

Board of Management

Finance and General Purposes Committee

Monday 17 March 2014

2.00 pm

Room 2089

A G E N D A

- 1 Apologies for Absence
- 2 Declaration of Interest
- 3 Minute of 18 November 2013 (attached)
- 4 Matters Arising
 - 4.1 Item 4.1 Retention Monies (verbal update)

Standing Items

- 5 Capital Expenditure Update (report attached)
- 6 Management Accounts: January 2014 (to be tabled)
- 7 Aged Debt Report to January 2014 (report attached)
- 8 2014/15 Budget (report attached)
- 9 Institutional Sustainability (report attached)
- 10 ONS Reclassification of FE Colleges
 - 10.1 External audit meeting (verbal update)

Business

- 11 Hospitality Curriculum Development (verbal update)
- 12 Any Other Business
- 13 Date and Time of Next Meeting

Restricted Session

- 14 Any Other Business (Restricted)

Minute of the Meeting of the Finance and General Purposes Committee of the Board of Management of Dumfries and Galloway College, held on Monday 17 March 2014 at 2.00 pm in Room 2089, Dumfries campus

Present: R Gunnell
J Henderson (Chair)
K Henry
C Turnbull

In attendance: K Hunter, Finance Manager
J Brown, Assistant Principal (Learner Services) and Clerk to the Board
S Sutherland, PA to the Principal

1 Apologies for Absence

Apologies were intimated on behalf of Mr B Johnstone.

2 Declaration of Interest

Members agreed to declare any conflict of interest as appropriate throughout the meeting.

3 Minute of Previous Meeting

The Minute of the Finance and General Purposes Committee held on 18 November 2013 was approved.

4 Matters Arising

4.1 Item 4.1 Retention Monies

The Principal advised that the College had written to Millers outlining its continuing stance. The Assistant Principal (Quality and Estates) had received a note in response which was ambiguous but did hint at acceptance. He has asked them for written confirmation of this. In the meantime, the Committee was advised that there was still provision in the Accounts for the retention monies.

4.2 Item 9 Institutional Sustainability

The Principal reported that she had not yet added the establishment of a company limited by guarantee until the position was clearer, but that she would now add both the umbrella trust and college foundation as potential risks.

Standing Items

5 SI Capital Expenditure 2013/14

The Finance Manager spoke to the report which had been distributed.

The Committee noted that the operational plans for 2013/14 had been reviewed and refined through SMT discussions, in order to prioritise works and ensure that the requests were in line with the Strategic Plan and Regional Outcome Agreement. In addition, funds from 2012/13 were available to

carry forward and a request for an allocation of funds to complete the Transform project and e-business Strategy during 2013/14 was included.

The remaining items from the operational plan requests as approved at the previous meeting of the Committee were summarised as an Appendix to the report.

Members approved the allocation of capital expenditure to be used by 31 March 2014.

6 SI Management Accounts for February 2014

The Finance Manager tabled the financial report for February 2014.

The Committee noted that an operating deficit of £114,000 for the period to 31 March 2014 was forecast. However the accounting treatment of the core grant which should be recognised for the period was currently being clarified, in view of the change to the year end.

The Principal advised that both SFC and the External Auditors were aware and accepted that all college accounts to the end of March would be unusual and not comparable with previous years. However, the College was content as far as was possible that, had this been a normal year, it was still on course to return a slight surplus.

The Principal reported that whilst it was difficult to give the Committee the normal comparisons and assurances, SMT had been monitoring the cash flow position on a monthly basis and during March, the situation would be closely monitored in order to identify any amounts which should go into Trust prior to the end of the period.

The Committee noted the situation, and the lack of clear guidance available.

7 SI Aged Debt Report

The Finance Manager spoke to the report which had been distributed. It was noted that the Lewis Group had closed their debt collection department in January 2014, and the College was still trying to identify an alternative.

The Principal reported that it in terms of student funding, the balance of supporting students, whilst not overpaying so that monies could be recouped, was difficult and where students were in receipt of a bursary, housing and childcare benefits, their circumstances could change on a monthly basis.

Following discussion, the Committee agreed to write off the amount of £5,785.71, but noted that this figure was higher than previous years and so asked that the situation be closely monitored, and that the Finance Manager investigate the background to two individual student debts.

8 SI Budget 2014/15

The Finance Manager spoke to the report which had been distributed.

