

FINAL
VERSION

**Minutes of the
Finance & General Purpose committee
held at 2.30pm on Friday 24th May 2019
at the Lorne Street, Lochgilphead campus**

Present: John Colston (JC), Chair, Martin Jones (MJ), Andrew Campbell (AC), Scott Matheson (SM) by VC.

Apologies: Jim Findlay (JF), Ailsa Close (AEC)

In Attendance: Elaine Munro (EM), Vicky Daveney (VD) (Board Secretary)

No	Item	Action
19.2.1	Welcome – JC welcomed all committee members to the meeting.	
19.2.2	Apologies & declarations of interest. Apologies were received from JF and AEC. No declarations of interest.	
19.2.3	Minutes of previous meetings. Minute of F&GP meeting on 1 st March 2019 was approved and signed by the chair as an accurate record of the meeting.	
19.2.4	<p>Matters arising.</p> <p>(a) Properties update (previously circulated) Oban – MJ wishes to move all staff back to college building from WHHA to concentrate activity and build profile. There would be cost saving benefits too. This would necessitate a temporary building in the short-term (5 years approx.) with a view to extending the main building. Lesley McInnes, as CEO of WHHA, has indicated to MJ that she understands the idea and has raised no objections. MJ stated that he may need to come to the committee for agreement outwith the normal committee cycle. ACTION: MJ to collate information and submit to the committee ‘electronically’ if necessary.</p> <p>Dunoon – MJ concerned that library building does not solve current problem and informed A&BC that it was on hold. Council have had to go to market with it but it may not have sold. It does not provide sufficient additional space, the design does not suit subdivision as the windows are very high and there is limited scope for extension due to surrounding flood plain. There may be other options coupled with the Rural Growth Deal or other funding streams. Temporary measure includes potentially using capacity in other buildings, eg Queens Hall. The committee were in agreement.</p> <p>(b) Update on funding for Helensburgh MJ and AEC met with A&BC and had a positive discussion. The council officer was supportive and open to recommending a continuation of the peppercorn lease before a commercial lease is introduced. This will be taken to Committee</p>	MJ

	<p>for a decision to be made. There is however a clear expectation that the lease will eventually move to a commercial basis. To date the anticipated spend on the fabric of the building has been less than expected.</p> <p>ACTION: JC to send letter to Fiona Larg or Clive Mulholland, CC Gary Campbell. Draft to be prepared.</p> <p>(c) Update on sale of Riverside premises It was confirmed that the sale of the Riverside premises in Lochgilphead have not yet gone ahead.</p>	MJ/AEC
19.2.5	<p>Management Accounts to 30th April 2019 (previously circulated) JC stated Actuals after 9 months are healthy. Forecast deficit of £30k is assuming that money for Helensburgh is forthcoming, income could fall further. AEC and MJ are involved in ongoing conversations to clarify this.</p> <p>ACTION: AEC to update situation at the board meeting on 7th June.</p> <p>The accounts were noted. The committee agreed the management accounts to be presented to the next board meeting.</p> <p>It was noted that the cash balance was healthy and suggested part of it should be placed in longer term deposits.</p> <p>ACTION: AEC to report to committee, out of committee, on progress in reviewing this.</p> <p>Thanks were expressed to Rebecca Stewart in recognition of her work in keeping learning resource costs under control.</p>	AEC AEC
19.2.6	<p>Draft Budget for Year to 31st July 2020 (previously circulated) JC suggested that the proposed budget is not showing significant surplus or deficit, he would be happier with a modest surplus. MJ said that this may be achieved by increasing efficiencies in teaching. The committee were ideally looking for a surplus of 1% or 2% to be achieved. EM stated that the cost of teaching staff pensions has increased dramatically which can't be mitigated against. SM questioned the increase in non-teaching staff salaries. EM stated that this is due to the NRPA job evaluation process that colleges signed up to NRPA are currently involved in – AEC has added to budget in the event that Argyll College signs up during the next academic year. AC hoped SFC would help with these costs.</p> <p>ACTION: MJ and AEC to decide on whether nursery remains in budget.</p> <p>SM asked if there will be FE income. MJ confirmed that target has been exceeded, there may be scope for increased activity.</p> <p>JC asked about National Bargaining and what the unions are currently proposing. MJ confirmed they are looking for a cost of living increase over and above what has already been received, which was to achieve parity. This is still in dispute and there has been recent strike action.</p> <p>JC noticed that the lines for sick pay for support and teaching staff are significantly reduced and asked if this is more in line with what would be expected.</p> <p>ACTION: AEC to answer on her return.</p> <p>JC commented on the recruitment budget being £3.5-£5k being modest and given the need to recruit new board members is it sufficient?</p>	MJ/AEC AEC

	ACTION: AEC to provide response.	AEC
19.2.7	<p>AOCB</p> <p>a) Policy of Discretions LGPS (circulated previously) This is a statutory requirement which has been made a policy rather than a statement. The committee have asked for an explanatory opening paragraph as to the changes.</p> <p>ACTION: Explanatory paragraph to be written by AEC.</p>	AEC
19.2.8	Date of next meeting – Friday 30 th August 2019 at Lorne Street, Lochgilphead	
	<p>Signed by</p> <p>.....</p> <p>Chair of Finance & General Purpose Committee</p>	<p>Date</p>