

**Final Version Minutes of the
Finance & General Purpose Committee
held at 2.05pm on Friday 27th November 2020
via Webex Teams**

Present: John Colston (JC), Chair, Martin Jones (MJ), Maggie Tierney (MT), Bettina Sizeland (BS)
Apologies: Andrew Campbell (AMC), Jim Findlay (JF)
In Attendance: Elaine Munro (EM), Ailsa Close (AEC), Vicky Daveney (VD) (Board Secretary)

No	Item	Action
20.4.1	Welcome – JC welcomed all committee members to the meeting.	
20.4.2	Apologies & declarations of interest. Apologies were received from Andrew Campbell (AMC) and Jim Findlay (JF).	
20.4.3	Minutes of previous meetings. Minutes of F&GP meeting held on 2 October 2020 were approved. The minutes to be signed by Chair as an accurate record of the meeting.	JC/VD
20.4.4	Outstanding Actions <ul style="list-style-type: none"> AEC confirmed that the Capital Expenditure Plan would be completed by February 2021. 	
20.4.5	Matters arising. a) Update on nursery AEC confirmed that Argyll & Bute council were originally due to begin the lease on 2 nd October, but they have raised numerous queries all of which we are trying to deal with. They have drawn up a schedule of works which we have said we would need them to carry out, but that we would reduce the rent on the premises accordingly. MJ reported that there has been interest in the building from another party.	
20.4.6	Capital Infrastructure Investment: new Dunoon Learning Centre MJ confirmed that there is a requirement for a new building in Dunoon, the current building is not fit for purpose, suffers from capacity problems and lacks space to accommodate facilities for construction and engineering and hairdressing. A funding application has been made to SFC, and as part of Argyll & Bute Council's Rural Growth Deal bid. A Strategic Projects Coordinator has been recruited by the College and assist us as part of her role will be looking at locations and engaging with stakeholders. JC asked for guidance on the anticipated cost. MJ confirmed in the region of £4-5 million. BS stated that it would be useful to see more detail, in terms of projections for students and an indication of support from other stakeholders, but was supportive of developing an outline business case. JC asked AEC for confirmation of the amount to be earmarked from reserves and whether this would be possible from reserves without leaving us vulnerable. AEC confirmed reserves would still be within our	

	reserves policy. MJ asked AEC to confirm that designating funds for this purpose does not commit them to that use alone and if there is flexibility should the cost increase or decrease. AEC confirmed that there will be flexibility. JC asked the committee if they were content to commend the earmarking of £1m for the project to the board. The committee was in agreement.	
	Points 20.4.7 to 20.4.9 were removed from the agenda as the Audit Committee were not present as originally planned.	
20.4.10	Management Accounts to 31 October 2020 AEC confirmed that the opening balances from last financial year are still to be audited. There is a surplus reported for the first quarter due to reduced costs, principally because salary costs are lower in first quarter than they are expected to be in future periods, and also due to centres being closed. There will be a rise in teaching costs (2% payrise backdated to 1 Sep) and increased staff costs as new support staff have been recruited. Support staff salaries are still in negotiation with UNISON and job evaluation process expected to begin in the next week. Outturn forecast indications are that a surplus will be realised for the year. JC noted that this was a positive outcome for the year and asked the committee for comments. BS stated this was a positive position and MT was content. The accounts were commended to the board.	
20.4.11	Draft Union Recognition Agreement MJ confirmed that Joe Wright has been engaged in discussions to take the draft agreement forward. JC stated that the unionised environment will require some adjustment time and asked the committee for comments. BS confirmed the importance of developing a mature and constructive relationship.	
20.4.12	Terms of Reference – to review JC asked for any comments on the existing Terms of Reference. MT asked whether there is a committee member who can demonstrate a financial background once JC steps down and suggested this is looked at. JC suggested a mapping exercise is carried out to ascertain the current committee members skills and experience.	VD
	AOCB RAM Consultation UHI paper considered. MJ stated the importance of this review for the college's future financial position within UHI and suggested that this is discussed in more detail at December's board meeting. JC commented that the tables did not seem to reflect earlier parts of the document relating to the challenges of smaller colleges. MJ reported that following discussions with other Principals there is some feeling there should be scope for suggesting another way forward. JC asked the committee for comments. BS had no comment at this time, MT suggested it would helpful if MJ could look at the consultation questions and create a short, bulleted paper for the board.	MJ
	Date of next meeting Board Meeting – Friday 11 th December, Location TBC Committee Meeting – to be agreed at the board meeting.	
	Signed by Chair of Finance & General Purpose Committee	Date



Outstanding Actions – F&GP

		Responsibility	Deadline
September 2020			
Capital Expenditure Plan	<i>To be produced for committee's information as requested</i>	AEC	Feb 2021
November 2020			
Capital Expenditure Plan	To be produced for committee's information as requested	AEC	Feb 2021
Mapping exercise	Ascertain whether any committee member has the required financial background.	VD	Feb 2021
RAM Consultation	Look at the consultation questions and create a short, bulleted paper for the board.	MJ	11 th Dec BM