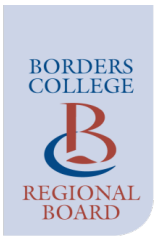


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Borders College

Finance & Resources Committee

Meeting at 16:30 Thursday 14 March 2024

On MS Teams

Actions

Item	Action	Responsibility and Date	Action Status
15/24	Skills matrix for all committee members to be established.	I Earp	Complete

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Borders College

Finance and Resources Committee

Meeting at 16:30 Thursday 14 March 2024

On MS Teams

Minutes

ITEM	MINUTE
Present	Bernie Quinn, Chair Pete Smith (Principal) Ray McCowan Ugo Mbaezue
In Attendance	Ingrid Earp (Regional Board Secretary) Sara Wilson (Director of Finance and Procurement) Conor Bradley Debbie Kerr (Director of People Services) Suzie Hartley (Minutes)
01/24	<u>Chair's Welcome</u> The Chair welcomed everyone to the first meeting with new chair, B Quinn.
02/24	<u>Declaration of Conflict of Interest</u> No areas of conflict were raised.
03/24	<u>Register of Members' Interest</u> No additions to the register were requested.
04/24	<u>Apologies for Absence</u> Apologies were noted from Vernice Key and Ray McCowan.
05/24	<u>Minutes of Previous Meeting held 30 November 2023</u> No inaccuracies were raised and all agreed that the minutes from the last meeting in November were an accurate reflection of discussions. All previous actions were noted as having been completed.
06/24	<u>Matters Arising</u> No matters were raised.
SECTION A – ITEMS FOR DISCUSSION	
07/24	<u>Strategic Risk Register (Paper B, K Robb, ToR 2.15)</u> VP Finance & Corporate Services provided an update on the Strategic Risk Register for the next quarter. Five risks are identified and listed with corresponding actions and progress updates. One risk rating increased as the result further funding restrictions and a reduction in risk was noted

	<p>in relation to the College’s recent achievement of Cyber Essentials Plus accreditation.</p> <p>A member referred to Appendix one; Commercial Income targets, and queried the monitoring of existing mitigation targets and what progress has been made. The impact rating increase to 4 was also questioned as was the existence and visibility of past savings reports and whether savings have been made. VP Finance and Corporate Services clarified that the Business Review appendix covers all non-core income and that the Business Growth Strategy is also reported to the Board bi-annually. The next report will go to Board on 28 March and will explore additional income opportunities. The Board session scheduled for April 26th will also focus on exploring options for savings and will influence the final budget papers for June.</p> <p>The Chair commented on the effectiveness of the Register in keeping the board informed regarding the SFC funding agreement and acknowledged the need to remain vigilant about developments. The Committee expressed confidence in the College Senior Management Team in their close monitoring of the situation and acknowledged the improved risk score and positive developments in relation to the Colleges Cyber Essentials Plus status.</p>
<p>08/24</p>	<p><u>Business (Finance) Review and Update (Paper C, S Wilson, ToR 2.1/2.4)</u></p> <p>Director for Finance & Procurement provided an overview on the current financial position. The report details a comparative analysis between the initial budget, the forecast at the end of Quarter 1 and the forecast now in Quarter 2 and the move from a deficit position to a balanced budget. The key reasons outlined include; increase in anticipated income by £250k, albeit with associated costs, savings in relation to staff costs, a reduction in contributions to the LGPS pension scheme and adjustments in grant funding allocations. Movements in other costs were highlighted and £22k has been set aside to start off the Voluntary Severance fund, which will require additional funding going forward.</p> <p>A detailed breakdown of variances between Quarter 1 and Quarter 2 is presented in Appendix 1, highlighting significant changes and reallocations, including a reduction in FT HE students and Rest of UK (RUK) students, adjustments in the Shared Prosperity Fund and capital allocations. Some planned expenditures such as minibus replacement and break roller testing equipment may need to be reallocated due to unforeseen constraints and work will be undertaken with staff to agree on which areas to move timings on, to maximise funding utilisation for this year. Supply issues with regards to minibuses is sector-wide and an alternative short-term solution to use locally hired vehicles was proposed, to address any immediate needs.</p> <p>Questions;</p> <p>A member queried whether the funding set aside for replacement minibuses will be protected. Director for Finance and Procurement reassured yes but this is likely to be pushed into next year’s budget and swapped for other projects that can be brought forward and completed this year.</p>

