

Glasgow Kelvin College
Board of Management
Finance and Resources Committee
Minute

**Minute of the Finance and Resources Committee meeting held on Tuesday, 30 May
at 5.00pm room MF12/14 East End Campus**

1. Sederunt

Rob Doyle (Chair)
Ian Patrick
Heather McNeil
John McBride

In Attendance:

Derek Smeall, Principal
Iain Carmichael, Co-opted member
Linda Ellison, Secretary to the Board of Management
Jeanette Evans, Vice Principal Operations
Lisa Clark, Director of Estates and Corporate Services
Doreen Shiels, Director of People and Culture
Alan Carr, Head of Finance
Annette McKenna, Governance & Executive Support Manager (recording purposes)

2. Apologies

Apologies were received from Dr Marion Allision

3. Terms of Reference

The meeting was quorate with four non-executive members in attendance.

4. Declarations of Interests and Connection

- a) Interest
- b) Connection

There were no declarations of interest or connections noted. The Chair reminded members that they could declare an interest during the meeting.

5. Minute of the Previous Meeting held on 28 February 2023

Members accepted the minute as an accurate record of the business conducted at the meeting held on 28 February 2023.

6. a) Matters Arising from the Previous Meeting held on 28 February 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 agreed that the actions highlighted in green were complete and should be removed from the Action Log.

7. Health and Safety Update

The Vice Principal Operations spoke to the content of the report that sought to provide members with an update on the health and safety activities across all College locations since August 2022.

J Evans drew members attention to section two, bullet point two, that provided context regarding the actions related to the COSHH investigation, as requested at the previous meeting.

She highlighted that a new fire safety contractor had taken over the responsibility for the fire risk assessments. She added that the recommendations following the assessments had risen slightly and it was felt this was due to a 'fresh pair of eyes'.

She further highlighted incident reporting had returned to pre-pandemic levels and that no RIDDOR reports had been undertaken since the last meeting of the Committee.

In addition, she drew members attention to appendix 1, attached to the report, the Health and Safety Internal Audit graded 'good'; no recommendations made by the Internal Auditors.

H McNeil asked if the recommendations for the fire risk assessment are legislative and/or regulatory therefore should not be subjective, the Principal informed that some are due to personal judgements and the recommendations made following the assessments are low grade.

I Patrick noted the positive Internal Audit report and added that it showed Health and Safety is a high priority for the College.

Members of the Finance and Resources Committee agreed to note the contents of this report and its appendix.

8. Finance Report – NOT IN THE PUBLIC DOMAIN

The Vice Principal Operations spoke to the content of the report that sought to provide members with a comprehensive financial update.

J Evans provided members with a summary of the Executive Summary that contained the highlights of the report.

She drew members attention to the Quarter 3 Forecast set out in section 3 of the report and highlighted the reduced deficit since reporting on the Quarter 2 Forecast and provided a summary of the variances laid out in section 3.2 of the report.

She provided members with an overview of the Management Accounts including the income and expenditure variances at section 4.1 of the report.

In addition, she drew members attention to a report presented to Glasgow Colleges Group (GCG), appendix 1. She provided members with an overview of meetings and discussions held by a Short Life Working Group, that she Chaired, made up of representatives of all three Glasgow Colleges. She added that this was set up to review Student Support Funding to ensure consistency and parity throughout the Glasgow Region. She noted that an agreement had been reached by the three Glasgow Colleges and added that the intention was to present an update paper on the agreed approach to the GCG meeting in June 2023. The Principal noted that this initiative had been led by the College and J Evans.

She informed members that they were being asked to approve the bad debt write off related to students and employer fees at section 5.2 in the report and to approve the revised underlying cash target of 2-15 days set out in section 10.3 in the report.

Members discussed, at length, the revised underlying cash target and J Evans highlighted that the amendment was being recommended due to the current financial projections. Members agreed to support the revised position as detailed in the report.

J McBride he commented regarding previous debt write off in relation to non-return of student digital devices and the actions taken by the College to have them returned e.g. students would not be allowed to re-enrol on a course. He asked if there is a shared register of this information kept by Colleges and Universities. J Evans informed that this was not the case and noted this would be a useful resource within the Glasgow Region.

I Carmichael noted that the Internal Audit report on Budgetary Control and Financial Planning, appendix 3 to the report, was very positive and provides comfort and reassurance to members. He added that he was impressed by how the finance function works throughout the College with budget holders and commended J Evans, A Carr and their Team. I Patrick echoed the comments made by I Carmichael and stated that due to the leadership of J Evans together with transparent and easy to understand reports, the Board and its Standing Committees now remain fully informed about the financial situation. The Principal echoed the comments above.

