

FINANCE AND GENERAL PURPOSES COMMITTEE

Minute of Meeting of 19 July 2016

The meeting commenced at 0900 hours.

PRESENT – I Gossip (Chair), J Harper, J Henderson, K Milroy, A Smith, R Wallen

IN ATTENDANCE – R Scott, P May, P Kesson

OBSERVER – S Betty

Mr Gossip welcomed Ms Betty who was attending the meeting as an observer.

Mr Gossip announced that, following ratification of changes to Committee membership due to take place at the Board Meeting later in the day, this would be his last meeting as Chair of the Committee. In thanking Board Members, SMT, and Secretariat, he commented that he had found his time on the Committee to be stimulating and interesting and said that the meeting papers were always of the highest quality.

1. Apologies for Absence

Apologies were received from S Masson and K Wetherall.

2. Minute of previous Meeting

The Minute of Meeting held on 17 May 2016 was approved.

3. Matters arising from previous Meeting

The Committee noted a report providing updated information on matters arising from the meeting held on 17 May 2016.

Mr Wallen provided additional information relating to discussions with the SFC on additionality and on student support funds.

4. Report by the Principal

The Committee noted a report providing information on: Audit; site of the former Balgownie Centre; Estates Development Strategy; Engineering Technologies at Fraserburgh Campus; College Energy Efficiency Pathfinder (CEEP); and Support Services.

Mr Wallen informed Members that he had recently discussed the College's Estates Strategy with Martin Kirkwood of the Scottish Funding Council who had been understanding and sympathetic to the College's position. Mr Wallen noted that the Estates Strategy document and brief summary pamphlet had proved very helpful and made a very clear case for any monies which become available. Members were advised that Mr Kirkwood had suggested that the College submit a provisional three-year capital funding plan and that Mr Scott is currently in discussion with the architects to produce this.

Members noted that they will be guided by the College's surveyors on matters related to the site of the former Balgownie Centre.

5. Matters for Decision

5.1 Fees for Full-time Students from England, Wales and Northern Ireland

The Committee considered a paper providing information on the changed position with regard to fee rates for full-time students from England, Wales and Northern Ireland. It was noted that this paper would also be considered by the Learning & Teaching and Student Services Committee at its meeting later in the day.

Members noted that, following a decision taken on fees at the previous meeting of the Finance and General Purposes Committee, further guidance and clarification had now been provided by the Scottish Funding Council. Mr Wallen explained why the matter had been brought back to the Committee for further consideration.

After some discussion the Committee adopted the fee rates in the range of £2,960 to £4,160 for non-advanced students, and in the range of £2,775 to £3,900 for advanced students.

6. Matters for Discussion

6.1 Student Activity, AY2015-16

Members noted a paper providing information on the current status of student activity for the academic year 2015-16.

The Committee commented on the good results achieved during the year and noted that consideration was being given to 'spanning' excess activity towards the 2016-17 target which would have the effect of reducing costs of delivery next year.

Mr Wallen was asked to investigate the increased percentage of early withdrawal rates for part-time students in the current year and to report back to the next meeting of the Committee.

6.2 Procurement

The Committee considered a report on matters relating to procurement.

Information was provided on contracts recently awarded for the provision of audio visual equipment; hospitality uniforms; and the refurbishment of the training kitchen and bistro at Fraserburgh Campus.

Under current and forthcoming procurements, Mr Scott informed the Committee that the contract for bus transport, carried out in collaborative procurement with the two local universities, was valued at over £1m.

Mr Scott informed Members that procurement for student accommodation rental related entirely to OPITO students. In response to a question, Mr Wallen commented that future deals may be entered into with the two universities as they currently have surplus accommodation.

6.3 Reclassification

The Committee considered a paper on matters related to the reclassification of colleges as central government bodies.

Information was provided on Government Banking Service; funding for fiscal year to 31 March 2017; Resource Returns for year to 31 March 2017; Depreciation Funds; and Financial Forecast Return.

Mr Scott informed Members that the budget for 2016-17 that will be presented to the meeting of the Board later in the day will be an arithmetically break-even budget. Members were informed that three returns required by the Scottish Funding Council are overdue because the matters are the subject of correspondence between the College and the Council. Mr Scott commented that it is hoped that the returns will be finalised following the Board Meeting later in the day.

Mr Scott said that there was still nothing further to report on the matter of College insurance.

Members noted tabled copies of recent correspondence between the Principal and the Scottish Funding Council. The Committee commended Mr Wallen on the very cogent points made in his letter to Dr Kemp.

Following discussions the Committee agreed with the principle of setting a balanced budget and the importance of emphasising to the Scottish Funding Council that this had been managed only by deferring expenditure for the coming year, and in the expectation of additional funding from SFC.

7. Summation of Business and date and time of next Meeting

The Secretary gave a summation of the business conducted. The next meeting of the Finance and General Purposes Committee is scheduled to take place on Tuesday 13 September 2016.

Reserved Items of Business

8. Matters for Decision

8.1 College Debts

9. Matters for Discussion

9.1 Internal Audit Review of Payroll

9.2 Financial Monitoring

9.3 Outreach Centres Update

10. Summation of Reserved Items of Business

The Secretary gave a summation of the reserved items of business.

The meeting concluded at 1000 hours.