	<p>The reason for the reduction of RUK student numbers was questioned. It was highlighted that some courses such as Mountain Biking for example receive a lot on initial interest from potential RUK students, however enrolments don't materialise when they realise the distance required to relocate.</p> <p>A member observed from the report that staff costs appear to be increasing and asked whether these could potentially increase further after the award of the full and final pay offer. It was also queried whether table 2 contained 'actual' figures. Director for Finance and Procurement explained they are using forecasts to predict the end of the year position and there are timing differences associated with actual figures. With regards to staffing costs, a reduction is anticipated as they look to strip out vacant staff posts. Longer term however, costs are set to rise again as vacant posts are filled after August. There will be no increase in staffing costs as a result of pay awards however, unless the final offer changes. Members extended thanks and were content to approve the expenditure forecast.</p> <p>Members acknowledged the significant improvements made to the format of the report which have helped enhance their understanding.</p>
<p>09/24</p>	<p><u>People Services Update (Paper D, D Kerr)</u></p> <p>Director for People Services provided a mid-year update on statistics. Absence rates have decreased, as has turnover and the vacancy rate is currently at zero. The full and final pay offer remains on the table and details of this were recently communicated to staff after it emerged that many did not fully understand it. Meetings are ongoing with union representatives and the message remains clear, that the full and final offer will not change. The statement around redundancies has now been accepted and any ongoing dispute appears to be solely in relation to pay. An additional dispute has since been raised in relation to sector wide action to deduct the salaries of staff engaging in ASOS in relation to non-resulting and the belief that this breaches Fair Work agreements. Director of People Services clarified that no breach has occurred and further details will follow in support of this message. More dispute meetings are planned and threats of further strikes continue whilst the Support Staff side appear to be at an impasse. Regarding job evaluations, College Employers Scotland are preparing a business case for the Scottish Government. The need for settlement agreements and funding from the Scottish Government to progress this was recognised and a note of caution raised that any deviation from this position could lead to further disputes.</p> <p>A member highlighted concerns about the Job Evaluation Minister's recent response around queries about the Job Evaluation process and available funding. Members acknowledged the frustration around the lack of forthcoming information and extended thanks to the Principal and Board Chair for their efforts in maintaining ongoing discussions with ministers and sharing updates.</p>
<p>10/24</p>	<p><u>Meeting Schedule 2024/25 (I Earp)</u></p> <p>Members were asked to consider the future scheduling of these meetings and were predominantly flexible, with some preferring Thursdays and an</p>

