

South Lanarkshire College

Finance and Resources Committee

Meeting to be held on Monday 13th February 2017

at 17.30 hours in the Boardroom

AGENDA

1. Apologies
2. Declaration of Members' Interests
3. Minutes of Previous Meeting 14 Nov. 2016
4. Matters Arising
5. Management Forecast -
12 months to July 2017 (Appendix 1)
6. Update on Grant-in-Aid allocation 2017/18 S. McKillop
7. Financial Strategy (Appendix 2)
8. Finance KPIs (Appendix 3)
9. Review of College Policies and Procedures
• Anti-Bribery (Appendix 4)
10. Procurement Update (Appendix 5)
11. Estates Report (Appendix 6)
12. Finance Issues Update
 - a. Banking
 - b. Student Support
 - c. Insurance
 - d. Regional Finance Group
13. AOCB

South Lanarkshire College
Finance and Resources Committee (Board of Management)
Held on 14th February 2017

Present J Gallacher
S Dillett
S McKillop

In Attendance Angus Allan
Keith McAllister
Angela Martin

Apologies Clare Gibb (Ms Gibb had forwarded a number of questions which had been responded to and copied to all members).

(See appendix 1)

1. Declaration of Members' Interests

Mr McKillop declared his membership of The Lanarkshire Board.
Mr Dillett declared his interest as a member of the South Lanarkshire College Foundation, and as Managing Director of Land Engineering Ltd., who deal with the College.

2. Minutes of the Previous Meeting

The minutes of the meeting held on 14th November 2016 had previously been approved by the Board of Management.

3. Finance Manager's Report

The main purpose of this Report is to present the College's management forecast for the 12 months to July 2017 and the other finance-related issues.

Management Forecast – 12 months to July 2017

Income

The Management Forecast shows a projected surplus for the 12 months of £15K.

The Region has been awarded additional capital and maintenance funding and strategic funding to address the low level of activity rate re ESF funding.

The Principal stated that the capital maintenance fund was a one off payment to allow capital projects to be brought forward across the sector. There were strict parameters for spending of this funding and did not allow for areas such as IT, which would begin to raise concerns for the College if funding not available for updating.

Members asked if systems and hardware remained at an acceptable level. The Principal stated that his was the case but that in some cases laptops and PC were becoming outdated.

The Principal stated that the strategic funding of £221K granted for this year would also be allocated in 2018 as an uplift on the ESF rate. He then gave an explanation of the ESF funding up until August 2018 and the concerns across the sector of what would replace this stream of funding.

Payroll

The results of the collective bargaining agreements have produced settlements above the Government's target of 1.0% for the public sector. For support staff, the increase in salary costs is approximately 2.2% and for lecturing staff, the figure is 1.4%. The situation has been exacerbated by the moving of the settlement date back from 1st August to 1st April. Assumptions made in the budget for the settlement at 1st April 2017 were per Scottish Government guidelines.

Members noted the figures and that the College was not in control of national bargaining. Mr Gallacher stated that an increase in payroll would have to be anticipated as the College delivery had been higher than initially forecast.

Mr Dillett asked what the recurring costs of the settlements meant in real terms to the College. Mr McAllister gave details and outlined the impact of the £450 + £100 one off flat rate increase awarded to support staff.

Non Salary Expenditure

Members' attention was drawn to the increased cost of electricity. Mr McAllister explained that the College had come to the end of an extremely good contract and now awaited being included in the APUC framework agreement in April 2017.

Central Services costs are expected to be on budget for the period.

The College increased its Marketing spend in the last two years to promote awareness and attract additional students. This period's budget has been pared back and expenditure is expected to be on target, depending on the requirements for January start courses.

Balance Sheet – Year to 31st July 2017/Cashflow Forecast

Members noted that the College, in line with others in the Sector, has challenges maintaining a positive bank balance, particularly at the Funding Council's own year-end date of 31st March. The Sector has approached the Funding Council asking for a solution and the Region and the College have made their own representations in this regard.

Discussion took place regarding the College going forward from the end of March 2017 to Government Banking and the implications on the College. Discussion would be ongoing with the Royal Bank of Scotland as to the level of provision.

