

(Paper 23)

Present: Waiyin Hatton (Acting Chair)
Bill Costley
Heather Dunk
Fiona Fawdry

In attendance: Brendan Ferguson (Board Secretary)
Michael Breen
Jackie Galbraith
Alistair Gordon
Liz Walker
Donna Vallance

1 Welcome and Declarations of Interest

W Hatton welcomed everyone to the meeting. There were no declarations of interest.

2 Apologies

Apologies were received from Willie Mackie, Marie Macklin and Tom Wallace.

3 Minutes of the Meeting held on 16 June 2015 (Paper 1)

The minutes were approved as a correct record.

Proposed: Heather Dunk Seconded: Fiona Fawdry

4 Matters Arising

There were no matters arising that were not already on the agenda for this meeting.

5 Management Accounts at 31 July 2015 (Paper 2)

A Gordon took the Committee through the above paper reminding members that all colleges had reverted to their traditional 31 July year end and accordingly, for statutory reporting purposes, these accounts represented the 16 month period from 1 April 2014 to 31 July 2015. A Gordon highlighted a number of matters of detail, including adverse variances against voluntary

severance and student support fund costs, the expectation that SFC support would have been received against these headings and the fact that this was overtaken by the “net depreciation approach” subsequently adopted by the SFC and previously discussed at some length by this Committee and the Board of Management. A Gordon also noted that the accounts were subject to the finalisation of year-end adjustments and external audit.

W Hatton raised a number of questions of detail that had been forwarded by the Committee Chair, Tom Wallace, who was unable to attend this meeting. These questions were responded to satisfactorily and in detail by A Gordon.

The Committee noted and approved the above Management Accounts at 31 July 2015, subject to finalisation of year-end adjustments and external audits.

6 College Rolling Cash Flow Forecast as at 28 August 2015 (Paper 3)

A Gordon circulated a revised graph as the one circulated with the papers had erroneously not recorded the cash flow projections. A Gordon explained the projections, drawing members’ attention to the dip into overdraft that would briefly occur in October. Although the cash flow would quickly recover into positive, A Gordon noted that this, albeit brief, dip into overdraft was indicative of the funding position of the College following the years of flat cash funding settlements and the changes brought about as a direct result of ONS reclassification.

H Dunk added that the College projection was of an average 17 days cash reserve now under the ONS funding mechanism as opposed to the 28 days reserve held previously. H Dunk noted her discomfort with this approach and also that there was little that the College could do to improve this position in the current circumstances.

The Committee noted and approved the Rolling Cash Flow Forecast.

The Committee asked that the Board’s attention be drawn in particular to the projected brief dip into overdraft in October and the fact that the cash held by the College has decreased from an average 28 day to an average 17 day reserve.

7 Non NPD Costs Financial Report at June 2015 (Paper 4)

A Gordon introduced the above paper and took the Committee through it as presented. W Hatton, on behalf of T Wallace, asked when a response was expected from SFC on the re-phasing proposal. A Gordon replied that SFC had indicated that they were supportive of the proposals and a formal response would be provided in due course.

The Committee noted the content of the above paper

8 2014/15 Student Support Funds: Final Position at July 2015 (Paper 5)

A Gordon took members through Paper 5 as presented. The Committee again noted that, as result of the shortfall in student funding received, the College had had to take management action to vire funds from discretionary and childcare budgets. This action, combined with an in year redistribution received from SFC, had restricted the final bursary overspend, which would have been in the region of £1.5 million, to £450k. However, the Committee considered this to be far from satisfactory. The shortfall in funding received from SFC, and previously discussed by this Committee, had meant that virement from discretionary funds had been necessary. The Committee noted that the most vulnerable members of the learner population would have been disadvantaged by this situation.

The Committee noted the content of the above paper and again expressed its concern at the shortfall in funding received and the possible impact on learners from the consequential management actions that had to be taken to manage that shortfall.

9 2014/15 WSUMs Final Position at July 2015 (Paper 6)

M Breen introduced the above paper and took members through it as written. A number of questions were asked and satisfactory responses received. W Hatton introduced a query from T Wallace on whether the Learning & Teaching Committee had discussed WSUMs forecasting. H Dunk noted that the Learning and Teaching Committee reviewed WSUMs at every meeting and discussed actuals and forecast. M Breen responded that WSUMs were in the process of being replaced by Credits, but that a discussion on forecasting would be placed on the agenda for the next meeting of the Learning & Teaching Committee.

The Committee noted the content of the above paper, including the shortfall in WSUMs delivery against target. The Committee noted the circumstances contributing to the shortfall, as discussed previously at this Committee and at the Board.

10 Education Contracts and Business Development at July 2015 (Paper 7)

J Galbraith introduced and took the Committee through the above paper which provided the members with an update on the commercial and business development activities of the College in the period April to July 2015.

The Committee noted the content of the above paper and welcomed the good and encouraging progress in this important aspect of College activity.

11 Capital Expenditure Position to June 2015 (Paper 8)

A Gordon took the Committee through the above paper as written. It was noted that the period covered represented a less active period in terms of capital expenditure. Future quarterly updates would provide significantly more information as planned project expenditure progressed.

The Committee noted the Capital Expenditure Position at June 2015.

12 AY 2015/16 Student Support Funds Allocation (Paper 9)

A Gordon introduced the above paper which provided the Committee with an update on the student support funds allocation for AY 2015/16 prior to any funds being requested or allocated as part of the SFC in-year redistribution.

The Committee noted the content of the above paper and welcomed the increase in Bursary Funding received from the Scottish Funding Council. The Committee also noted with disappointment the decrease in FE Discretionary Funds used to support the most vulnerable of the College's Learners.

13 College Insurance Arrangements and Academic Year 2015/16 Renewal (Paper 10)

The above document was received and noted for information.

14 Date of Next Meeting: The next meeting of the Committee was scheduled for Thursday 19 November 2015.