The Committee noted that the budget setting process for 2014/15 had had to commence much earlier in order to support the change in the year end. SMT had agreed the Curriculum Development Plan in December 2013, which had informed the staffing and resource costs for the budget.

The Committee reviewed the processes undertaken, and the key assumptions in the draft Budget, and recommended it to the Board for approval.

9 SI Institutional Sustainability

The Principal spoke to the table which had been distributed. She highlighted a few minor additions to the narrative, in that capital funding had been maintained for 2014/15 (10) and that, whilst in year funding had been received, the College was still overspent on student funding (11).

In respect of efficient space utilisation (24), the Principal advised that the new hospitality development would be accommodated but thereafter any future expansion would be difficult.

The Committee noted the report.

10 ONS Reclassification of Colleges

The Assistant Principal (Learner Services) reported that, following an external audit meeting on 11 February 2014, the Chair of Audit had issued an email to all Board Members proposing that the Board decision to transfer reserves to the D&G Foundation was reversed, and that reserves (other than the Lennartz commitment) be transferred to the SFC Umbrella Trust. This proposal was subsequently agreed and approval was given (by email) from the Chair of the Board for the College to sign up to the SFC Umbrella Foundation.

As a result the College had formally lodged a request to join the SFC Trust, and the Principal and Assistant Principal (LS) would meet with the Trustees in the near future to discuss the reserves to be lodged by 31 March, and in particular that the funds lodged would be "restricted", and the date when these would require to be returned.

The Committee noted the position, and agreed that the College lodge reserves of up to £2M with the Scottish Colleges Foundation before 31 March 2014.

In the meantime, the College would continue with the process of setting up the D&G FE Foundation, although the Board may ultimately decide that this should remain dormant.

Business

11 Hospitality Curriculum Development

The Principal reported on progress to date, and tabled key dates for the hospitality tendering process.

She advised that the budget for the build and adjacencies was still forecast to be within the £2M budget, and that it was anticipated that the build would be complete by 31 March 2015, for the first student intake in August 2015.

12 Any Other Business

None

13 Date and Time of Next Meeting

The next meeting was scheduled to take place on Monday 2 June 2014 at 2.00 pm.

Board of Management

Minute of the Meeting of the Finance and General Purposes Committee of the Board of Management of Dumfries and Galloway College, held on Monday 18 November 2013 at 2.00 pm in Room 2089, Dumfries campus

Present: J Henderson (Chair)
K Henry
B Johnstone
C Turnbull

In attendance: K Hunter, Finance Manager
J Brown, Clerk to the Board
S Sutherland, PA to the Principal

1 Apologies for Absence

Apologies were intimated on behalf of Mrs R Gunnell.

2 Declaration of Interest

Members agreed to declare any conflict of interest as appropriate throughout the meeting.

3 Minute of Previous Meeting

The Minute of the Finance and General Purposes Committee held on 23 September 2013 was approved.

4 Matters Arising

4.1 Item 15 Retention Monies

The Principal advised that the Board would be advised of the latest position at the meeting on 17 December 2013.

5 SI Capital Expenditure Update

The Finance Manager spoke to the report which had been issued, which sought approval for the initial phase of the 2013/14 capital expenditure programme.

Following discussion the proposed schedule of capital expenditure for 2013/14, and 2012/13 funds to be brought forward was approved. It was also agreed that, due to the uncertainty of the impact of ONS changes to College budgets, and the change to the financial year from 31 March 2014, it would be appropriate that a portion of the capital grant allocation be held pending approval when more details were known. This would be reported to the Committee during the period.

6 SI Management Accounts: August and September 2013

The Finance manager spoke to the report which had been issued.

She added that the Accounts included the same assumptions as the Financial Forecast Return to SFC, but that any amount which could potentially be transferred to a Trust would not be known until March 2014.

During discussion the Committee recognised that the reclassification and changes to month end would inevitably result in a large deficit figure being recorded at the year end, and whether SFC had contemplated how best to deflect any adverse publicity as a result.

A break even position was budgeted for the period to March 2014 and the budget and forecasts would be monitored closely over the period to ensure that the budget profile was updated for changes arising as the year progressed.

The Committee approved the report.

7 SI Aged Debt Report

The Finance Manager spoke to the report which had been issued, and agreed a write-off sum of £397.56.

8 SI External Development Income/Expenditure for the period to 31 October 2013

The Finance Manager gave a verbal report on the current position.

The Principal advised that the level of external development work was not a capacity or development issue, but that the nature of the Region did not always present sufficient opportunity. However the Business Development and Senior Management teams remained vigilant and pro-active where possible.

