

**NOTES OF THE MEETING OF THE FINANCE AND RESOURCES COMMITTEE,
HELD ON 13 MARCH 2024 AT 4.30PM.**

The meeting was held remotely.

PRESENT:

D Newall	Chair
K Sweeney	Committee Member
M Swiderska	Committee Member
M Tuskova	Committee Member
J Vincent	Committee Member

IN ATTENDANCE:

T Elliott	Interim Vice Principal, Resources & College Development
R Anderson	Assistant Principal, International and Business Development (for Item 24.08)
K Mavor	Clerk to the Board (Minute Taker)

ACTION

24.01 WELCOME AND APOLOGIES

The Chair welcomed everyone to the meeting and advised that R Anderson will be joining the meeting for item 24.08.

24.02 DECLARATIONS OF INTEREST

There were no declarations of interest.

**24.03 MINUTES OF THE FINANCE AND RESOURCES COMMITTEE
MEETING HELD ON 29 NOVEMBER 2023**

The draft Minute was approved as an accurate record of the meeting held on 29 November 2023.

24.04 MATTERS ARISING GRID

The Committee noted the updates.

**24.05 FINANCIAL REPORT TO JANUARY 2024 AND FORECAST TO
JULY 2024**

T Elliott spoke to the Report and the Appendices, which provided an update on the financial position and cash position of the College to January 2024 and the Forecast Outturn to July 2024.

The Board approved, with reservation, the forecast 2023/24 budget deficit of £2,660k in August 2023. This was approved on the basis that management would take immediate action to seek to reduce the scale of the deficit as far as possible and rebase the 2023/24 budget position accordingly. The College subsequently identified additional savings of £885k and, as such, the 2023/24 budget deficit was rebased to £1,775k.

ACTION

The Committee noted that the 2023/24 forecast outturn position has improved to a balanced position due to a significant favourable movement of £1,775k. The forecast position reflects the fact that SFC have now confirmed that the 2021/22 ESF clawback would be significantly reduced and there will be no 2021/22 and 2022/23 SFC funding clawbacks. Also, the in-year staff costs reductions achieved by the College to date and a reduction in employers' support staff pension costs has contributed to the improved position.

The Committee discussed whether this improved position reaffirms the current approach being taken to efficiency savings. The Committee noted that the higher than expected levels of VS uptake and improved recruitment and retention levels have assisted the College's financial position. The College continues to face a challenging financial position in the medium and long term but the recent efficiency savings will assist the College going forward.

The Committee welcomed the improved forecast of a balanced position. However, the Committee recognised that some of the favourable movements are not recurring and that the impact of unfunded pay awards and potential funding cuts across the sector means that the College will continue to face considerable financial challenges.

24.06 SFC INDICATIVE FUNDING/DRAFT 5 YEAR PLAN UPDATE

T Elliott presented slides to the Committee setting out the draft five-year forecast based on estimated SFC revenue funding. For 2024/25 there is a forecast budget deficit of £2.4M and cash reserves are forecast to decrease to 7 days by July 2025 due to forecast flat cash SFC funding and unfunded annual pay awards.

The SFC is expected to provide details of indicative regional funding to GCRB by the end of March and GCRB are expected to provide the colleges with indicative funding allocations shortly thereafter. The credit guidance is likely to be issued in late Spring, but the College is not anticipating any substantial changes.

The Board will be presented with a summary of this presentation followed by details of the strategy relating to curriculum efficiencies. It was noted that the College remains committed to protecting the quality of the student experience as much as the current financial climate allows.

24.07 KEY PERFORMANCE INDICATORS

T Elliott spoke to the KPI Report and three red areas were reported (i) commercial income against target (ii) number of FA starts against credits and (iii) FWDF (Flexible Workforce Development Fund) income against target.

ACTION

It was agreed that two of the three reported red areas relating to commercial income and FWDF income should be flagged to the Board. The Committee should also highlight three green areas relating to (i) operating position (ii) cash balance position and (iii) delivery against credit targets. It was agreed that the next Committee meeting should discuss KPIs in detail, examine the robustness of data available and whether the Committee is monitoring the most relevant KPIs. **(TE)**

24.08 COMMERCIAL AND EXTERNAL FUNDING UPDATE

R Anderson spoke to the report which provided the Committee with an update on commercial and external funded activity for the first six months of the College year and includes income up to January 2024. The initial budget set is to achieve £2.67M in commercial income and £600k commercial income from FWDF, giving a combined total of £3.27M

R Anderson advised the Committee that the draft Scottish budget announcement in December 2023 announced that there will be no funding available for FWDF in the academic years 2023/24 and 2024/25.

The Committee noted that the actual total commercial income to 31/01/24 is £1.998M compared to a budgeted target of £1.701M. This represents a significant improvement on the same point last year where the College accrued £1.468M compared to a target of £1.684M. The forecasted staffing costs for the full year are expected to be composed of 25% temporary staffing and 75% permanent staffing.

Details were provided to the Committee of both the challenges and opportunities facing the Commercial and Business Services Unit. The Committee noted that setting the FWDF position aside, there was still a chance that the £2.67M commercial income target could be met but this remains uncertain. The current forecast outturn for 2023/24 Commercial activity including FWDF is £2.756M against the original target of £3.27M at outlined in appendix 1 in the report.

The Committee thanked R Anderson for his first report to the Committee and confirmed that it was open to him to revise the way this report is presented.

24.09 ESTATES, CAPITAL EXPENDITURE AND MASTERPLAN UPDATE

T Elliott spoke to this report providing a summary of the main current estates matters for Glasgow Clyde College, including an update on the 2023/24 capital projects progress against plan, the first draft 2024/25 capital projects plan and on any other significant estates related matters.

An update was provided on the three major projects (i) Anniesland windows (ii) Cardonald lifts and (iii) RAAC (remedial work to take place

ACTION

in 2024/25). The Board will be asked to approve the masterplan at its next meeting.

The Committee noted the update.

24.10 ANNUAL PROCUREMENT UPDATE

T Elliott presented an update to the Committee with details provided in relation to (i) College Contract Register (ii) 2022/23 annual procurement report (iii) 2022/23 Annual Benefit Statement (iv) notable tender activity and (v) contracts. The annual APUC assessment is likely to take place in April 2024.

The Committee thanked T Elliott for the update and agreed that the status of the annual electricity framework should be checked **(TE)**.

24.11 GLASGOW CLYDE EDUCATION FOUNDATION UPDATE

J Vincent provided the Committee with an update on the four live projects which are close to conclusion. The Committee confirmed that the College remains committed to the learning spaces project.

24.12 REVIEW OF REMIT

The Committee agreed with the proposed changes to the remit as part of the annual review.

24.13 SCHEDULE OF WORK

The Committee noted the schedule of agenda items for the remainder of 2023/24.

24.14 ANY OTHER BUSINESS

There was no other business.

DATE OF NEXT MEETING

5 June 2024 (Langside Campus)