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Regional Board Report

BORDERS COLLEGE REGIONAL BOARD

Subject: Report from Finance and Resources Committee	**Purpose:** **For Approval** ☐ **For Discussion** ☐ **For Information** ☒
Prepared by: Ingrid Earp	**Date of Committee:** 9 March 2023

Purpose:
To report on the most recent Finance and Resources (F&R) Committee Meeting.

Executive Summary:
The most recent F&R meeting was held on 23 February. All members were present and Jane Grant, Kirsty Robb, Sara Wilson and Debbie Kerr were in attendance.

Key items:

The updated Fee Policy was approved.

The risks from the Risk Register that are relevant to F&R were discussed as were progress reports on the Asset Management and Business Growth and Employer Engagement Strategy. They were largely positive with good progress being made toward targets and objectives.

The Business (Finance) Review was also discussed, almost mid-way through the year the position is relatively positive despite some funding challenges.

The approved minutes from the November meeting are attached below.

Questions that Members should ask themselves when reading the paper:

Paper is for information.

Linked to Strategic Ambition(s):
Take a leading role in enabling an inclusive, resilient and sustainable Scotland

Proactively engage with our community and stakeholders to ensure our practice reflects their needs

Performance Measures:
Recogise nationally as a progressive organisation

Recognised as national leaders in sustainable practice

Linked to Strategic Risk Register:
4b - Governance
Choose an item.

Recommendation: Members note the report.	
Previous Committee Approvals: No	
For publication ☒	**Not for publication** ☐ **If not, why not?**

Borders College

Finance & General Purposes Committee

Meeting at 17:30 Thursday 17 November 2022

MS Teams

Actions

Item	Action	Responsibility and Date	Action Status
35/22	Scores from the Great Places to Work survey to be circulated to members.	Head of People Services February 2023	Complete
38/22	Consideration to be given to how to incorporate net zero planning and adaptation into the Strategic Risk Register.	Executive Team February 2023	This has been added to the Risk Register
43/22	Agree a brief summary of Key Performance Indicators for this meeting.	Board Secretary Principal Board Chair February 2023	KR & SW have had initial discussion – in progress.

Borders College

Finance and General Purposes Committee

Meeting at 17:30 Thursday 17 November 2022

MS Teams

Minutes

ITEM	MINUTE
Present **In Attendance**	Lynn Mirley (Chair) Pete Smith (Principal) Liz Parkes Bernie Quinn Ugonna Mbaezue Kirsty Robb (Vice Principal – Finance and Corporate Services) Ingrid Earp (Regional Board Secretary) Jane Grant Debbie Kerr Robert Hewitt Suzie Hartley (Minutes)
31/22	**Chair's Welcome** The Chair welcomed everyone to the meeting.
32/22	**Declaration of Conflict of Interest** The Principal informed members of his role as Director of both APUC and Live Borders.
33/22	**Register of Members' Interest** Nothing was noted
34/22	**Apologies for Absence** R McCowan was not in attendance.
35/22	**Annual People Services Report** **<u>Annual People Services Report – Paper A</u>** The overall percentage scores for all question sets are missing from the update on 'Great Places to Work' (appendix 2) of the report. These are now available and will be circulated to members after the meeting. **ACTION: DK** Head of People Services provided a summary of her annual report. • Recruitment is ongoing for a Payroll Officer vacancy within People Services. • High male / female employee split. The current total employee number is around 300 and they have lost and gained around 50 staff. FTE staffing has remained around 210-220.