Members noted the position.

9 SI Institutional Sustainability

The Principal spoke to the table which had been distributed. There were no suggested changes. However following discussion it was agreed to add the establishment of a company limited by guarantee as something which the Committee required to evaluate on a regular basis.

10 ONS Reclassification of Colleges

The Principal advised that, as agreed at the special Board meeting on 15 November, the sub group would meet to agree setting up a Company Limited by Guarantee and Grant Thornton (External Auditors) would provide a list of specific questions to put to SFC regarding the changes.

The Committee also recognised the technical training and capacity issues of the Finance and Senior Management teams to enable them to effect the changes efficiently.

Business

11 Financial Statements for the year ended 31 July 2013

The Finance Manager spoke to the draft financial statements which had been issued, providing a summary of the results and balances reported, together with any changes to the format and disclosures from previous years.

The Committee considered the statements and made minor suggestions for amendment which the Finance Manager would incorporate. It was noted that the Auditors were happy with the statements and that a letter of recommendation would be issued for the Audit Committee, and copied to the Finance and General Purposes Committee.

The Committee approved the statements, and noted that whilst there were no major differences in these accounts, there would be for the period August 2013 – March 2014.

12 Annual Report of the Committee to the Board

The Committee approved the draft report to the Board on the activities and decisions of the Committee during financial year 2012-13.

13 Any Other Business

None

14 Date and Time of Next Meeting

The Committee noted that the next meeting in the schedule was Monday 17 March 2014, but it was felt that there would be need to have a further meeting prior to that date, to be advised.

Board of Management

CAPITAL EXPENDITURE – 2013/14

1. PURPOSE OF REPORT

The purpose of this report is to provide an update on the 2013/14 capital expenditure programme.

2. BACKGROUND TO REPORT

The College grant letter from SFC in April 2013 advised that a capital allocation of £507,423 would be made for academic year 2013/14. The full amount of the capital grant has now been paid to the College.

The conditions of grant for 2012/13 stated that the grant is provided to allow Colleges to deliver their regional outcome agreements, to follow public sector pay policy, work with APUC, and provide the data returns requested by the specified deadlines.

The grant conditions state that capital maintenance funding *'must be used for estates build/ maintenance and/ or debt servicing associated with capital developments. If expenditure on items of specialised equipment to support the curriculum is proposed this must be discussed and approved by SFC in advance'*.

3. REPORT

The Operational Plans for 2013/14 were reviewed and refined through SMT discussions, in order to prioritise works and ensure that the requests are in line with the Strategic Plan and the Regional Outcome agreement.

A number of the requests were approved for expenditure before July 2013 to ensure priority items were purchased and work carried out for the start of the 2013/14 academic year. Funds were released from operational budgets to cover these costs.

In addition, funds from 2012/13 are available to carry forward, and a request for an allocation of funds to complete the Transform project and e-Business Strategy during 2013/14 is included.

The remaining items from Operational Plan requests were approved by this Committee at their meeting in November 2013 are summarised on the Appendix to this report.

A portion of the capital grant allocation was held pending approval, due to the uncertainty of the impact for the College budgets of ONS changes, and the change to the College financial year from 31 March 2014.

4. RECOMMENDATION

Members are asked to note the position of the 2013/14 capital expenditure programme.

Schedule of Capital Expenditure – 2013/14 funds

	£ Budget	£ Spend to date	£ Balance
Nederman extraction systems for workshops	100,000	-	100,000
Rolling maintenance programme	100,000	(41,623)	58,377
Workshop extracting systems – Dumfries and Stranraer	15,000	(17,426)	(2,426)
Flood overflow and drainage works	10,000	(2,997)	7,003
Electrical testing	15,500	(4,673)	10,827
Room changes - Dumfries	15,000	(2,224)	12,776
Room changes – Stranraer	15,000	-	15,000
Car park improvements	12,500	(9,723)	2,777
Waste reduction and sustainability programme	7,000	-	7,000
Progress five-year Carbon Management Plan	10,000	-	10,000
Developments and projects	20,000	-	20,000
Total	320,000	(78,666)	241,334
Grant Available	507,423		
Balance Retained	187,423		

Schedule of Capital Expenditure

2012/13 funds brought forward

	£ Budget	£ Spend to Date	£ Balance
Transform – match funding to completion	90,000	-	90,000
e-Business strategy	42,000	-	42,000
Sports Equipment / Developments	120,000	(125,177)	(5,177)
Total	252,000	(125,177)	126,823
Balance available	126,823		