Cashflow and Drawdown Returns for Scottish Funding Council – February 2017

Mr McAllister asked members to note the content and layout of the return made to the Funding Council. Members acknowledged the document.

Regional Funding Allocation for 2016-17

Mr McAllister stated this table detailed the income receivable via the Regional Outcome Agreement.

Members agreed that this was an extremely useful document.

Financial Strategy 2017-2020

The Audit Scotland report on Scotland's Colleges called for all colleges to have a five-year financial strategy, backed up by a three or five-year financial plan. It was drawn to members' attention that the College must also take account of The Lanarkshire Region's strategic plans, in line with the Financial Memorandum.

Mr McAllister informed members that the document presented was in line with the template produced by Colleges' Development Network.

It is intended that the Finance Committee will receive the three or five-year financial plan, dependent on the members' request. Members agreed that it should be a five-year plan.

Discussion ensued with regard to the Committee's requirement that South Lanarkshire College maintained its own Financial Strategy and Plan. Members stressed that this must remain the case. The Principal stated that this would indeed be the case.

It was agreed that this document would be taken forward to the Board of Management.

Key Performance Indicators

Mr McAllister drew members' attention to the schedule of Key Performance Indicators. He asked it be noted that the first set of tables covered the last four financial periods, and with these prepared on equivalent time periods in future, they will be more suitable for comparison.

Members noted the content and it was agreed that the detail should be given to the Committee but that a more visual format be produced for the Board. Mr McAllister agreed to take this forward.

Review of Colleges Policies and Procedures

Anti-Bribery Policy

Members noted the changes in this policy in line with the Code of Conduct for College Boards of Management. It was agreed that this go forward to the Board of Management.

Discussion took place regarding the recording of changes to policies and the process in place. The Principal stated that he would take this forward.

Procurement Update

The College now has a dedicated Procurement Officer who has been seconded from Advanced Procurement for Universities and Colleges (APUC). The post holder reports to the Finance Manager and leads the College on meeting its legal responsibilities, on tendering and on

obtaining best value for money. She also liaises with her opposite number at New College Lanarkshire on bringing a Regional perspective to procurement.

Members examined the report. Discussion took place in regard to collaborative recent contracts. It was agreed that this information was excellent but that an extra column should be added showing when the contract would end.

It was agreed that the Finance and Resources Committee would be given the detail of all contracts and the Board of Management would receive detail on any contract in excess of £50K.

4. Estates Report

New Building

Members discussed the sustainability performance of the College. Mr Allan assured them that it was a good news story and even with the opening of the new build the campus overall had reduced its carbon footprint.

5. Insurance

Discussion took place on the implications of the College being involved in the Scottish Government's suggestion that FE colleges self-insure and the lack of resources in the College to support this. Members discussed the level of exposure that may result from claims and advised that the College do not go down the path of self-insurance.

Recommendations

It was recommended that the members of the Finance and Resources Committee –

- Review and approve the Management Forecast for the period to July 2017
- Review and approve the Financial Strategy document and propose its acceptance to the Board of Management
- Give consideration to the timespan that should be covered by the College's financial forecast at the next meeting
- Note the KPIs
- Review and approve the Anti-bribery Policy and recommend for approval to the Board of Management.
- Note the work being done on procurement.
- Note the Estates Report and the issues raised in the update document.

The members agreed the recommendations.

There being no further competent business the Chair closed the meeting by thanking everyone for their attendance.

SOUTH LANARKSHIRE COLLEGE

Report to: FINANCE AND RESOURCES COMMITTEE

From: Keith McAllister
Head of Finance

Date: Meeting of 13th February 2017

1 Introduction / Purpose of Report

The main purpose of this Report is to present the College's management forecast for the 12 months to July 2017 and the other finance-related major issues.

The Funding Council have not yet issued indicative Grant in Aid allocations for 2017/18, and thus the RoA cannot be agreed with New College Lanarkshire, nor a robust budget set. The budget for 2017/18 will thus be presented to the May meeting of the Committee.

2 Executive Summary

2.1 Management Forecast – 12 months to July 2017 (Appendix 1)

The Management Forecast shows a projected surplus for the 12 months of £15k – see Appendix 1B. Appendix 1A provides a commentary on the forecast.