I Carmichael agreed with I Patrick and added that the financial reports provide detail, answer all possible questions and are written for all readers to understand.

Members of the Finance and Resources Committee agreed to:

- i) note the Quarter 3 Forecast;
- ii) note the actual financial performance for 9 months of the year reflected in the Management Accounts to 30 April 2023;
- iii) note the College Debt position at 30 April 2023 and approve the write-off of £2,617 of debt;
- iv) note the Student Funding position at 30 April 2023;
- v) note the progress of the review of Student Funding in the Glasgow Region and the paper presented to the GCG;
- vi) note the Procurement update;
- ii) note the key Internal Audit Report was carried out this year on Budgetary Control/Financial Planning;

- viii) note the MYR and that it was submitted by the 31 March deadline 2023;
- ix) note the Projected Cash Flow to 31 July 2023 as at 30 April 2023; and
- x) approve the underlying cash target of 2-15 days, equating to c£130k - £1.25m.

9. Draft Three Year Budgets 2023-26 – NOT IN THE PUBLIC DOMAIN

The Vice Principal Operations spoke to the content of the report which sought endorsement from the Finance and Resources Committee prior to the three-year budgets for 2023-26 being presented to the Board of Management on Monday 12 June 2023.

J Evans took members through, in considerable detail, the content of the report. She highlighted that 2023/24 is the second year of a managed deficit budget for the College. She drew members attention to the highlights of the report listed on page 1.

She provided members with an overview of the key assumptions for 2024/25 and 2025/26 noted in table 1 and highlighted that the final allocations have been received by the College and will be reviewed and included in the report that will be presented to the Board of Management on 12 June 2023. In addition, she noted that the FFR Guidance and Credit Guidance have not yet been received by the College.

She noted that the salary costs listed at note 2 in the report are consistent with those in the College Operating Plan (COP).

She took members through the detail of the three-year budgets 2023/26 as noted in section 3.1, table 2. She highlighted that the underlying cash figure will drop in 2023/24 then start to go back up again. She noted that the three-year base budgets will allow the College to retain sufficient cash to support operational delivery.

She took members through the assumptions and budget scenarios at section 3.3 table 3 in the report. She highlighted the drop in core credit allocation for 2023/24 as noted in section 4.1, table 4.

I Patrick commented that the College assumptions related to salary uplifts were realistic and he supported this.

Members discussed, at length, the possibility of Scottish Government cuts to the budget over the next three years, rather than an expected flat cash settlement. **Members agreed that a review of the scenarios to include a 2% cut and a 2% increase should be added prior to the Board of Management meeting in June 2023. J Evans agreed to take this forward.**

The Chair thanked J Evans for her comprehensive report.

Members of the Finance and Resources Committee agreed to:

- i) note the contents of this report;
- ii) note that the Board is required to set a break-even budget in cash terms;
- iii) note that, based on the key assumptions detailed at section 2.2, the College is unable to set a balanced in year budget for all of the next three consecutive years, but that the 2023/24 budget represents a managed deficit, intended to support the costs of the VS scheme, which will result in savings in future years;
- iv) note the risks and mitigating actions highlighted at Section 7; and

- v) endorse the year budgets for 2023-26 in order that these can be presented to the Board of Management for approval on 12 June 2023.

10. Policies and Procedures

- a) **Fees and Fee Waiver Policy 2023/24**
- b) **Letting Policy**
- c) **Disciplinary Policy and Procedure**
- d) **Grievance Policy and Procedure**
- e) **Menopause (National) Policy**

The Director of Estates and Corporate Services and the Director of People and Culture spoke to the content of the report that sought to apprise members of the policies that are due for review.

L Clark highlighted that the Fees and Fee Waiver Policy for 2023/24, attached as appendix 1 to the report, had a few minor changes made and had been endorsed by the Senior Management Team.

In addition, she informed members that the Letting Policy, attached as appendix 2 to the report, had minor changes made to reflect the changes to free lets which can happen in future, as appropriate, when the buildings are open to accommodate College activity.

D Shiels reminded members that several policies fall within the scope of the National Recognition and Procedure Agreement (NRPA). She informed members that the Disciplinary Policy and Procedure, attached as appendix 3 to the report, and the Grievance Policy and Procedure, attached as appendix 4 to the report, were due for review and fall within the NRPA. She noted that they are currently being negotiated nationally and requested that the review dates of the two policies be extended until 31 July 2024.