Board of Management

Aged Debt Report as at 31 January 2014

	October 2013 Total £	January 2014 Total £	Current £	> 1 mth £	> 2 mths £	> 3 mths £	3+ £	*No Debts 3+
Client	74,478	8,679	11,110	(8,745)	3,370	-	2,945	24
Student	19,866	6,367	945	(1,092)	(130)	-	6,644	64
Bursary 2008/09	594	310	-	-	-	-	310	1
Bursary 2011/12	434	434	-	-	-	-	434	1
Bursary 2012/13	6,399	6,112	-	-	-	-	6,112	15
Bursary 2013/14	-	4,173	385	728	2,504	-	557	13
Grand Total	101,771	26,076	12,439	(9,109)	5,744	-	17,002	118

**The No Debts 3+ column shows the number of debtors that are classed as "bad debts" and are being pursued through a Debt Collection agency i.e. it excludes those paying by instalments.*

General Comments

The total level of debt has decreased by £75,695 or 74.38% since the last Aged Debt Report at October 2013.

The system of regular reminder letters for overdue debts is in place to ensure that debtor balances are current. The College debt collection agents, Lewis Group Debt Collection closed their debt collection department in January 2014. The college is in the process of looking for another agency to take on the debt collection of overdue debt.

Client Debt

Client debt has decreased £67,799 since October 2013. The balance includes an invoice for £8,100 to the Energy Skills Partnership to reimburse the College with monies paid out for Wind Turbine Technician training, and a number of smaller invoices.

There is a credit balance included in the total client debt to the sum of £12,762. This is prepayment from Skills Development Scotland which has now been invoiced. Care Vision had a balance of £2,925 at 31st January and a payment was received in February 2014 to clear this.

There are no balances in dispute at 31 January 2014.

Student Debt

The total level of student debt has decreased by £13,499 since October 2013. The invoices raised for HE students who are self-funding have now been paid, or SAAS have paid the College the student fees for the current year. There are some smaller balances where students are paying with regular instalments.

Bursary Debt

The overall level of bursary debt has increased by £3,602. The increase is due to bursary payments being paid to Students with low attendance in the current year. Due to the closure of the debt collection agency, Lewis Group, the college has been dealing with the chasing / collection of this debt since January 2014 while a new agency is appointed.

Provision for Bad Debts

At 31 July 2013 the provision included in the accounts amounted to £2,938 which reflects the low level of older debts at the year-end.

The provision will continue to be reviewed to ensure the level is appropriate during the period to March 2014.

Debt Collection Company

We are in the process of looking for a new debt collection agency for older debts due to the closure Lewis Group. The total balance currently being handled by the College amounts to £2,274.61 at 31 January 2014.

Proposed Write-offs

<u>Reference</u>	<u>Amount</u>	<u>Position @ 31 October 2013</u>	<u>Debt Type</u>	<u>Date</u>
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0900296	281.92	W5 – Irrecoverable	Bursary	2012-13
0700937	448.00	W5 – Irrecoverable	Bursary	2012-13
0700718	506.28	W5 – Irrecoverable	Bursary	2012-13
0306942	712.56	W5 – Irrecoverable	Bursary	2012-13
0400402	387.21	W5 – Irrecoverable	Bursary	2012-13
0908848	356.28	W5 - Irrecoverable	Bursary	2012-13
0505782	140.96	W5 – Irrecoverable	Bursary	2012-13
0304831	356.28	W5 – Irrecoverable	Bursary	2012-13
0800279	1,268.64	W5 – Irrecoverable	Bursary	2012-13
0906203	352.40	W5 – Irrecoverable	Bursary	2012-13
1200565	420.76	W5 – Irrecoverable	Bursary	2012-13
1202436	120.00	W5 – Irrecoverable	Bursary	2012-13
0905573	434.42	W5 - Irrecoverable	Bursary	2011-12

Summary of amounts previously written-off:

Year debt was written-off	Year of original debt:						
	2012/13	2011/12	2010/11	2009/10	2008/09	2007/08	2006/07
2013/14	267.21						
2012/13		200.00		50.00	50.00		
2011/12			2,033.17		320.58		
2010/11			220.00	1,237.00	3,942.00	191.00	
2009/10					25,653.00	6,276.00	90.00
2008/09						26,210.00	4,826.00
2007/08						1,539.00	12,990.00
	267.21	200.00	2,253.17	1,237.00	29,915.58	34,216.00	17,906.00

Board of Management

BUDGET 2014/15

1. PURPOSE OF REPORT

The purpose of this report is to review and approve the proposed budget for the 2014/15 financial year.

