

West Lothian College

23 February 2017

Finance & General Purposes Committee

Minute of Meeting of the Finance & General Purposes Committee held on **Thursday 24 November 2016 at 9.30am** in the Barbour Suite, in the College.

Present: Morag McKelvie (Chair)
Alex Linkston
Frank Gribben
Richard Lockhart
Angela Bell
Mhairi Harrington

In attendance: Joanna Paterson - Secretary to the Board
Jennifer McLaren - Assistant Principal, Curriculum Support & Finance
George Hotchkiss – Assistant Principal, Curriculum & Innovation
Colin Miller - Head of Essential Skills and Progression
Derek O’Sullivan – Senior HR Business Partner (item 16.36)

16.32 Welcome/Apologies

The Chair welcomed everyone to the meeting.

No apologies had been received.

16.33 Declarations of interest

There were no declarations of interest.

16.34 Minute of Meeting of 18 August 2016

The Minute of the meeting of 18 August 2016 was approved as a correct record.

16.35 Matters Arising from Minute of Meeting of 18 August 2016

Members noted paper 2 detailing actions duly completed following the meeting of 18 August 2016.

It was noted that in relation to action 1 the anomaly of the treatment of the loan had been raised with the external auditors as a possible issue to raise in the annual report, but had not been pursued by them.

In relation to action 2 the Principal confirmed that she had written to the Funding Council raising the funding issues associated with delivery above targets. Although their response had not signalled any specific movement in this area it was an issue that continued to be raised in various discussions and negotiations with them.

It was agreed that it was useful to continue to raise this and other anomalous issues that affected the College either in relation to funding or the way that performance information was recorded.

There were no other matters arising that were not otherwise on the agenda.

16.36 Organisational Well-being

(i) Human Resources Management Report

The Senior HR Business Partner presented the report covering the period to end September 2016.

It was agreed that it would be helpful to confirm for the next meeting that the reported turnover rate did not include employees on temporary contracts as this would give a distorting effect.

Action 1: Senior HR Business Partner

It was agreed that it was useful to see the information on absence rates presented in comparison both with other colleges and an education sector average.

There was some discussion of the feedback on the new Occupational Health Service. Early indications were that the service was running well with a good balance of support to individuals and pragmatic advice to managers.

The Committee noted that the reported KPIs were based on the standard set in the framework agreement established for the contract. It was agreed that it would be useful to consider some other qualitative measures to gauge the impact of the service including managers' views.

Action 2: Senior HR Business Partner

It was noted that there would be a slightly fuller report on case resolution in the next report that should help to give members a sense of the approach taken and quality of the service, whilst respecting confidentiality given the small numbers involved.

In relation to the recruitment process it was noted that posts were now being advertised on the myjobscotland portal and that this was beneficial both in terms of the visibility of posts and streamlining the recruitment process.

It was noted that early feedback from the revised recruitment and selection process which was being trialled was very positive.

The Committee noted that the equality and diversity monitoring survey was being re-issued to all staff within the next week and would be issued from management and supported by the Trade Unions to achieve increased information which would in turn allow more meaningful monitoring.

It was agreed that future reports should make reference to all protected characteristics even if data was not included in the reports given the small numbers likely to be involved and associated data protection issues.

Action 3: Senior HR Business Partner

It would also be helpful to make appropriate read-across to the consultation work on equalities that was currently being taken forward.

The Committee noted in summary that the new HR business model and team was bedding in well and that improvements were now being seen in a number of areas. The Committee agreed to note the report and the various initiatives that were being taken forward.

(ii) Employers Association Update

Alex Linkston provided an update to the Committee on the work of the Employers' Association including the longer term agenda around the Workforce of the Future as well the current position in relation to pay negotiations.

The Committee noted that the offer from the Employers' Association had been rejected following a recent UNISON ballot and that the Association would now be meeting to discuss how to move things forward.

16.37 Financial Progress

(i) Annual Report & Financial Statements 2015-16

Assistant Principal, Curriculum Support & Finance presented the annual financial statements for the financial year 2015-16.

The Committee noted that there were several changes to the presentation of the accounts resulting from the adoption of the new Statement of Recommended Practice (SORP) and Financial Reporting Standards FRS102 as well as compliance with the Government Financial Reporting Manual (FReM).

A copy of the figures laid out as in the management accounts format was circulated to members to demonstrate that the College had achieved a trading surplus when the impact of the pension revaluation was stripped out.

The Committee noted the arguments set out supporting the proposal to adopt the Accruals Model and agreed that the accounts should be presented on this basis.

