scotland specifically referenced the fact that cuts in Further Education would have a disproportionately negative impact on areas of deprivation.

Discussion followed amongst members, and it was noted that the papers accurately reflected the issues faced by Scotland’s Colleges.

Members noted the content of the Audit Scotland Briefing Paper and Analysis.

15. a) **Scottish Government Directorate for Energy and Climate change – Offer of Grant Funding – Energy Conservation Measures, Renewables and Low Carbon Heating**
b) **Correspondence – G Dey MSP – Minister for Higher and Further Education; and Minister for Veterans to College Principals**
c) **UNISON – Industrial Action Notice**
d) **EIS-FELA - Industrial Action Ballot Notice**
e) **EIS-FELA – Industrial Action Notice**
f) **Scottish Government Programme for Government 2023/24 Announcement – Tuesday 05 September 2023**

Members noted correspondence items 15a-f for their information.

16. a) **Approved Minute of Risk Management Committee – 25 April 2023**

Members noted the content of the minute for information.

- b) **Approved Minute of Health and Safety Committee – 26 April 2023**

Members noted the content of the minute for information.

17. **Impact on Students – Student Impact to be considered as a consequence of the consideration of the above agenda.**

Members agreed that no new student impact issues had arisen as a consequence of the business conducted at the meeting held on 26 September 2023.

18. Risk Management – Risk Issues to be considered as a consequence of the consideration of the above agenda.

Members agreed that no new risk management issues had arisen as a consequence of the business conducted at the meeting held on 26 September 2023.

19. Equality Management – Equality Issues to be considered as a consequence of the consideration of the above agenda.

Members agreed that no new equality issues had arisen as a consequence of the business conducted at the meeting held on 26 September 2023.

20. Data Protection – Data Protection Issues to be considered as a consequence of the consideration of the above agenda.

Members agreed that no new data protection issues had arisen as a consequence of the business conducted at the meeting held on 26 September 2023.

21. Environmental Sustainability – Environmental and Sustainability Issues to be considered as a consequence of the above agenda.

Members agreed that no new environmental and sustainability issues had arisen as a consequence of the business conducted at the meeting held on 26 September 2023.

22. Closure

The meeting closed at 6.40pm with the Chair thanking members for their attendance and contribution.

23. Date of Next Meeting

28 November 2023 via MS Teams.

J Evans informed members that a joint meeting of the Audit and Risk Committee and the Finance and Resources Committee to consider the annual report and accounts was scheduled for 16 November 2023.