The Region has been awarded additional capital and maintenance funding, and strategic funding to address the low level of activity rate funding relating to ESF activity. This latter funding has also been awarded for 2017/18, giving the College a level of funding more akin to other colleges in the sector.

Appendices 1E and 1F provide a forecast Balance Sheet and the cashflow forecast for the remainder of the accounting period. It will be noted that the College, in line with others in the sector, has challenges re maintaining a positive bank balance, particularly at the Funding Council's own year-end date of 31st March. The sector has approached the Funding Council asking for a solution, and the Region and the College have made their own representations in this regard.

Attached for information as Appendix 1H is an updated table showing the income receivable via the Regional Outcome Agreement.

SOUTH LANARKSHIRE COLLEGE

Report to: FINANCE AND RESOURCES COMMITTEE

From: Keith McAllister
Head of Finance

Date: Meeting of 13th February 2017

2.2 Indicative Grant in Aid Funding 2017/18

The Funding Council has had confidential discussions with FE sector principals on the above, but had not, as the date of issue of these papers, given information on indicative core funding. Mr McKillop will update the meeting.

2.3 Financial Strategy (Appendix 2)

The Audit Scotland report on Scotland's Colleges called for all colleges to have a five year financial strategy, backed by a three or five year financial plan. It should be noted that the College must also take account of The Lanarkshire Region's strategic plans, in line with the Financial Memorandum.

It is intended that the Finance Committee will receive the 3 or 5 year financial plan (depending on instruction of the Committee at this meeting) at its May 2017 meeting. Appendix 2 provides a draft of the strategy document, which is based on one prepared for the sector by Scotland's Colleges. It is intended that this document will be reviewed every three years, whilst there will be an appendix to this with specific, measurable targets which will be reviewed annually.

2.4 Key Performance Indicators (Appendix 3)

Attached as Appendix 3 is a schedule of Key Performance Indicators. The first set of tables covers the last four financial periods, but the changes in accounting period ends over this time does distort some of the ratios.

The second set of tables covers the last four academic years and, with these prepared on equivalent time periods, they are more suitable for comparison. That said, 2015/16 saw activity being allocated in Credits, rather than weighted SUMs. Thus comparison with prior periods is again not possible. However, the comparison of income per unit of activity between the College and the sector is possible. The College received less than the Scottish average per unit of delivery over the period of review, but the gap has been decreasing. The last line shows the additional income which the College would have obtained if it had received the sector average rate per unit of delivery.

SOUTH LANARKSHIRE COLLEGE

Report to: FINANCE AND RESOURCES COMMITTEE

From: Keith McAllister
Head of Finance

Date: Meeting of 13th February 2017

2.5 Review of College Policies and Procedures (Appendix 4)

Major College policies and procedures are reviewed on a cyclical basis; normally this is every three years. The Finance Committee is responsible for the formulation of policies and for recommending them to the Board of management for approval. In the case of policies that directly impact on staff, the Human Resources Committee will also be involved in the formulation of these policies to ensure that no personnel-related issues may impede their implementation.

In turn, the Audit Committee are responsible for the monitoring of performance against these policies and procedures.

Appendix 4 (Anti-bribery Policy) should be reviewed by the Committee. The only change proposed is that reference should be made to the Code of Conduct for college Boards of Management. The draft for consideration has been amended with the changes from the current versions tracked for easy review.

2.6 Procurement Update (Appendix 5)

The College now has a dedicated Procurement Officer who has been seconded from Advanced Procurement for Universities and Colleges (APUC). The post holder works with the direction of Head of Finance and leads the College on meeting its legal responsibilities and on obtaining best value for money. She also works with her opposite number at New College Lanarkshire on bringing a Regional perspective to procurement.

A report on the work being undertaken is attached as Appendix 8.

2.7 Estates Report (Appendix 6)

Attached as Appendix 6 is the report from the College's Head of Facilities.

SOUTH LANARKSHIRE COLLEGE

Report to: FINANCE AND RESOURCES COMMITTEE

From: Keith McAllister
Head of Finance

Date: Meeting of 13th February 2017

2.8 Finance Issues Briefing

Banking:

The College will be subject to the imposition of Government banking arrangements at 1st April 2017. Representatives of the new bankers, RBS, will be in College in mid-February for discussions on the migration. It should be noted that the 1st April is not a strict deadline date and current arrangements with Clydesdale Bank plc will continue until the changeover process is complete and tested.