D Shiels spoke to the Menopause Policy, attached as appendix 5 to the report, and informed members that a minor change had been made by the National Joint Negotiation Committee (NJNC). She added that Unison had requested the incorporation of appendix 2, that sets out the support available to staff, be added to the Policy.

J Evans informed members that she had made contact with the organisations that would be affected by the change to the Letting Policy and that she had offered to meet with them to consider options.

In a response to a question from H McNeil related to the Disciplinary Policy and Procedure and Action Short of Strike (ASOS), D Shiels informed that this will form part of a national policy and used in exceptional circumstances.

Members of the Finance and Resources Committee agreed to:

- i) note the content of this report and its Appendices;
- ii) in respect of the Fees and Fee Waiver Policy 2023/24, to delegate authority to the Vice Principal Operations to amend the fee rates and eligibility criteria to align with SFC, SAAS and / or Scottish Government guidance/regulations in the event that these diverge from the proposed College rates for session 2023/24;
- iii) approves the Fees and Fee Waiver Policy 2023/24 as contained in Appendix 1;

- iv) note that Board of Management at its meeting 12 June 2023 will be recommended to extend the review date for the Disciplinary Policy and Procedure as contained within Appendix 3 and the Grievance policy and Procedure as contained within Appendix 4 to 31 July 2024;
- v) note that a revised Grievance Procedure will be presented at a future meeting go the Finance and Resources Committee, for comment and the Board of Management Committee for approval at a future date;
- vi) note the Menopause (National) Policy; and
- vii) approve the incorporation of an Annex 2 into the Menopause (National) Policy as contained within Appendix 5.

11. Fixed Asset Disposal / Write Off

The Director of Estates and Corporate Services spoke to the content of the report that sought approval for the physical and accounting disposal of obsolete assets. Members are aware that the College has an extensive Capital Investment Plan which includes the renewal and replacement of equipment which, in turn, requires the disposal of the items replaced.

L Clark informed members that the three items for disposal had been located in the East End Campus teaching kitchen. She added that two items were fridges that would cost more to repair than replace and the other was a blast chiller that is beyond repair and does not require to be replaced.

Members of the Finance and Resources Committee agreed to:

- i) note the content of this report; and
- approve the disposal/write-off of these pieces of equipment as listed in Appendix 1.

12. Annual Health and Safety Policy Review

The Director of Estates and Corporate Services spoke to the content of the report.

L Clark informed members that the Policy had been reviewed by the Health and Safety Committee and the Senior Management Team. She further informed members that a minor tweak had been made to reflect the move out of West Campus.

Members of the Finance and Resources Committee agreed to:

- i) note the contents of this report and its appendix; and
- ii) approve the changes to the Health and Safety Policy.

13. Draft Public Sector Equality Duty Report 2023

The Director of People and Culture spoke to the content of the report that sought to apprise members of the main areas which demonstrate that the College has made progress towards meeting its statutory obligations and the areas where further work is required.

D Shiels reminded members that the College is required by statute to publish the report by 30 April 2023. She highlighted that the report has been published on the College website with a caveat that it is subject to approval by the Board of Management on 12 June 2023.

She added that the draft PSED Report is attached as link in the report and is for members comment prior to it being presented to the Board of Management.

She provided a summary of the key findings at section 2.2 of the report.

H McNeil drew members attention to page 25 and 26 of the PSED report and the information related to the Board of Management. She queried the percentage of disabled and ethnic minority statistics given it suggested the Board comprised of 25 members. I Patrick suggested that this may be due to the reporting timeframe of the PSED report and members tenure crossing over years and requested that this section be reworded. **D Shiels agreed to review the wording of the Board of Management section of the PSED report prior to the Board of Management meeting on 12 June 2023.**

In a response to a question from the Chair, D Shiels informed members that more staff disclosing disabilities has not posed any challenges so far in terms of reasonable adjustments.

Members of the Finance and Resources Committee agreed to:

- i) note the content of this report;
- ii) comment on the draft Public Sector Equality Duty Report 2023; and
- iii) note that the Public Sector Equality Duty Report 2023 will be presented to the Board of Management on 12 June 2023 for approval subject to any amendments.

14. People and Culture Services Update

The Director of People and Culture spoke to the content of the report that sought to provide members with an update on People and Culture Services matters in relation to the following areas:

- Human Resource Management
- Organisational Development
- Equality and Inclusion
- Health and Wellbeing

D Shiels provided members with a summary of her report. She highlighted the national pay negotiations with EIS and Unison and noted that they both have a mandate for strike action; national resolution meetings are still ongoing.

