

# Finance Committee

You are invited to attend a meeting of the **Finance Committee** to be held on **Tuesday 18 March 2014** in **Room LS2, Colleges Scotland** at **3.45pm**. Refreshments will be available from 3.30pm.

## Agenda

1. Apologies for Absence
2. Declarations of Interest

### FOR APPROVAL

- |  |                               |
|--|-------------------------------|
| 3. Minutes of meeting held on 27 November 2013 |                               |
| 4. Tuition Fees and Fee Waiver Policy 2014-15  | David Allison                 |
| 5. Treasury Management Strategy 2014/15        | Alison Stewart                |
| 6. Budget 2014/15                              | Alison Stewart                |
| 7. Capital Budget 2014/15                      | Alison Stewart<br>/Tom Gorman |
| 8. Forth Valley College Foundation             | Alison Stewart                |
| 9. Calendar of Meetings                        | Alison Stewart                |

### FOR DISCUSSION

- |  |                |
|--|----------------|
| 10. Capital Programme Monitoring Report (2013/14 - Q2) | Tom Gorman     |
| 11. 2013/14 Forecast Outturn                           | Alison Stewart |
| 12. Review of Risk                                     | Alison Stewart |
| 13. Any other competent business                       |                |

### FOR INFORMATION

Treasury Management Activity  
Strategic Risk Register



# ***Finance Committee***

<b>Meeting:</b>	<b>Finance Committee</b>
<b>Location:</b>	<b>S1.19, Stirling Campus</b>
<b>Date:</b>	<b>27 November 2013 (commencing at 4.30 pm)</b>

Present: Mrs Shona Struthers (Chair)  
Mr Andrew Carver

Apologies: None

In Attendance: Mr Stephen Jarvie, Corporate Governance and Planning Officer  
Mrs Alison Stewart, Director of Finance and Corporate Services  
Mr Paul Johnstone, Procurement Manager for items F/13/010 and F/13/011 only  
Mrs Monica Halcro, Finance Manager

**F/13/008      Declarations of Interest**

None

**F/13/009      Minutes of meeting held on 10 September 2013**

The minutes of the meeting held on 10 September 2013 were approved.

**F/13/010      Procurement Policy**

The Procurement Manager presented members with the new Policy document and highlighted the changes incorporated into this. He noted that the threshold levels had been changed to reflect operational practices within the College, providing a level of autonomy to departments whilst ensuring that the Procurement Manager can assist on higher value projects.

- a) Members approved the Procurement Policy

**F/13/011 Procurement Strategy 2013**

The Procurement Manager presented members with the updated strategy, noting that the changes involved were minor.

He also presented the latest results from the Procurement Capability Assessment (PCA). He noted that the criteria had changed for this year and that the result achieved by the College was higher than expected, with APUC anticipating a further rise in score next year.

He also noted that, while APUC had released the PCA scores, the updated KPI's had yet to be received.

- a) Members approved the strategy
- b) Members requested that the revised KPI's be circulated when they are received.

**F/13/012 Capital Expenditure – Middlefield Exit**

The Director of Finance and Corporate Services presented members with a paper outlining the Middlefield exit. She noted that the Committee had previously approved an overall budget for this activity and that this report was designed to provide more detail.

She noted that, since the paper had been circulated, information received from the Director of Estates Developments indicated that the overall costs may increase by £100,000.

Members queried the level of fees and VAT included in the pricing. The Director of Finance and Corporate Services confirmed that this was a standard fee level and that VAT was not recoverable.

Members also expressed concern that the fee for the project had increased by almost 10% since the paper had been written.

The Director of Finance and Corporate noted the concerns of the members and highlighted the necessity of the project to exit from poor quality accommodations and the attendant on-going savings that this would generate.

- a) Members approved report

**F/13/013 Accounting Policies for the year ended 31 March 2014**

The Director of Finance and Corporate Services presented the accounting policies for year ended 31 March 2014. She noted that it was a requirement to bring these to the Committee for consideration each year and that there had been no substantive changes since last year's policies.

- a) Members approved the Accounting Policies for the year ended 31 March 2014

**F/13/014 Draft Annual Report and Financial Statements 2012/13**

The Director of Finance and Corporate Services highlighted that these had been considered and approved by the Audit Committee the previous evening.

She noted that overall it was a positive year for the College, generating a surplus against budget.

She highlighted the impact of ONS reclassification on the College I&E reserves and outlined on-going discussions with the College internal and external auditors on this point.

She also noted that, due to the potential changes, it may be required to have an additional meeting of the Finance and Audit Committees prior to the Board of Management meeting.

- a) Members noted the content of the report

**F/13/015 Budget Monitoring 2013/14 – Quarter 1**

The Director of Finance and Corporate Services presented an update on the College position as at the end of Quarter 1.

She highlighted changes to the reporting format to provide additional clarity in the information presented to the committee.

Members queried where the College was in relation to the budget. The Director of Finance and Corporate Services noted that we were on track at this time.

- a) Members noted the content of the report

**F/13/016 ONS Reclassification**

The Director of Finance and Corporate Services outlined the latest issues identified in association with the reclassification such as capital expenditure and the requirement to self-insure. She also outlined the potential implications for an arm's length foundation.

- a) Members noted the content of the update

**F/13/017      Review of Risk**

The Director of Finance and Corporate Services highlighted the risks associated with pension auto-enrolment, noting the increased cost for the College. She reported that the College had met with the requirement to have these new arrangements in place and that further information would be provided once the additional costs had been fully quantified.

- a) Members noted the update on auto-enrolment
- b) Members requested that the full Strategic Risk Register be brought to each committee meeting.

**Any other competent business**

None

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