Student support:

It should be noted that the College's allocation of student support funds will be adequate for its purposes in 2016/17.

Insurance:

The sector is expected to fall under Government arrangements for insurance at a date in the future that has still to be determined. In effect, colleges would become self-insuring, with a few exceptions (e.g. motor cover). However, the sector is campaigning to be an exception to this arrangement, hence the date being unknown. Discussions have been ensuing for some months, but no decision has been made as yet. Current arrangements with Zurich will be extended until the situation is resolved.

Regional Finance Group:

Members of the finance and procurement functions at both Lanarkshire colleges meet on a regular basis to discuss mutual issues. This forum allows the staff from both colleges to exchange ideas and to develop initiatives. The Region has a manager from APUC who oversees the work being done by that organisation's placements at each college and she attends the Group meetings.

Currently, the Group is prioritising upcoming procurement contracts that may be acceptable for joint procurement and the review of policies and procedures with a view to harmonising these across the Region. The Group is also investigating the requirements re Regional reporting and consolidated accounts.

SOUTH LANARKSHIRE COLLEGE

Report to: FINANCE AND RESOURCES COMMITTEE

From: Keith McAllister
Head of Finance

Date: Meeting of 13th February 2017

3 Conclusions and Recommendations

It is recommended that Members of the Finance Committee:

- 3.1 Review and approve the Management Forecast for the period to July 2017.
- 3.2 Review and approve the Financial Strategy document, noting the implications of a need to be consistent with the Regional financial strategy.
- 3.3 Give consideration to the timespan that should be covered by the College's financial forecast (three or five years).
- 3.4 Note the KPIs summarised in Appendix 3.
- 3.5 Review and approve the Anti-bribery Policy and, in conjunction with the Human Resources Committee, recommend it for approval by the Board of Management.
- 3.6 Note the work being done on procurement.
- 3.7 Note the Estates Report.
- 3.8 Note the issues raised in the Update.

ROA Table UPDATED 26.01.2017

Regional Funding Allocation for 2016-17

Row Ref.	Funding 2016-17	Lanarkshire	New College Lanarkshire	South Lanarkshire College
1	Teaching and fee waiver* (inclusive of ELS, Rural premium, additional July funding and social inclusion elements below)	£39,417,850	£30,125,568	£9,292,282
	ELS premium	£4,364,018	£3,333,673	£1,030,345
	Social inclusion funding	£1,275,183	£1,109,409	£165,774
	Rural premium	£0	£0	£0
	Additional funding July 2016	£348,146	£264,702	£83,444
11	Credit target	170,967	129,989	40,978
	Average core credit price	£230.56	£231.75	£226.76
2	Student support	£12,295,906	£9,348,788	£2,947,118
3	Initial capital and maintenance funding	£1,595,183	£1,212,818	£382,365
6	Additional capital and maintenance funding	£1,012,304	£769,671	£242,633
	Total capital and maintenance funding	£2,607,487	£1,982,489	£624,998
	Overall capital and maintenance funding per credit [(Rows 6+3) / row 9]	£14.04	£14.28	£13.33
4	ESF funding	£3,044,009	£1,826,405	£1,217,604
8	ESF credit target	14,766	8,860	5,906
5	ESF student support	£958,135	£574,881	£383,254
	Average ESF credit price [revised Jan 2017] [rows (4+7) / row 9]	£243.62	£243.61	£243.64
7	Strategic SFC funding to support ESF activity rate **	£553,350	£332,010	£221,340
10	Total funding for teaching and fee waiver incl. ESF (rows 1+4+7)	£43,015,209	£32,283,983	£10,731,226
	Total Capital and Maintenance Funding (rows 3 + 6)	£2,607,487	£1,982,489	£624,998
	Total College Income	£45,622,696	£34,266,472	£11,356,224
	Total Student support incl. ESF (rows 2+5)	£13,254,041	£9,923,669	£3,330,372
	Overall income incl. student support	£58,876,737	£44,190,141	£14,686,596
9	Total Credit target incl. ESF (rows 11+8)	185,733	138,849	46,884
	Overall average credit price (row 10 / row 9)	£231.60	£232.51	£228.89