2. REPORT

The budget setting process for 2014/15 has changed from previous years. The change in year-end, and subsequent reporting requirements to enable SFC to comply with the Scottish Government reporting, has resulted in the budget setting process for the College starting much earlier than previous years.

High-level budget estimates for 2014/15 were returned to SFC in August 2013, and this formed the basis for the detailed work.

The split between the academic and financial year has been taken into consideration as part of the budget planning process. In addition, SFC have indicated that they will continue to allocate core grant on an academic year basis, as grant is provided in order for Colleges to meet Outcome Agreements and student numbers targets.

The budget has been prepared taking into consideration the curriculum plan for 2014/15. The detailed work on the budget has included an assessment of the income and expenditure for the period April to July 2014, to complete the 2013/14 academic year. Changes planned for the 2014/15 academic year have been considered in order to assess the income and expenditure for the period August 2014 to March 2015. An outline budget for the four-month period April to July 2015 has also been considered for budget planning purposes, which will be updated in due course.

Operational Plan requests for the 2014/15 academic year were completed in December 2013, and requests prioritised within the available budget.

The salary budget has been scrutinised for the 2014/15 accounting period. Costs for the remainder of the current academic year to July 2014 have been reviewed in full based on current posts, and known changes up to July 2014. The budget for the period August 2014 to March 2015 has been calculated, taking into account changes to contracts for the new academic session and other planned changes, and ensuring sufficient budget has been allowed for staff required to meet the 2014/15 curriculum plan.

The estates budget has been reviewed and refined, in order to quantify the ongoing costs for maintenance contracts, as well as routine repairs and development works.

Capital expenditure proposals have been considered separately.

Key Assumptions

The key assumptions inherent within the draft budget are as follows:

Grant Allocation –SFC provided initial funding allocations for the 2014/15 academic year in their letter of 24th January 2014. The College has requested additional WSUMS for 2014/15 to provide the same target as the current year, and the draft budget assumes that the core grant will be the same level as 2013/14;

Income – the budget has been prepared on the basis that the main income streams will be in line with the expected out-turn for 2013/14, taking into account known contracts, and agreements with external partners;

Salaries – the budgeted payroll figures include an estimate of pay costs for the remainder of the current academic year to July 2014, and estimated costs for staff required to meet the 2014/15 curriculum plan, to calculate total costs for the period August 2014 to March 2015. A provision has also been included in the budget for sickness and maternity cover;

Pay Award – salary levels have been based on the assumption that a pay award of 2% is made in March 2014;

FRS 17 – the budget includes a provision of £50,000 for additional costs as a result of the FRS 17 valuation at 31st March 2015. The actual charge or credit will not be known until June 2015, when the valuation is available;

Capital Grant – a separate report has been prepared which details the proposed capital programme for 2014/15;

Student Support Funding – the income and expenditure figures are based on the bursary and other student support funding detailed in SFC's letter of 24th January 2014. The budget assumes equal levels of income and expenditure, and no overspend will be incurred;

Assets – depreciation and the corresponding release of deferred capital grants have been calculated based on the fixed assets at 31 March 2014, and assumes that there will be no changes to fixed assets in 2014/15;

Projects – the budget for 2014/15 includes income and running costs for the CREST project, and completion of Transform;

Contingency – a general contingency of £50,000 has been included in the budget to meet any unforeseen costs or shortfall in income.

4. SUMMARY

The draft budget presented to this Committee shows a break-even position for the financial year.

5. RECOMMENDATION

Members are requested to review the assumptions for the draft 2014/15 budget, and recommend the draft budget to the Board.

