

**Borders College**

**Finance and General Purposes Committee**

**Meeting at 5.30 pm on Thursday 22 October 2009**

**Location: Board Room, Scottish Borders Campus, Galashiels**

**Notes of Meeting**

<b>ITEM</b>	<b>NOTES</b>	<b>ACTION</b>
Present  In Attendance	Mr M Watson (Chairman) Ms S Dawson Mr Ian Ireland  Mr P Smith Mr D Killean Ms D McKendry (until 8/3/09) Mr J Withers Mrs S McColm (Secretary)	
<b>75/09</b>	<b><u>Chairman's Welcome</u></b>  Mr Watson welcomed everyone to the meeting. Unfortunately the meeting was not quorate therefore decisions could not be taken. Only time limited items would be discussed.  Mr Withers would remind members of the importance of putting in apologies if unable to attend meetings.	<b>JW</b>
<b>76/09</b>	<b><u>Declaration of Conflict of Interest</u></b>  There were no declaration of conflicts of interest.	
<b>77/09</b>	<b><u>Register of Members Interest</u></b>  There were no registers of member's interest.	
<b>78/09</b>	<b><u>Apologies for Absence</u></b>  Apologies for absence were received from Liz McIntyre and Norman Howitt.	
<b>79/09</b>	<b><u>Minutes of Meeting held on 24<sup>th</sup> September 2009</u></b>  Further to the undernoted amendments being made, the minutes of the meeting held on 24 <sup>th</sup> September would be approved at the meeting held on the 26 November as the meeting was not quorate.	

	<p>Item 72/09 – wording to be amended as follows: “The Committee also suggested it was inappropriate to communicate with students at this time.”</p> <p>Item 72/09 – Taking a decision paper relating to Bursaries to the Board of Management to be noted as an action for D Killean.</p> <p>The amended Minutes would be tabled at the next meeting for approval</p>	<b>SMcC</b>
<b>80/09</b>	<b><u>Matters Arising</u></b>	
69/09	<p><u>Movement of monies within the treasury accounts</u> Mr Smith circulated the relevant paragraphs from the Scheme of Administration, the Treasury Management Policy and the Financial Regulations.</p> <p>He explained that the Finance and General Purposes Committee will still approve any new account or investment opened by the College. When deposits mature the Committee should decide where to redeposit the funds. The current fixed term deposit is due to mature in December therefore this method will be tested then.</p>	
70/09	<p><u>Self-evaluation</u> Mr Withers reminded Committee members to complete their self-evaluation reports by end October.</p>	
72/09	<p><u>Bursaries</u> The Board of Management had agreed the College’s proposal for dealing with the bursary shortage. An application to the Funding Council for additional bursary funds is being prepared. The Funding Council has requested that leftover funds from last year, which the College had carried forward (circa £130k) be returned to them. The Funding Council will then decide how much to redistribute. The College has requested £630k which is the total amount committed to cover payments from January to June 2010.</p>	
<b>81/09</b>	<b><u>Property Report</u></b>	
	<p>Mr Killean gave a verbal update.</p> <p>The final account has not yet been agreed. McLaughlin &amp; Harvey has requested £18m + VAT, however the Architect’s certificate is currently £17.24m. The QS and Project Manager are working through the process.</p> <p>It may be necessary to pursue McLaughlin &amp; Harvey for the additional costs being encountered due to the drainage problems. D Killean to provide an update at the next meeting.</p>	<b>DK</b>

82/09	<p><b><u>BC Consultants Management Accounts</u></b></p> <p>Ms McKendry explained the reasons for the main variances within BC Consultants Management Accounts.</p> <p>The projected surplus for August/September was £4k, however a deficit of £15k was showing. The main deficit was due to a reduction in candidate numbers from the City of Edinburgh Council.</p> <p>The Company will now concentrate on selling the Modern Apprenticeship programme.</p> <p>Skills Development Scotland's contract has almost doubled.</p> <p>BCC managers are now looking at re-profiling for the January budget review.</p> <p><i>Ms McKendry left the meeting at this stage.</i></p>	
83/09	<p><b><u>Business Review Period 2 – Paper C</u></b></p> <p>Mr Smith summarised the Business Review. He explained the following points:</p> <ul style="list-style-type: none"> <li>• The reduction in HE numbers is due to the decision not to run HNC Computing. NC Digital Media Media had been offered as an alternative.</li> <li>• The negative variation in Other Institutional Costs is due mainly to the timing of spend from the bursary fund.</li> <li>• No accounts have yet been received from Aramark, the Catering Contractor; however a meeting is taking place tomorrow to discuss the first quarter trading. Although there is no evidence of the service not being used there are several issues to resolve. Mr Smith agreed to propose a method of monitoring the service and reporting to the Finance Committee.</li> <li>• The Management Accounts show the College is operating to target for this time of year.</li> </ul>	PS
84/09	<p><b><u>Business Review Format – Paper D</u></b></p> <p>Further discussion is required. The paper will be returned at the next meeting.</p>	PS
85/09	<p><b><u>Treasury Management - Paper E</u></b></p> <p>Mr Smith will bring proposals for the re-deposit of the £2m currently with Allied Irish Bank to the next meeting.</p> <p>There is still interest in both the Melrose Road and Hawick Cottage Hospital sites. The College is predicting £1.25m</p>	PS

	in July 2010 for the disposal of the sites; however the price is dependent on selling within this timescale.	
<b>86/09</b>	<p><b><u>Risk Management – Paper F</u></b></p> <p>Mr Smith explained that SMT had reviewed the Risk Register due to bursary pressure. The financial risk is covered under item 1a and the reputational risk under item 8.</p> <p>The Board will review the risks during strategic planning. The Risk Register will be presented at the Board meeting on 10 December.</p> <p>Ms Dawson requested a risk workshop for Board members.</p>	
<b>87/09</b>	<p><b><u>Environmental Action Plan – Paper G</u></b></p> <p>This report had been circulated for information only.</p>	
<b>88/09</b>	<p><b><u>Draft Financial Statements – Paper H</u></b></p> <p>Mr Smith gave a brief summary of the reasons for being ahead of forecast surplus.</p>	
<b>73/09</b>	<p><b><u>Any Other Business</u></b></p> <p>There was no other business raised.</p>	
<b>74/09</b>	<p><b><u>Date of Next Meeting</u></b></p> <p>The next meeting of the Finance and General Purposes Committee will be held on 26 November 2009 at 6.00 p.m. in The Board Room, Scottish Borders Campus, Netherdale, Galashiels.</p>	

Signed.....

Signed.....

**Chairman**

**Clerk to the Board**