* Current funding proportions excluding SFC price grouping analysis

**Additional funding of £1,106,700 for the Region split over 2 years

South Lanarkshire College

KEY PERFORMANCE INDICATORS	12 months to 31 July 2013	8 months to 31 March 2014 (excl transfer to Foundation)	16 months to 31 July 2015 (as restated)	12 months to 31 July 2016	Notes
	£000	£000	£000	£000	
Income ratios					
Total Income	11,704	9,329	19,297	14,986	1
Funding Council Grant as % of Total Income	72%	78%	76%	78%	
Non-Funding Council income as % of Total Income	28%	22%	24%	22%	2
Tuition fees and education contracts as % of Total Income	26%	19%	18%	16%	
Total "Other Income" as % of Total Income	3%	3%	6%	6%	
Expenditure ratios					
Total Expenditure	11,656	9,297	18,384	14,369	3
Salaries as % of Total Expenditure	67%	66%	67%	68%	
Other operating costs as % of Total Expenditure	26%	29%	27%	26%	
Depreciation/amortisation as % of Total Expenditure	8%	5%	6%	6%	
Operating position					
Operating Surplus/(deficit)	48	32	913	617	4
Operating Surplus/(deficit) as % of Total Income	0.4%	0.3%	4.7%	4.1%	4
EBITDA	228	187	1,316	917	4
Cash Position					
Cash and Current Asset Investments	2,445	108	500	2	5
Overdrafts	0	134	17	121	
Days Ratio of Cash to Total Expenditure	77	4	10	-	
Balance Sheet strength					
Reserves	1,047	(1,053)	4,438	4,656	6
Current Ratio	0.85	0.59	0.35	0.25	5
Income and expenditure reserve as % of Total Income	9%	-11%	-3%	-3%	7
Overdrafts and loans (excluding deferred grant creditor)	1,486	1,440	1,040	869	
	Year to 31 July 2013	Year to 31 July 2014	Year to 31 July 2015	Year to 31 July 2016	
Activity and funding per WSUM / Credit					Note 9
SL College audited activity	42,329	52,924	55,432	46,885	1
SL College income per delivered WSUM / Credit	£ 173.43	£ 166.32	£ 169.03	£ 224.73	
Scottish average income per delivered WSUM / Credit	£ 185.68	£ 174.69	£ 174.63	£ 232.61	
SLC activity at difference between Scottish average and SLC rate	£ 518,530	£ 442,974	£ 310,419	£ 369,454	

Notes

- 1 Increase in audited activity results in greater percentage of total income related to SFC activity.
- 2 Decrease in local authority income, replaced by SFC activity.
- 3 Higher employers NIC and pension fund contributions increasing payroll costs
- 4 FRS 102 change in accounting treatment of private sector capital grants now taken to SOCIE produced "inflated" surpluses.
- 5 ONS requirement that we now hold minimal cash balances.
- 6 Balance sheet strengthened in 2015 with inclusion of £5.1m revaluation reserve.
- 7 Loan balance decreasing by around £240k per annum as Lennartz loan is repaid.
- 8 2015 figures have been restated onto the new FRS 102 (The Financial Reporting Standard) basis.
- 9 Activity in 2015/16 was measured in credits rather than WSUMs to reflect the change in funding methodology. Prior year comparison is thus not possible.

Procurement Report

January 2017

Overview

Scottish Public Procurement is governed by a legal framework which stems from the European Procurement Directives. These link back to a strategy which is in place to ensure public purchases are made in a simple, fair and transparent manner and that all public spending follows the same processes and procedures. Recently derived from the European Directives is the Procurement Reform (Scotland) Act 2014, which details legislation that must be followed.

APUC is providing assistance and expertise to ensure the appropriate processes and procedures are implemented to make certain the legislation is adhered to as South Lanarkshire College is still working towards the full procedures and processes to ensure it is meeting with the legislation defined by the Scottish Government.

This legislation is applicable to all regulated procurements that exceed a contract value of £50K over four years.

Below is an overview of the progress made to date. Further updates will be provided regularly over the coming months.

