

Finance Committee

You are invited to attend a meeting of the **Finance Committee** to be held on **Tuesday 17 March 2015** in the **Boardroom, Falkirk Campus at 4.30 pm**. Refreshments will be available from 4.00pm.

Agenda

1. Apologies for Absence
2. Declarations of Interest

FOR APPROVAL

3. Minutes of meeting held on 9 December 2014
4. Matters arising
 - a) F/14/046 Outline Business Case: Financial Appraisal
 - b) F/14/048 Resource Budget 2014/15
 - c) F/14/050 Any other competent business

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| 5. | Tuition Fees and Fee Waiver Policy | David Allison |
| 6. | Donation to Forth Valley College Foundation | Alison Stewart |

FOR DISCUSSION

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| 7. | Resource Return 2014/15 (April 14 – March 15) | Monica Halcro |
| 8. | Forecast Financial Outturn 2014/15 (April 14 – July 15) | Monica Halcro |
| 9. | Indicative Allocations AY 2015/16 | Alison Stewart |
| 10 | Pension Schemes Triennial Valuations | Alison Stewart |
| 11. | Review of Risk | |
| 12. | Any other competent business | |

FOR INFORMATION

Programme of Business

Boardroom, Falkirk Campus (commencing at 4.30pm)

Present: Mr Liam McCabe (Chair)
Ms Caryn Jack
Mr Ken Richardson

Apologies: Mr Andrew Carver

In Attendance: Mrs Alison Stewart, Associate Principal and Executive Director of Finance
Dr Ken Thomson, Principal
Mr Tom Gorman, Associate Principal and Executive Director of Estates (Exited after item F/14/046)
Mr Stephen Jarvie, Corporate Governance and Planning Officer
Mrs Monica Halcro, Senior Finance Manager
Ms Louise Burnett, Finance Manager
Mrs Jean Duff, Student Services Manager (for item F/14/045)
Mr Kieran McCallum, QMPF (Exited after item F/14/046)

F/14/042 Declarations of Interest

The Chair declared an interest owing to the links between the College and Stirling University at Degree level and under the Scottish Funding Council (SFC) HEI funded activity.

F/14/043 Minutes of Meeting held on 17 June 2014.

The minutes of the meeting held on 17 June 2014 were approved.

F/14/044 Matters Arising

a) F/14/023 Capital Budget 2014/15

The Director of Finance updated members on the approval for demolition of Middlefield which had been granted by the Board of Management and noted that the demolition works had now commenced.

b) F/14/041 Draft External Audit Annual Report to the Board of Management

The Director of Finance noted that members had queried the Grade A recommendation from the External Auditors relating to the Forth Valley College Foundation. She reported that this item had since been revised by the external auditors.

F/14/045 Student Association Accounts 2013/14 & Budget 2014/15

The Student Services Manager presented a report outlining the expenditure of the Student Association in the last financial year and requested approval for the allocation of £2,431 from the College for 2014/15. She highlighted that this figure was due to a surplus being carried over from previous years and highlighted some additional sources of funding including Barclay's bank Moneywise funding as well as additional income from companies attending the College fresher's fayres.

She noted that the Student Association team had expanded and outlined proposed expenditure to support the team.

Members queried whether the salaries for the sabbatical members of the Student Association team were included in the accounts.

The Finance Manager confirmed that this funding was separate from the accounts and the sabbatical positions related to funding made available from SFC.

- a) Members noted the content of the report; the clear information provided and congratulated the Student Association on their work to date.

F/14/046 Outline Business Case: Financial Appraisal

(The minute for this item is withheld from publication on the Forth Valley College website under Section 33 Commercial Interests and the Economy of the Freedom of Information (Scotland) Act 2002.)

F/14/047 Revised Budget 2014/15

The Senior Finance Manager presented the revised budget for 2014/15. She highlighted the challenges posed by having the financial year end date for the College changed twice in an 18 month period and the difficulties this posed in being able to provide a comparison between years for members.

She informed members that the budget at this time showed a surplus but noted this could change if there were any FRS 17 adjustments.

The Principal noted that there were likely to be a number of deficits across the sector as merged Colleges reconciled their reserves.

- a) Members noted the content of the report.

F/14/048 Resource Budget 2014/15

The Senior Finance Manager discussed the report which covered the implications of the Resource Accounting and Budgeting process on the College.

She highlighted that this required the College to comply with two separate year end reporting cycles and the impact of the new rules on surpluses generated by the College. She noted that a Scottish Government consultant was currently examining the best manner in which to deal with surpluses but highlighted concerns that the consultant was not engaging with Colleges on the discussions with the Scottish Government.

Members noted that, should the College have to utilise surplus cash quickly, there should be items identified that would be beneficial to the new Falkirk campus project.

The Director of Finance reported that a potential use of surplus cash would be the purchase of additional land as outlined in the OBC and reported that she had written to SFC informing them of this.

- a) Members welcomed the correspondence with SFC on this issue and noted the content of the report.

F/14/049 Student Support Funds 2014/15

The Finance Manager summarised the level of funding allocated to the College for student support funds. She provided up to date information on the number of applications received, processed and funds awarded. She also highlighted the positive impact the on-line application system had in ensuring an effective process.

The Principal noted that the number of complaints received by the College since the introduction of the system had dropped significantly.

The Finance Manager noted that there was currently a projected underspend and that there were contingencies in place to ensure this was distributed to students if it did occur.

Members queried the impact on College funds from students who drop out of their course. The Director of Finance confirmed that current rules allowed for the College to claim full SUMs if the student had completed at least 25% of their course.

Members enquired whether the College offered hardship funding to students and the Finance Manager outlined the current arrangements.

Members asked whether this area of activity was audited and the Director of Finance confirmed that it formed part of the year end accounts audit.

- a) Members noted the content of the report

F/14/050 Any other competent business

The Director of Finance noted a potential issue whereby the College is required by the Office of Scottish Charities Register to file accounts by 31 December, whereupon they would be public record. The issue relates to the College being prohibited from making the accounts public until such time as they have been laid before parliament. At this time, even though the accounts had been submitted in June, Audit Scotland were not taking any College accounts to parliament owing to an ongoing issue with another College.

The Director of Finance noted that this was a sector wide issue and out with the College's control.

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