



REGIONAL BOARD

28 March 2024



Finance and Resources Committee Annual Report 2022/23

1.0 PURPOSE OF PAPER

For information

- 1.1 The paper is to share with Board, for information, the final F&R Committee report for 2022/23.

2.0 EXECUTIVE SUMMARY

- 2.1 The paper provides an annual summary of the activity of the Committee, dates of meeting and Committee membership.

3.0 RECOMMENDATION(S)/ACTION(S) REQUIRED

- 3.1 I recommend that the Regional Board: -
 - 3.1.1 Note the paper.

4.0 MAIN REPORT

- 4.1 See Annex A

5.0 IMPLICATIONS AND CONSIDERATIONS

5.1 Financial Implications

5.2 Learner Implications

5.3 Staff Implications

5.4 Equality and Diversity Implications/Equality Impact Assessment

5.5 Sustainability/Environmental Implications

6.0 RISK COMMENTARY

- 6.1 The paper is for information.

7.0 CONCLUSION

- 7.1 Members are asked to note the retrospective Committee report.

I Earp, Board Secretary

Previous Board or College Committee Approvals: None

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Annex A

Annual Report of the Finance and Resources Committee to the Regional Board of Borders College for the year 2022/23

Committee Constitution

The following Committee members served during the year 01 August 2022 to 31 July 2023:

L Mirley	Chair
U Mbaezue	
B Quinn	
P Smith	
L Parkes	(to 28 February 2023)
S Hamilton-Green	(from 1 April 2023)
Student Member	Not appointed

Terms of Reference (in place over the period of the report)

1. Constitution

A minimum of six members comprising the Board Chair, Principal and a minimum of four other Members of the Board. No member of this Committee may serve concurrently on the Audit Committee. The Vice Principal Finance and Corporate Services should be in attendance.

1.1 Quorum: Four members of the Committee shall constitute a quorum. There should always be a majority of independent members present.

1.2 Chair: To be elected by the Regional Board.

2. Terms of Reference

The purpose of the Committee is to provide oversight and monitoring to ensure the College is utilising resources appropriately and effectively in order to deliver against plans and strategies.

Key Items:

- Finance
- People Services
- Asset Management Strategy
- Workforce Strategy

2.1 To monitor the financial management of the College; including reviewing and monitoring treasury management strategy, strategic financial plans and annual budgets;

- 2.2** To keep People Service's strategic policies under review and consider proposed changes for recommendation to the Regional Board;
- 2.3** To consider performance benchmarking information to assess the effectiveness of use of College resources;
- 2.4** To review and recommend the Annual Budget to the Board and oversee its delivery;
- 2.5** To consider the Financial Forecast Return (FFR) and recommend for approval by the Board, and monitor the progression of the FFR;
- 2.6** To oversee the Workforce Strategy and to monitor the implementation of this and delivery of associated KPIs;
- 2.7** To oversee the Asset Management Strategy (digital, IT and property resources) and to monitor the implementation of this and delivery of associated KPIs;
- 2.8** To oversee the financial, and other resource, implications and impact of the Business Growth and Employer Engagement Strategy;
- 2.9** To oversee the Financial Plan and to monitor the implementation of this and delivery of associated KPIs;
- 2.10** To consider strategic matters which may have significant resource impact, and make recommendations to the Board on these matters;
- 2.11** To ensure the College adheres to the Financial Memorandum issued by the Scottish Funding Council;
- 2.12** To approve procurements in accordance with the authority delegated to the Committee from time to time under the Borders College Procurements Thresholds Scheme (currently fixed at procurements between £100,000 and £249,999);
- 2.13** To review and approve policy in relation to how tuition and other fees are set, and arrangements for refunds;
- 2.14** To monitor the performance of any College Subsidiary Entities;
- 2.15** To monitor strategic risks which are relevant to the Finance and Resources Committee;
- 2.16** To monitor that the College is operating within all legal requirements relating to employment law and other legislation affecting employment;
- 2.17** To ensure that National Bargaining agreements are implemented; and
- 2.18** To provide an Annual Report to the Regional Board.

3. Meetings

The Committee shall meet four times yearly and more frequently as necessary.

4. Reporting

All Members of the Regional Board shall receive a copy of the minutes of each meeting and the Chair of the Committee shall make a report at the following Regional Board meeting.

Dates of meetings

22 September 2022

17 November 2022

23 February 2023

12 June 2023

Items of Business

There is a Committee Agenda Planner in place which indicates which items go to which Finance and Resources Committee meeting and whether they are for approval, discussion or information. The items listed closely reflect the Committee Terms of Reference and provide assurance of compliance with the Code of Good Governance.

Progress against the Workforce Strategy, the Business Growth and Employer Engagement Strategy and the Asset Management Strategy are regular items as is a year to date finance up date, a people services update and a review of risks and policies pertinent to the Committee.