Contracts

Tender Process

A tendering process is being developed that can be applied uniformly across the College. A more informal process will be applied to requirements under the £50K threshold, and a formal procedure will apply to those above the £50K threshold. Details of this process will be contained within the Finance Regulations and Procedures document; see below a summary of the suggested format the process will take:

Level of Expenditure	Category of Purchase
< £5,000	Low Value Purchasing Procedure
£5,000 - £9,999	One written quotation
£10,000 - £49,000	3 Formal Quotations
=>£50,000 - £164,176 (Goods & Services)	Regulated Procurement (Reform Act)
=>£2,000,000 - £4,104,394 (Works)	Regulated Procurement (Reform Act)
=>£164,176 (Goods and Services)	EU Regulated Procurement
=>£4,104,394	EU Regulated Procurement

Collaborative Contracts

Requirement	Previous Supplier	Current Supplier	Award Date	Value	Estimated Annual Saving	Improved Efficiency/Benefits
Electricity	Scottish Power	EDF Energy via SP f/w	1 st November 2016	Approx £200K p.a.	Approx £20K	Benefit from framework contract conditions and contract management
Gas	Total Gas	Total Gas via SP f/w	Planned to be 1 st Feb 2017	Approx £20K p.a.	Approx £20K	As above
Water	Business Stream	Anglian Water via SP f/w	TBC	Approx £38K p.a.	Approx £3K	As above

Recent Contracts

Requirement	Previous Supplier	Current Supplier	Award Date	Value	Estimated Annual Saving	Improved Efficiency/Benefits
Multi-functional devices	Ricoh	Capital Solutions	October 2016	£28111 p.a.	Approx £25K	Benefit from framework contract conditions and contract management
Beauty Kits		Capital	August 2016	£14896	NA	Benefit from framework contract conditions and contract management
Hair Kits		Capital	August 2016	£46003	NA	Benefit from framework contract conditions and contract m'gement
IT Suite Alteration Works	NA	GMACK Const'n	Nov. 2016	£56512	NA	
Replacement ventilation system	NA	React	Nov. 2016	£43604	NA	
Minibus Lease	School Minibus Company	School Minibus Company	February 2017	£34125	TBC	

Operational Plan

Contract Wave Plan

Derived from the spend analysis report; requirements where there is high spend and potentially high risk, have been identified as priority to be tendered/contracted first. The requirements have been split as per the different departments within the College. Meetings have started to take place with the heads of departments to outline the new legislation changes in Procurement and to discuss the areas of spend relevant to their department. So far the Finance, Care, HR, Facilities and IT departments have been informed, as have all the Curriculum Managers.

Collaborative Opportunities

As the College is an APUC member, a record of all collaborative contracts the College partake in should be maintained. This is done using a system called Contract Uptake. APUC uses this system to generate various annual reports. The system has been recently updated to reflect the College's current collaborative contract usage, which is very low. APUC have been set a target that institutions should have 40% of their total spend as participation of collaborative contracts.

As the College works through the contract wave plan, opportunities for moving to collaborative spend should present themselves.

Collaborative contracts include frameworks set up by APUC, Scottish Procurement, Crown Commercial and others.

As New Lanarkshire College and South Lanarkshire College are part of the same region, it is logical that they should collaborate on procurement aspects that will be of benefit to both institutions. Such areas of collaboration include the tendering policy and value thresholds, the procurement strategy, and joint contracts where there are common areas of spend. The tendering policy and procedures have already been edited to reflect those similar to New College Lanarkshire, and the Procurement Strategy is underway.

Areas identified for common spend are waste management and pest management, which are planned to be tendered early 2017.

Contract Register

As the College is an APUC member, a contract register should be maintained using the system Hunter. Legislation states that only contracts with a total spend value over £50K are required to be published publicly. This information has been updated for the College and can be accessed via the College website; for lower contract spend, information can be accessed via Hunter.

Finance Regulations and Procedures

The Financial Regulations are currently under review and the Procurement Manual has been updated in line with recent legislation, with defined processes and procedures. The manual is currently in its first draft but following approval, should be made accessible to all College staff.