	<p>earlier start time than the current 5:30pm. It was proposed to set the time for 4pm on Thursdays.</p>
11/24	<p><u>Asset Management Strategy Update and Progress (K Robb, ToR 2.7)</u> VP Finance & Corporate Services presented an overview of the activities undertaken over the last six months as detailed in Section 5 of the Asset Management Strategy. Key points highlighted in Section 5.8 included the ongoing space utilisation work, informed by Heriot-Watt University's (HWU) plans and budget discussions.</p> <p>Progress with HWU has been slow although there has been some movement recently and the College's legal team has encouraged progression of matters before the scheduled University court proceedings and meeting of the full Board in June. Exiting the Tweedbank premises is being considered alongside other options, promising an improved student experience. Initial discussions with HWU has indicated the potential for their withdrawal from some spaces across the Scottish Borders Campus which would free up additional space for the College, for example to accommodate a potential relocation of Tweedbank operations.</p> <p>A member sought clarification on Tweedbank and potential income losses from HWU. VP Finance & Corporate Services explained that contingency plans are in place if HWU don't withdraw from the workshop space, however if they do, this will provide an enhanced student experience for College students.</p> <p>The focus on IT-related assets was acknowledged, with plans to potentially separate future strategies.</p>
SECTION B – ITEMS FOR INFORMATION	
12/24	<p><u>Budget Planning Process (K Robb, ToR 2.1/2.4)</u> An update was provided on the budget planning process. Whilst it was positive to note from earlier discussion that a balanced budget position for 2023-24 has been achieved, several key challenges were acknowledged, including; uncertainties around pay awards, the timing of funding allocations from SFC, absence of clear guidance on credit allocation and uncertainty around HWU's plans. Recent discussions have hinted at the same/similar credit allocations as last year and the possibility that the Flexible Workforce Development fund might not return.</p> <p>The significant deficit and challenging budget for session 2024-25 was recognised and the likelihood of not breaking even in 2025, 2026 and 2027 was indicated.</p> <p>Curriculum planning is also a key aspect and the Director of Finance and Procurement is currently working on costings, with rough revenue estimates expected by mid-April. The indicative budget is scheduled for May, with budget holders expected to sign off by June. Initial bids have been received from various departments, with some proposals being progressed, whilst others have been declined.</p> <p>Members acknowledged the difficulties in setting the budget but felt reassured that the College is working hard to achieve the best result possible, whilst keeping members informed. A member queried whether</p>

	<p>letters to government Ministers regarding funding carry any weight. It was confirmed that to some extent they do, although funding constraints in the sector continue to have the most significant influence. It was also noted, with disappointment, that SFC will not be redistributing funding this year.</p>
13/24	<p><u>Cyber Security Update (Paper G, K Robb)</u></p> <p>Key areas from the report were highlighted including;</p> <ul style="list-style-type: none"> - achievement of Cyber Essentials Plus accreditation – notably more difficult to achieve than in previous years. - end user awareness training has been positive so far and is ongoing, with responses tracked and utilised to target future training. - work with DataVita is ongoing and aimed at mitigating the risk associated with physical issues and eliminating any potential single points of failure. - network infrastructure refresh and ongoing improvements in internal work servers and Wi-Fi. - positive outcome from recent finance and payroll audit - no medium, high or critical recommendations, two actions completed and action plans established for others. <p>Members acknowledged the positive news and impact on the risk assessment and queried whether other Colleges have achieved Cyber Essentials Plus accreditation. It was clarified that Cyber Essentials Plus is mandatory for colleges of a certain size, with only a minority of medium to large businesses across other sectors having attained it.</p> <p>A member queried the impact of firewall technology on student research activities and internet search access. The need to strike a balance between safeguarding and ensuring accessibility when needed, was acknowledged and noted that internet traffic monitoring helps identify and address access issues to minimise the impact on students' research activities.</p> <p>Members were content to note the update.</p>
14/24	<p><u>Papers for Publication (Standing Item)</u></p> <p>Board Secretary will identify any papers and upload these in due course.</p>
15/24	<p><u>Any Other Business (Standing Item)</u></p> <p>Two items were raised, both in relation to actions from Paper A. Members were satisfied with the suggested amendments and were content to approve the paper.</p> <p>Training needs and the skills matrix for committee members was raised, with a view to organising training sessions. The Board Secretary queried whether the existing Board Skills Matrix could be used or if anything additional is required. The need to understand members' skill levels and identify areas requiring additional training was highlighted and annual assessments were proposed to pinpoint training needs. Board Secretary offered to share the Board's skills matrix for reference and if further information is required, it was suggested to gather this by way of a questionnaire. L Kerr, People Services could support with this if required.</p> <p style="text-align: right;">ACTION: Board Secretary</p>

16/24	Date of Next Meeting The date of the next meeting is Monday, 17 June 2024 at 4pm on Teams.
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Signed.....

Chair

Signed.....

Board Secretary

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