	• Significant increase in staff absence - this is a feature across the whole sector and does not present concern. Long term sickness absence accounts for part of this. • Voluntary staff turnover has risen - thought to be related life choices eg, moving onto other employment or retiring. • The pay gap is being recalculated and will be presented to the Board early next year. • Currently one outstanding vacancy for IT which is being offered to agency staff following difficulties in recruiting. Further vacancies are expected. • The college has been working hard to reduce the average staff age by recruiting to younger age groups and this is now beginning to level out. • The College remains a Disability Confident employer and have undergone an audit. Potential barriers to recruitment have been identified and work is ongoing to help address and reduce the disability recruitment gap. • Great Places to Work report – dispute with DEBI around implementation of guaranteed hours for Assessors to remove the use of zero hours contracts has had a clear impact on the results of the survey. This dispute is now resolved. The report has helped inform what activities to engage in and an Inclusive Leadership Development programme has been introduced. Overall, staff feel more secure in employment and the majority recommend the College as a good place to work. • The College remains engaged with the Unions although this is difficult at times due to the absence of a local Union Representative. Local staff are usually content with pay offers but will support if called on strike. • Recognition and celebrating success – Star of the Month award is going well and the coffee voucher scheme continues and is appreciated by staff across all campuses. • Fair Work – The College are meeting commitments with regards to having an effective voice, gender pay gap, real living wage, family flex and hybrid working. • Partnership with Eden Red Benefits to provide a staff benefits package with access to discounted products via salary sacrifice technology, cycle to work scheme, electric car hire and vouchers. • Pay and conditions – still being ratified. Job evaluation project board established but developments have been postponed nationally. Real living wage has been implemented for the lowest paid staff. • No recommendations were received from the Audit which although is positive, is also unusual that there is nothing to improve on. • Employment law - still waiting on advice and will be updated by February 2023. • Staff wellbeing-events – all staff Christmas get together taking place in December. Mental Health First Aid training half-day for all leaders in January 2023. Inclusive leadership programme touching on themes such as staff relations and GDPR. In response to questions from Members, the following points were made: • Staff engagement with the College vision and strategies - it was agreed that Board members should continue to be visible in a supportive capacity. • The name change from 'HR' to 'People Services' and high female staff ratio was felt to be positive.

	• Negative comments are occasionally received by staff at their exit to work interview and are always followed up. • Long term absence – very serious illnesses and sadly the death of one employee, as well as retirement due to ill health / significant medical issues have accounted for the increase. Staff in need continue to be referred to the Occupational Health Service which is used well and the college are confident that all staff are being supported. • Male and Female demographic breakdown – the college provide students and staff with the option to identify as non-binary, however the SFC currently ask for only Male or Female data, and don't give a Non-Binary category option. It was noted that disabled staff account for 8% of the College's workforce. • Disability Confident Employer - Student Support Services are utilised, for example, sourcing technologies to help staff. DWP have also worked with staff to provide training and support for a staff member with a brain injury. December is disability awareness month and work is underway regarding how to brand it. L Mirley's suggestion to refer to it as 'giftedness' was taken on board as they consider ways to remove the stigma. • The staff benefit scheme was free to set up and is free to maintain. It is not yet known how much uptake there has been. • The Great Places to Work survey is anonymous and the results go directly to Great Places to Work.
36/22	**Minutes of Previous Meeting held on 22 September 2022** The minutes of the previous meeting held on 22 September 2022 were agreed as accurate by all members of the Committee and there were no corrections.
37/22	**Matters Arising** Nothing was noted.
SECTION A – ITEMS FOR APPROVAL	
38/22	**<u>Climate Change Duties Report (annual) – Paper C</u>** The report is now in the final phase and has been submitted to EAUC for a peer review. Overall, the findings are as expected and as anticipated, there has been an increase in the College's carbon footprint following Covid. Highlights • It has been difficult to make developments due to Covid, however the introduction of joint working with EAUC has secured significant funding. • Initial feasibility study is complete to decarbonise Galashiels and Hawick campuses. • Reduction of CRA fleet from 8 to 5. Still waiting on electric vehicles due to a slow supply chain. Expected delivery date is March 2023, • Completed remaining LEDs from 2017. • Single use bulk cleaning product introduced which can be diluted as needed, significantly reducing the amount of disposable plastic bottles used. • Emissions – now 374, achieved quick wins and now need to focus on decarbonising the rest of the estate. Once HYSOPT modelling is finished, more grant funding will enable further progress. Scope 1, Co2 emissions have decarbonised over time but have returned to near pre-Covid levels.

	• SHARC heating system developments continue after a delay. An explanation was given to members about how this works - by using wastewater to heat the campus which means that 60% of heat is from a renewable source. Next goal is to remove the use of gas and enable 100% renewable heating across Galashiels and Hawick. • Adaptation - preparations being considered for inevitable environmental changes and how to develop the estate to cope with extremes in heat, rainfall etc. The College is currently working with Adaptation Scotland. • There have been changes this year in the way scope 3 emissions are reported compared to the first year the figures were reported. The supply chain is difficult to measure. The following points were clarified in response to members questions; • Scope 3 figures - up until now, only Scope 3 that could be measured has been reported and they haven't been able to measure what they buy. • Net Zero – the Colleges overall carbon footprint is relatively low and Net Zero would not be impossible to achieve. The college is currently working with a consultant to broker good offset opportunities for the Educational sector. • Report format – not enough data has been received yet to fully populate all areas of the report. Once the HYSOPT modelling is in place, this can be added to. The format of the document is pre-set and it was acknowledged that it needs improvement. R Hewitt agreed to pick out the salient points to present to the meeting next year. • Climate change risk assessment – a specific assessment is required which has not been completed yet. It was acknowledged that while an active plan may not be possible due to the intangible nature of certain factors, it does require to be pulled together. It was proposed that the Executive Team consider how to incorporate net zero planning and adaptation into the Strategic Risk Register. **ACTION: Executive Team** The College have won a Net Zero Business of the year award and were shortlisted and picked up Green Gown award last week.
SECTION B – ITEMS FOR DISCUSSION	
39/22	**<u>Strategic Risk Register – Paper D</u>** The report was provided in the previously agreed format and the following corrections were noted; • On the covering report under the Summary risk profile, the rating for 4c should read 4, not 9. • In the appendices the word terminated is used – this should read tolerated. The following two risk changes were highlighted: • 3b rating has reduced from 9 to 6. Full valuation exercise completed on assets. Strong rating gained from internal audit review of budget controls and procedures. • 4c – rating has reduced from 9 to 4 Executive posts now fully filled and key actions completed.