Procurement Strategy

The College is not obliged to publish a Procurement Strategy as the total annual spend for the College is below the required minimum. However, a Procurement Strategy is currently under development in line with best practice and will be in line with the College's regional partner, New College Lanarkshire.

Operational Procurement Review

The College is not obliged to complete a full PCIPS assessment as the total annual spend for the College is below the required minimum. However, a light assessment is scheduled to take place in February 2017, called an Operational Procurement Review. For this review certain questions will be asked of the College, and evidence will be required to clarify level of completion, from which actions will be derived.

A draft of this questionnaire has been completed in advance of the OPR, to identify what information needs to be collated.

South Lanarkshire College

Finance and Resources Committee of the Board of Management

Estates Report

February 2017

Reporting period: November 2016 to January 2017

Executive Summary

1. Risk
2. Health and Safety
3. Sustainability
4. Planned Activities
5. Other major activities

1. Risk

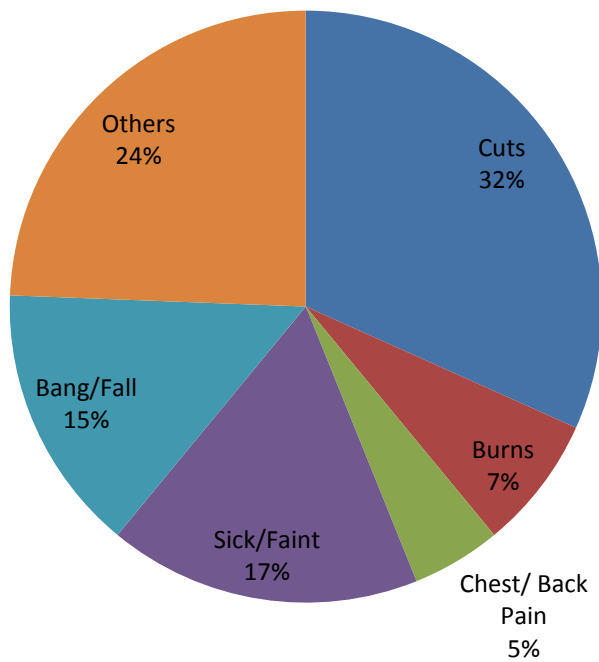
1 live Insurance claim ongoing. (Delivery Driver)

2. Health and Safety

- Rolling PAT testing up to date.
- First Aid Meeting Minutes - Appendix 1(reviewed by HR Committee)
- H&S Meeting Minutes - Appendix 2 (reviewed by HR Committee)
- 6 members of CMT qualified as First Aiders
- Accident statistics on page overleaf.

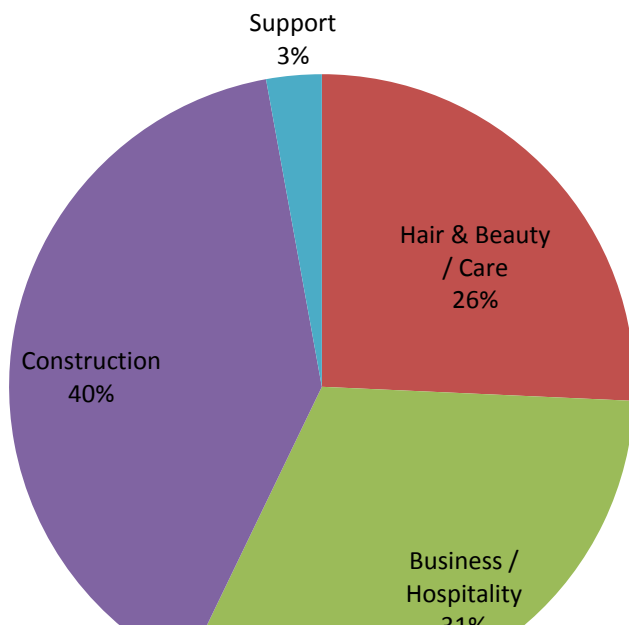
Accident Statistics (Nov – Jan)

Type



Cuts	13
Burns	3
Chest/ Back Pain	2
Sick/Faint	7
Bang/Fall	6
Others	10
Total	41

Faculty



Hair & Beauty / Care	10
Business / Hospitality	13
Construction	16
Support	2
Total	41

Percentage Variance from last reported
quarter by Faculty

Hair & Beauty/Care increased 10%
Business increased 15%
Construction increased 14%
Support increased 100%

3. Sustainability

Solar PV panels on workshop wing have produced 188 Mwh, offset 99.68 Co2 and earned £20,689 plus the incoming energy saving of £13,160 (0.07 per KWh) total saving of £33,849.00 from install in June 2013.