Budget Forecast

Budget Summary:	Forecast (8 months) August 2013 to March 2014	2014/15 Forecast (Financial year, 12 months)	Forecast for Academic Year 2014/15
	2013/14		
	£000		
Income			
SFC Core grant	5,165	8,460	8,330
SFC capital maintenance grant	366	0	0
Childcare grants	150	191	204
Deferred capital grants	524	789	789
Other grants	301	184	184
Fee Income	1,164	1,755	1,755
Refectory	282	400	400
Other Income	59	45	45
Total Income	8,011	11,824	11,707
Expenditure			
Salaries	4,694	7,389	7,412
Other Employee Costs	55	172	172
Total Staffing Costs	4,749	7,561	7,584
Property Costs	257	724	724
Capital grant expenditure	366	0	0
Operational plan expenditure	0	97	0
Supplies and Services	465	543	493
Telephones and Computing	314	390	390
Transport	36	52	52
Refectory	300	430	430
Other	459	512	512
Marketing	55	96	96
Childcare costs	256	191	204
Student support - overspend	14	0	0
Depreciation	787	1,177	1,177
General Contingency	0	50	50
Total Other Costs	3,309	4,262	4,128
Total Expenditure	8,058	11,823	11,712
Operating Surplus/ (Deficit)	(47)	1	(5)
Release of Revaluation Reserve	132	198	
Historical Cost Surplus/(Deficit)	85	199	

Institutional Sustainability 2013-14

						F = F+GP A = Audit Q = Q+C = Staff	S	E = External I = Internal
	Goals	<i>Suggested Evidence</i>	<i>BoM Chairs Grade</i>	<i>Supporting Evidence</i>	<i>Risk</i>	<i>C'tee</i>		<i>Influence</i>
Financial Strategy								
1	Generate sufficient level of operating surplus to finance other key resources	Operating surplus as % of total income	H	Audited financial statements, annual budgets/Financial Forecast Returns and monthly financial reports. Main Grant Letter	3	F		I
2	Diversify income streams	Non-SFC income as % of total income	H	External funding bids and projects, CTS income, Training income, Partnership Contracts (e.g. DGHP, Construction Skills) and student income (e.g. SAAS) (<i>importance has increased due to need to offset SFC funding cuts. Challenge has increased due to Gov policy re international students and impact of downturn</i>)	3	F		I
3	Maintain sufficient cash reserves to deal with unexpected events	Ratio of days cash to total expenditure, current ratio	H	Repayment of Lennartz money has increased degree of risk. ONS reclassification of colleges will have significant impact on how reserves will be treated in the future	3	F		I
4	Service borrowings	Interest cover, long-term liabilities to total reserves, financing costs, depreciation costs	L	Low risk issue as College currently has no borrowings. Balance sheet Key Performance Indicators demonstrate financial well-being and are reported via monthly financial reports	1	F		I
5	Efficient staff deployment	WSUMs per full-time equivalent (FTE)	M	Staffing levels reviewed on an ongoing basis, quarterly reports to Staffing Committee in relation to Curriculum staff and changes in the FTE of all staff across College. Reports made to BoM re: staffing levels. Approval forms for all recruitment indicating justification for the post. All new permanent posts approved by the BoM. IIP report indicated good planning in the use of staff. Recent internal audit confirms this	1	S		I
6	Sound budget setting and financial management arrangements	Internal, external audit reports	H	ONS reclassification of colleges will have significant impact on college financial management arrangements. It will be difficult to compare "like for like" budgets and accounts	3	F		I
7	Effective risk management and scenario planning arrangements	Internal, external audit reports	L	Recent audit confirmed sound practice with revisions to existing arrangements planned in line with audit recommendations. Scenario planning undertaken at Board and fed into Strategic Plan. Scenario planning carried out regularly by SMT throughout the year and appropriate actions implemented	1	A		I
8	Efficient procurement practices	Delivery of efficiency gains	L	Procurement Capability Assessment provides an independent audit of College practices. Indicators of procurement performance and record of savings made	2	F		I
9	Continuous improvement in business processes	Delivery of efficiency gains	M	Submission of Efficient Government Return identifies savings made each year	3	F		I
	Goals	<i>Suggested Evidence</i>	<i>BoM Chairs Grade</i>	<i>Supporting Evidence</i>	<i>Risk</i>	<i>C'tee</i>		<i>Influence</i>
Other potential goals identified								

