

MINUTES

Minutes of the Finance, Commercial and Estates Committee meeting held on Thursday 18 November 2021 at 4.10pm via Microsoft Teams.

Present: Jim Trail OBE (Chair), Drew Connelly, Hugh Hall, Gordon Mole, Phillip Thompson, Emma Wallace

In Attendance: Gail Dunn, Susan Dunsmuir, Kris Getchell, John Lewthwaite, Sue Reekie, Marianne Philp

1 **Welcome**

The Chair welcomed those present to the meeting and introduced new Committee members.

2 **Minutes of the Previous Meeting: 14 September 2021**

The minutes of the previous meetings were approved as an accurate record.

3 **Matters Arising / Actions Outstanding**

The contents of the paper that had been circulated were noted.

4 **Digital Services Update**

The contents of the paper that had been circulated were outlined and noted.

Members queried whether the integration of standard telephone calling into Microsoft Teams could become a health and safety issue in terms of an increase in screen time. It was confirmed that risk assessments would be updated, however both audio and video options were available and could be used as appropriate.

It was confirmed that the increase in forecast projected expenditure for the backup and disaster recovery solution was due to the variance in the types of solutions offered by suppliers. Evaluation of the bids was underway and the project work would commence in December 2021.

It was confirmed that insurance for cyber security was not fully in place as the College's current provider did not offer this. Specialist policies were being investigated, however it was becoming increasingly difficult to find providers with the range of cover desired due to the high costs and likelihood of incidents arising. The College was continuing to explore this, and liaising with other Colleges and Universities about their arrangements, and would consider procuring insurance should a suitable and cost effective policy be found.

Reassurance was given that the changes to costs for projects had been agreed by the Executive Team and included in the budget.



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5 Estates Update

The contents of the paper that had been circulated were outlined and noted. An update was given on each of the projects in turn.

It was confirmed that negotiations on the Rosyth lease were continuing but had not yet been concluded. Updates would continue to be given at each meeting until negotiations had concluded.

It was suggested that the decarbonisation of college estate project could be progressed jointly with other institutions in order to gain benefits of bulk buying. It was confirmed that this was something that would be explored once there was a better understanding of what was meant by net zero in terms of our existing buildings.

Decision: To give an overview of where the College is with estates issues and where priorities lie (15 minutes).

Responsibility: Director: Estates

Deadline: 8 March 2022

6.1 New Build Project Board Update

Links to the minutes of Project Board meetings held since the Committee last met were included for information.

6 Financial Update

The contents of the paper that had been circulated were noted. It was highlighted that the college was £267k ahead of the year to date budget and main variances were briefly outlined.

It was confirmed that national negotiations on staff pay settlements had not yet concluded but that a provision for this had been included in the budget.

7 Commercial Activity Update

The contents of the paper that had been circulated were noted. It was reported that there was a shortfall of £217k in commercial activity income. However, this was £200k ahead of where we were at the same time last year. Relevant staff were working to close the gaps on an ongoing basis and it was anticipated that the targets would be met by the year-end.

There was a discussion about Cyber Security and work that may have been lost with a large company in Fife. It was noted that the company had a Fife College account manager who would be evaluating which work was lost so that appropriate action could be taken in the future. It was noted that Fife Council perhaps also could learn from this.

8 2021-22 F1 Forecast

The contents of the paper that had been circulated were noted. It was confirmed that the College was now projecting a break-even year-end position, rather than an underlying surplus as projected as part of the original budget. This was primarily due to under recruitment. Work was ongoing to ensure that the overall target would be met by the year-end, however a prudent approach was being taken with the F1 forecast.

There was a discussion about employment levels and wage increases and the impact this was having on student recruitment. It was confirmed that an increase in part-time activity and accelerated programmes was being targeted to support this. Indications were that the main reason for withdrawals was linked to people gaining employment, not the impact of Covid or University entry requirements as previously believed. It was suggested that there may be a risk of staff similarly finding other employment as wages were likely to continue to increase.

Decision: To raise at the Board of Governors meeting the potential risk of staff finding other employment due to wage rises and suggest that further discussion about this within the People and Culture Committee and/or the Board of Governors may be useful.

Responsibility: Chair

Deadline: 8 December 2021

9 Academic Fees 2022-23

The contents of the paper that had been circulated were noted. There was a discussion about whether or not it was necessary to agree fees for next academic year at this meeting given inflation increases and other factors. It was agreed that as we were advertising these courses now, approval was required at this meeting.

Decision: To approve the academic fees for 2022-23.

Responsibility: Chief Financial Officer

Deadline: 31 December 2021

10 Procurement Update

The contents of the paper that had been circulated were noted. The procurement projects as detailed on page 35 of the Boardpack were approved after some discussion.

It was highlighted that the Procurement Action relating to ethical, social and environment policies on page 37 of the Boardpack was flagged as amber. It was noted that the Procurement Team were actively working on this and were confident that activity could increase over the coming months which would move this into green and there were no significant risks.

10.1 Procurement Annual Report

The contents of the paper that had been circulated were noted. Some highlights of the report were drawn to the attention of members. In particular it was noted that steps were being taken to look at community benefits and community wealth building.

Decisions:

- To approve the Procurement Annual Report.
- To approve the procurement projects as detailed on page 35 of the Boardpack.

Responsibility: Chief Financial Officer

Deadline: 31 December 2021

11 Review of Meeting

It was agreed that the reports were well prepared and members found these useful. Thanks were expressed to all staff involved.



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It was noted that there had been good levels of participation by members and good and relevant questions. The Chair thanked everyone for attending, preparing well and engaging in a positive and supportive manner.

- 12** **Date of Next Meeting**
Tuesday 8 March 2022 at 9.30am