This is in accordance with the projected payback time.

Energy Consumption

Feb – Apr	Gas - kWh	Electricity - kWh
2015	930,366	552,523
2016	458,001	551,282
Percentage Variance	-50%	-0.2%

May – Jul	Gas - kWh	Electricity - kWh
2014 / 2015	1,695,570 Meter issue - corrected	341,030
2015 / 2016	842,223	458,727
Percentage Variance	N/A	+34%

Aug – Oct	Gas - kWh	Electricity - kWh
2015	278,827	481,660
2016	267,397	536,527
Percentage Variance	-4%	+11%

Nov - Jan	Gas - kWh	Electricity - kWh
2015/16	473,383	610,539
2016/17	514,183	623,987
Percentage Variance	+8.5%	+2.2%

3. Sustainability (Cont.)

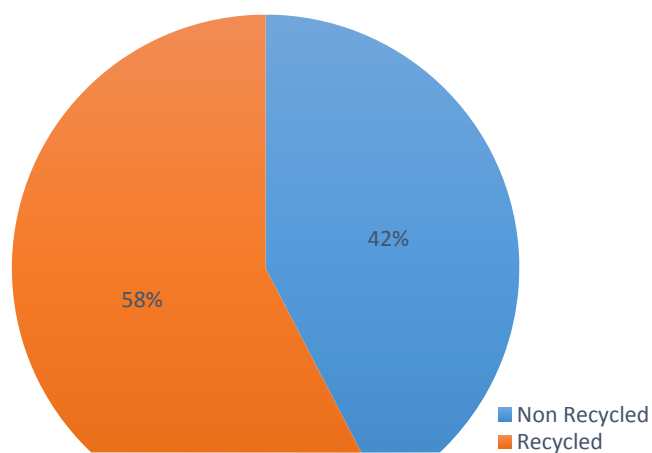
Water

Cubic Metres Consumed		
Nov – Jan	Main Building	Annex
2015/16	2,580	N/A
2016/17	2,314	14
Percentage Variance	10.3% Decrease	N/A

Waste

Waste recycling for this quarter (Nov 2016 - January 2017) was 124 tonnes compared to 110 in last quarter. Recycling figures for this period are a total of 58%

Waste



4. Planned Activities

Completion of 342/344 to communal area completed on time and within budget

Fourth Floor IT room - Early stage – Tender to be posted by 10th February.

5 Year Electrical Testing Ongoing. Testing completed, awaiting report.

Regular routine PPM activities.

5. Other Activities

Easter works planning starting 13th February.

New College Lanarkshire (NCL)/South Lanarkshire College (SLC)

Lanarkshire Regional Finance Meeting

Boardroom, South Lanarkshire College

Agenda – 1st February 2017

- 1 Apologies**
- 2 APUC Update**
 - Collaboration
 - Procurement strategy
 - Procurement Strategy Group (per Steering Group agenda)
- 3 Financial Regulations & Public Sector Compliance**
 - Financial Regulations & the Regional dimension
 - Financial Strategies (linked to the ROA)
- 4 Government Banking**
 - Update
 - Overdraft / support from SFC
- 5 Consolidated Financial Statements**
 - Guidance to be issued?
 - If no guidance to be issued – format?
 - Policies not yet aligned (e.g. depreciation, creditors, revaluation of assets)
- 6 Regional Reporting**
 - Update
- 7 Internal & External Audit**
 - Internal Audit Plan for NCL (RSB) to adopt a Regional Perspective
 - External Audit Work (2016/17) – note: no contact from Mazars to SLC
- 8 Policies & Procedures (Student and non-student facing)**
 - Update on the common approach to be adopted moving forwards
- 9 Board of Management / Code of Good Governance**
 - Update
- 10 AOCB**
 - National Bargaining
 - 2017 Review of colleges
- 11 Date of Next Meeting**