Institutional Sustainability 2013-14

10	Capital Funding	Reduction in capital funding may impact on future ability of college to maintain and develop new capital assets/facilities	M	Capital Expenditure Programme agreed by the Board of Management. Regular capital expenditure monitoring reports. Periodic returns/submission to SFC. Transitional arrangements agreed with SFC to support ERDF projects. Increase in capital funding allocation for 2013/14, but ONS reclassification of colleges may impact on ability to develop future capital projects. Capital funding maintained for 2014/15	3	F	E
11	Student Support Funds	Foreseeable trends indicate funding could be reduced and/or demand will be greater than availability of supply	H	Monitoring reports produced every two weeks. Demand for Student Support Funds is difficult to predict as is estimate withdrawals. Risk rests with College - policy reviewed annually to reflect available finance. Funding for 2012/13 confirmed at existing levels. No increase for 2013/14 despite increased WSUM target. No guarantee of in-year funding. In year funding received but College still overspent.	3	F	I
12	External Financial Environment	Effects of recession, depressed state of the economy, unknown Political environment and uncertainty of public sector financial allocations	H	Economic indicators/statistics/reports. Current Climate is unpredictable	3	F	E
13	Office of National Statistics Reclassification of Colleges	Ensure accounting and reporting practices comply with requirements	H	Full impact unknown as yet but accounting year end date will change to 31 March with effect from 2014	3	F	I
Human Resources Strategy							
14	Effective staff training and development programme	Number of days per employee invested in training and development, external accreditation, appraisal system	L	Staff development framework in place. Staff achieve on average 5 days per annum staff development (formal & informal). Staff development records identify individual progress. IIP and HMIE recognition of staff development process. PMR in place for SMT and CMT, trial roll out in progress. Recent successful recruitment of additional Board Members.	2	S	I
15	Recruit and retain good quality staff	Investment in qualifications of staff	M Note: also applies to other areas, e.g. HR, H&S, IT	Records of staff qualifications demonstrate competency/knowledge. Staff Development Reviews highlight commitment to training and development. Qualified professional staff committed to CPD and submission of annual returns. Departmental staff turnover is very low. Staff Development records show continued professional development of all areas. Potential further reductions in staffing due to funding cuts could affect service delivery	2	S	E

Institutional Sustainability 2013-14

16	Appropriate levels of staff turnover	Leavers in last year as % total staff <i>(Note: grading takes account of geography and low turnover can stagnate skills base)</i>	M	Low turnover - 8% for voluntary leavers (6% during 2010/11 session). This allows the College to maintain a stable workforce however can make it difficult to recruit new skills and knowledge	2	S	E
17	Managing levels of sickness absence	Working days per employee lost through sickness absence	L	Absence level for 2011/12 was 5.6% which is higher than the previous year (3.7%) but still compares favourably to public sector organisations. Quarterly reports to Staffing Committee. Occupational health contract to ensure staff are able to return to work as soon as possible, enabled through phased return	1	S	E
18	Appropriately qualified teaching staff	Percentage of permanent college payroll teaching staff with a teaching qualification, HMIE reports	M	99% of permanent teaching staff currently possess a teaching qualification, the remainder are undertaking qualifications. Positive HMIE report and IIP. Staff development records. Increased cost for next session due to number of staff due to commence TQFE at Dundee. Potential in future years for % with qualification to decrease due to retirement of staff who possess TQFE being replaced with new staff who do not	1	S	I
19	Staff input to and awareness of college strategic plan	Staff consultations, events, staff satisfaction survey	L	Planning and development week to enable all staff to participate in planning process. Communication survey, Principal's briefings and HMIE reports confirmed that staff are involved in the planning process	1	S	I
20	Effective staff communications	Staff meetings, newsletters, staff satisfaction survey	M	College News, Intranet, Principal's Update, Staff Suggestion Scheme, direct access to SMT members, IIP	2	S	I
21	Committed and effective governing body with appropriate mix of skills and experience	Board recruitment, induction, training and succession planning arrangements, audit reports	M	Full Board membership with committed members actively engaged in decision making. Membership refreshed as vacancies arise and generally attract good quality applicants. Succession planning enhanced through use of co-opted members overlapping with those retiring to familiarise new members with college processes, including training and induction. Given the changes to Governance arrangements in the sector there is a potential risk that in future we might not attract the desired skill mix or equality/diversity mix. New Regional Board comes into effect in summer 2014. New Regional Chairperson being appointed through the Scottish Public Appointments process currently awaiting	2	A	E
Buildings and infrastructure strategy							
22	Provide high quality facilities and services for staff and students	Staff and student satisfaction surveys, estate condition data, estates strategy, ICT strategy	L	Staff and Student Surveys. Comment Card system and Suggestion Scheme. Post Occupancy Evaluation studies Phase I and II. Estates Strategy reviewed on annual basis. Condition Surveys and inspection reports	1	Q	I
23	Continuous investment in estate to address backlog maintenance issues and/or maintain high quality facilities	Capital and maintenance spend on estate/insurance replacement value, estate condition data	M	Capital Expenditure reports. Planned and reactive maintenance programme. Property valuation reports. Reduction in capital funding in 2011/12, but maintained at same level for 2012/13. Capital funding increased in 2013/14 and is maintained for 2014/15	2	F	I