She highlighted the consultation exercise being undertaken with the local recognised trade unions related to the VS process.

In addition, she highlighted the attendance management figures as noted in section 2.3 of the report. She added that the statistics are back up to pre-covid figures.

She informed members that change management training would be undertaken by members of the Senior Management Team then followed by training for Operational Managers and awareness training for staff.

The Chair commented that the work the College undertakes in terms of transparency assists staff to combat change management. I Patrick noted that a huge amount of work goes into supporting staff. He added that it would be helpful for members to receive feedback on staff views and impact in relation to the PDR process. D Shiels

informed members that she and the Organisational Development Lead are reviewing the investment made in supporting staff and the outcomes.

H McNeil highlighted that (Colleges Development Network) selected the College to showcase its community approach to professional learning. She congratulated those involved.

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

15. Estates and Capital Update Report

The Director of Estates and Corporate Services spoke to the content of the report that sought to provide an overall update to members in relation to estates and capital matters.

L Clark provided members with a summary of her report. She drew members attention to appendix 1 in the report that provided members with the capital spend. She highlighted that J Godfrey at GCRB had approved for £106k to be carried forward in relation to the Cladding at Springburn Campus as the College awaited further structural / technical analysis. She noted the pictures in appendix 2 showed the work undertaken in relation to other capital/estates works.

She highlighted the Capital Maintenance Allocations for 2023/24 as listed in section 3 of the report and noted that a project plan would be prepared in due course.

The Chair thanked L Clark for her detailed report.

Members of the Finance and Resources Committee agreed to:

- i) note the content of this report and its appendices.

16. Environmental and Sustainability Update

The Director of Estates and Corporate Services spoke to the content of the report which sought to provide members with an update in relation to environmental and sustainability matters.

L Clark provided members with a summary of her report. She highlighted that the Environmental and Sustainability Manager, working with the Head of Facilities and Environmental Sustainability, applied for £2.6m from the Scottish Government Energy Efficiency Grant Scheme. She further informed that an email had been received by the College to inform that the funding had been awarded and that 5 capital projects would be completed over a 2-year period; the formal grant letter is currently awaited.

She highlighted that the Deposit and Return Scheme for Scotland had been delayed and that the costs for this had been built in the catering tender.

The Chair thanked L Clark for her report and congratulated those involved in obtaining the £2.6m funding. Members echoed the comments made by the Chair.

Members of the Finance and Resources Committee agreed to:

- i) note the content of this report and its appendix.

17. Academic Year 2022-2023 Annual Review: Risk Management Update and College Risk Register

The Director of Estates and Corporate Services spoke to the content of the report and reminded members that the Strategic / College Risk Register is reviewed annually by the Board's Standing Committees. She added that the purpose of the report was to ensure that Committee members undertaken the aforementioned review.

L Clark provided members with a summary of her report. She informed members that the Learning and Teaching Committee had provided comment at their meeting held on 10 May 2023.

She drew members attention to Strategic / College Risk Register at appendix 1 to the report and added that a risk related to Artificial Intelligence had been added; the College are taking a cautious approach.

She highlighted that she had provided the social and economic environment that the College is working in at the moment, detailed on page 4 of the report.

She informed members that any comments would be included in a report being considered by the Board of Management in June 2023.

Members discussed the difference between risks and issues.

J McBride drew members attention to *risk 4 – Litigation / Compliance* and noted that the risk had been reduced. J Evans informed members that this risk includes Health and Safety and had been higher following the COSHH incident. She added that the changes made following the recommendations from the COSHH investigation had made a huge difference, so it was felt that it was right to reduce this risk to 'medium'.

Members of the Finance and Resources Committee agreed to review this report, Strategic/College Risk Register, appendices and links.

**18. a) Scottish Funding Council
b) Audit Scotland Technical Bulletin**

Members noted the content of the documents provided for their information.

**19. a) Health & Safety Committee Minute – 29 March 2023
b) Risk Management Committee Minute – 24 January 2023**

Members noted the content of the documents provided for their information.

20. 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 28 February 2023.

21. 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 28 February 2023.

- 22. 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 28 February 2023.
- 23. 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 28 February 2023.
- 24. Closure**
The meeting closed at 6.40pm with the Chair thanking members for their attendance and contribution and thanked the Executive for their detailed reports.
- 25. Date of Next Meeting**
To be confirmed.
- 26. Committee Focus Group Self Evaluation – Members Only Session**