Members noted the challenges associated with the presentation requirements and the explanations that had been provided within the accounts to assure stakeholders and other readers of the accounts that the College was operating on a sound financial basis.

It was agreed that paragraph 10 of the Annual Report ('Going Concern') should be strengthened in two ways: one, to make reference to the auditors' opinion supporting the Board's assessment that the College was operating on a going concern basis, and secondly to make explicit reference to 'capital' in relation to deferred Government Grant.

Action 4: Assistant Principal, Curriculum Support & Finance

The Committee agreed to recommend approval of the annual financial statements to the Audit Committee.

It was agreed that it would be helpful for Committee members to be supportive in response to questions or concerns at the Board meeting and to help explain the nature of the presentational challenge that was being faced.

The Committee expressed their appreciation to the Finance Team for the work that had gone into the presentation of the accounts and the explanations that been included as part of the report.

(ii) Reconciliation of Forecast Outturn

Assistant Principal, Curriculum Support & Finance presented the reconciliation of the final outturn for 2015-16 with the forecast as presented to the last meeting of the Committee.

The Committee agreed to note the report.

(iii) October 2016 Management Accounts

Assistant Principal, Curriculum Support & Finance presented the Management Accounts for the three month period ended 31 October 2016 and a forecast for the year to end July 2017.

It was noted that it was still early in the financial year and there were no particular variances that were of concern at this stage.

The Committee agreed to note the accounts.

(iv) Additional Capital Maintenance Funding 2016-17

Assistant Principal, Curriculum Support & Finance presented a report detailing additional capital maintenance funding of £0.251 million which had been received.

The Committee noted that this funding was to be used to support maintenance needs and where possible the work should be carried out by local contractors and goods sourced from locally based businesses.

Members noted the various projects that were being considered. There was some discussion about possible options for improving car parking. It was recognised that action to deal with potential health and safety issues associated with car parking would be a priority.

The Committee agreed to note the report, and that there would be a further update at the next meeting.

(v) Income Generation Report

Assistant Principal, Curriculum & Innovation presented the Income Generation Report.

It was noted that various initiatives were being taken forward in partnership with the NHS and agreed that this was a helpful long-term approach given their strategic importance. It was noted that there was a possibility of additional activity in this area associated with the Apprenticeship Levy.

Members noted that the option to bid for the delivery of education and skills in prisons had been explored but not pursued.

The continued progress in international work was highlighted. It was noted that the impact of Brexit on Erasmus supported programmes would be significant.

Members noted that the College had won a national award for Advancing Equalities for the work in the international field and the priority given to students who would not otherwise have the opportunity for an international visit. It was agreed that it would be useful for this approach and the results achieved to be written up and further publicised.

The Committee agreed that this was a very positive report and noted the various updates provided.

(vi) College Certificate (Credit Claim)

Assistant Principal, Curriculum Support & Finance presented the certificate showing the College's Credit claim for academic year 2015-16.

The Committee noted the report.

16.38 College Key Performance Indicators (KPIs) 2015-16

Assistant Principal, Curriculum Support & Finance introduced Paper 10 which showed both financial and non-financial performance indicators for 2013-14 to 2015-16. The Assistant Principal, Curriculum & Innovation reported on the non-financial indicators.

In relation to non-financial indicators, there was some discussion of the figures in relation to withdrawals. It was recognised that this was a complex area with many potential reasons for students withdrawing from courses. Financial hardship was one of the main issues that influenced withdrawal and the ways in which welfare advice and support was provided, including the contribution of the Student Association in this area, was one of the aspects that would be further explored.

The Committee agreed to note the report.

16.39 Quarterly Complaints Report

Head of Service STEM and Employer Engagement presented the quarterly complaints report. Members noted that the report would in future be reported also to the internal Skills and Progression Committee, allowing for any emerging themes to be picked up there.

The Committee agreed to note the report.

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16.40 Any Other Business

It was noted that the chair would not be able to attend the December Board meeting and agreed that Frank Gribben would present the report in her absence.

The Committee noted that there was no reply as yet from the Scottish Government in relation to the new Board appointment but it was hoped this would come through in time for the December Board.

There were no other items of business.

16.41 Review of Meeting, Supporting Papers & Training Needs

The Committee were content with the meeting, the information received and supporting papers presented.

16.42 The next scheduled meeting would take place on 23 February 2017 at 9.30am.

Note: There were no matters discussed during the meeting, during which Members declared any conflict of interest, or the Secretary to the Board was aware from the Register of Interests that discussion could give rise to such a conflict.

Signed
Chair, Finance & General Purposes Committee

Date