	Suggestion to add climate change into future risk register was noted. Members queried why the Cyber Risk rating is still high despite the work completed. Cyber Security was acknowledged as being hard to keep on top of and although it is taken seriously, there is not enough to reduce the rating yet and it is never possible to fully mitigate. The current target is very high at 10 but the college recognises there will never be a point they should stop taking action. Members noted the report.
40/22	**<u>Business Review – Paper E</u>** The report noted that it is difficult to fully measure performance based on the first two months of the financial year. VP Finance and Corporate Services explained that the report covers returns submitted already and is not a budget but a projection to deliver a balanced budget. Some funding is yet to be finalised and there is an operating surplus but in general, things are on track. In terms of debt, this is spiky due to the profile of Herriot Watt University. The length of time it takes to pay invoices is reducing to 28 days. In response to questions from Members, the following points were made: • To track savings, it was proposed to list these and provide an update and action plan to ensure they are being met. • Uncertainty continues around balancing the budget and the potential for a deficit, depending on pay awards. This is a key challenge and risk and may require to generate more savings or more income to achieve a balance.
41/22	**<u>Enterprise & Business Innovation Strategy Update (Finance Only) – Paper F</u>** The Executive Director of DEBI agreed to attend both committees to keep up to date with strategy progress and it's impact on the financial plan. The report provided an update on the income and progress of the Business Growth & Employer Engagement Strategy. Key points noted in relation to income areas; • Alternative funding becomes ever more important. Some funding is yet to be finalised and the government has announced significant savings which directly impact planned activity to increase alternative funding - SDS, emergency skills action plan, 3.1mil taken away from them. Early numbers flex workforce income on track. • Comm renewal fund - lot of short courses and funded by the UK Government. It is anticipated this will carry on and be developed into commercial courses once funding is finished. • Good progress being made with regards to the Levelling Up Shared Prosperity Fund and no indication of a reduction in funding. Proposals to retrofit this programme to be put together. • Work continues to develop 'shovel ready' projects for the council and Net Zero proposals with other colleges, with SOSE feeding into this also. • The College has received £40k for a construction piece, pathfinder projects are underway, waiting for SBC to approve funding. Other proposals in the pipeline include textiles and digital funding programmes.

	The aim is to identify our collage as a place where innovation projects happen. • A total of £250K funding is anticipated. The college continue to seek out new funding opportunities and to expand the range of partnership work and develop more training and opportunities. They remain in a difficult position however, with flat funding year on year. More work is also being done around developing a community benefits approach in connection with other partners such as Eildon and SBC. Members thanked the Executive Director of DEBI for the report and agreed it provides the information required and is presented in the format they are looking for. It also clearly demonstrates the ongoing hard work by the college to identify funding opportunities. This can be provided at every meeting and can include a separate activity tracker if needed. Members were happy to note the report.
SECTION C – ITEMS FOR INFORMATION	
42/22	**Papers for Publication (Standing Item)** Papers that are still in draft or are commercially sensitive will not be published.
43/22	**Any Other Business** Discussion took place around Key Performance Indicators and whether they need to be presented at this meeting, given that they are considered at other Committee Meetings and within the Principals report. It was suggested agreeing a brief summary for this meeting. I Earp will pick this up with P Smith and R McCowan. **ACTION: Board Secretary / Principal / Board Chair**
44/22	**Date of Next Meeting** The date of the next F&GP Committee meeting is at 17:30 on Thursday 23 February 2023 in the Board room.

Signed…..…… **Signed…..……**

Chair **Board Secretary**