Meeting the Terms of Reference

- To monitor the financial management of the College; including reviewing and monitoring treasury management strategy, strategic financial plans and annual budgets.

As well as updated management accounts at each meeting the Committee received a paper on the Budget Planning Process at the February meeting.

- To keep People Service's strategic policies under review and consider proposed changes for recommendation to the Regional Board.

There were no changes or amendments required to the strategic policies within People Service's during this year.

- To consider performance benchmarking information to assess the effectiveness of use of College resources.

The Committee needs to revisit this term and examine what might be required to meet it, and indeed whether such information is available. In terms of curriculum, student success and so on a considerable amount of benchmarking is carried out across the sector and reported to the Curriculum, Quality and Student Experience Committee.

- To review and recommend the Annual Budget to the Board and oversee its delivery. *A full management account report comes to each meeting. Achieving a balanced budget for 22/23 was a challenge and Committee noted the efforts being made to achieve this and the issues involved. A draft Budget for 23/24 came to the June meeting and again it was noted that achieving a balanced budget is becoming increasingly difficult for future years. A Voluntary Severance scheme was introduced towards the end of the academic year to help reach the savings required.*
- To consider the Financial Forecast Return (FFR) and recommend for approval by the Board, and monitor the progression of the FFR. *The College is required to submit its FFR twice a year to the Scottish Funding Council and as such it comes to this Committee for recommendation to Board for approval. After appropriate scrutiny and considerable discussion the FFRs were recommended for approval.*
- To oversee the Workforce Strategy and to monitor the implementation of this and delivery of associated KPIs. *The Committee received three People Service's reports during the year and the results from the Great Places to Work survey. Overall staff feel secure in employment and the majority said that Borders College is a Great Place to Work. An Inclusive Leadership Development Programme was introduced to focus on areas that didn't score so well. It was noted that there has been no agreement on pay awards for the current and previous financial years with strike action now taking place.*
- To oversee the Asset Management Strategy (digital, IT and property resources) and to monitor the implementation of this and delivery of associated KPIs. *Two reports were received by the Committee noting progress against this Strategy. The Climate Change Duties Report was submitted to the Committee. The College continues to do well in this area although there has been some impact from COVID. The College was awarded a Net Zero Business of the Year award. Also noted as progressing well during the year was the implementation of Pro-Solution and Halo, development of an immersive classroom and decarbonisation of the campus.*
- To oversee the financial, and other resource, implications and impact of the Business Growth and Employer Engagement Strategy. *Progress against this strategy in terms of finances was reported to three of the Committee meetings. External, additional income is becoming increasingly important for the College and a number of bids were submitted for additional funding from various sources including Shared Prosperity Fund which were successful. Young Person's Guarantee (YPG) funding was confirmed during the year but there were some cuts to Flexible Workforce Development (FWD) funding and capacity on the Modern Apprenticeship scheme was limited which is a frustration for the College and stakeholders.*

- To oversee the Financial Plan and to monitor the implementation of this and delivery of associated KPIs.
This was overseen in the business review papers at each meeting, high level KPIs are covered in the Principal's Report to the whole of Board.
- To consider strategic matters which may have significant resource impact, and make recommendations to the Board on these matters.
This term is covered in the various strategic reports from People Services, Corporate Services and Finance.
- To ensure the College adheres to the Financial Memorandum issued by the Scottish Funding Council.
This is implicit in the reports the Committee receives but perhaps the Members could be helped to be more aware of the Financial Memorandum and its contents.
- To approve procurements in accordance with the authority delegated to the Committee from time to time under the Borders College Procurements Thresholds Scheme (currently fixed at procurements between £100,000 and £249,999).
There were no procurements within this threshold but Committee was informed of a procurement exercise to acquire a new Voice Over Internet Protocol (VOIP) system which would lead to savings in both the longer and shorter term.
- To review and approve policy in relation to how tuition and other fees are set, and arrangements for refunds.
The revised Fee Policy was taken to the February meeting. It was discussed and approved subject to amendments agreed at the meeting.
- To monitor the performance of any College Subsidiary Entities.
There are no College Subsidiary Entities at present.
- To monitor strategic risks which are relevant to the Finance and Resources Committee.
The strategic risk register items pertinent to the Committee are brought to each meeting for discussion.
- To monitor that the College is operating within all legal requirements relating to employment law and other legislation affecting employment.
This is covered in the regular People Service's reports but could be made more explicit for Members.
- To ensure that National Bargaining agreements are implemented.
The College is fully signed up to implement all national bargaining agreements. Over the course of the report there have been no new agreements to implement.
- To provide an Annual Report to the Regional Board.
Provided but agreed to add amendments and resubmit with view to improving in future years.