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24	Efficient space utilisation	College data (seat utilisation)	M Note: Timetabling system	Room occupancy surveys undertaken on a sample basis. Timetabling system. Hospitality development will be accommodated but any future expansion will be difficult.	2	F	I
25	Buildings accessible to students with profound and complex needs	Disability Discrimination Act (DDA) compliance measures and evidence of reasonable adjustments	L	Dumfries campus design. Periodic inspections to ensure compliance with relevant legislation	2	S	I
26	Good practice in environmental sustainability	Climate action plan, energy consumption, emissions reporting	M	Climate Change Action Plans for Dumfries, Stranraer, Waste and Transport. Energy monitoring data. Sustainable procurement practices. Green Travel Plan/Initiatives	2	F	I
Other potential goals identified							
27	Transport		M Note: contracts could change suddenly affecting transport availability and student	Utilising public transport for student travel. Replacement of fleet vehicles with low emission models. Promotion of sustainable travel options for staff/students. Indications that the cost of bus contracts for 2012/13 could rise significantly did not materialise, but still a possibility for 2012/14	2	F	I
Quality and collaborative strategy							
28	Appropriate range of provision that is relevant to the needs of the community and the wider economy	Student satisfaction survey, user survey, performance against activity target, use of new learning technology, 'flexibility' of curriculum, self-evaluation	M	Feedback from a wide variety of sources indicates provision meets the needs of community and wider economy, apart from peripheral issues which are marginalised by cost effectiveness. Funding Council targets are consistently met or exceeded, internal targets generally met and regularly monitored through internal processes. Strategic intervention for flexible delivery with 3 year plan supported by Board includes financial support. Comprehensive self-evaluation framework. College operates wherever possible in the local community given constraints of a large rural area.	3	Q	I
29	Appropriate levels of student achievement and attainment	Student statistics	H	Students generally achieve well, including wider achievement. However some areas of the college are not producing consistently high levels, these are being monitored through internal processes including a sub-committee of the Board. Risk that this may affect funding in the future	3	Q	I

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30	Appropriate levels of student retention	Student statistics	H	Retention is generally in line with sector averages and remains fairly static year on year for the college as a whole. Some areas of the college have poor retention and these are being monitored through internal processes including a sub-committee of the Board. 2011/12 saw a 4% improvement in FE (full-time) retention to 72%, and 2012/13 saw a further improvement in retention.	2	Q	I
31	Commitment to equality and diversity of provision	Student statistics	L	Across the college as a whole statistics indicate that commitment to equality and diversity is achieving representative engagement. This is reflected in regular monitoring and reporting. At course team levels there is a need to improve representation in some curriculum areas, this is being encouraged through internal processes and monitored by a sub-committee of the Board Student representative on Equality Committee. Scotland's Colleges Award for Diversity week in recognition of joint working with students on equality strands	1	Q	I
32	Commitment to widening participation	Student statistics	M	As one of the colleges strategic aims this is an area where the college has performed well given the constraints of a large rural area and a diverse range of needs from a distributed population. Statistics show representation from almost all areas of the region and from a very good range of minority groups. However reduction in funding 2012/15 and focus on 16-24 year olds likely to impact on ability to maintain this.	2	Q	I
33	Appropriate quality of provision	HMIE review reports, student satisfaction survey	M	Education Scotland Review resulted in full confidence statements but highlighted some concern in the quality of teaching and learning.	2	Q	I
34	Productive engagement with other colleges, universities, schools and other stakeholders, including wider community	Articulation agreements, involvement in sector working groups, benchmarking groups, number of voluntary groups using college premises, shared services agreements, self evaluation	H	College operates benchmarking arrangements with other colleges and is actively involved in sector initiatives. We share premises with two universities and the Open University. There are articulation agreements with local and other universities including the development of articulation pathways and college staff teach on university courses. There is engagement with schools in the region and pupils attend college on various courses. CTS engage with the business community in regional premises and at the main college sites. The college sites are open for use by the community through appropriate booking arrangements (engagement with partners is likely to be adversely affected by their and our own funding cuts eg LAYP, UWS contract. Major potential development resulting from the introduction of the Dumfries Learning Town with implications for tertiary provision.	3	Q	I
35	Commitment to corporate and social responsibility issues including promotion of equality and diversity and public value	Corporate and social responsibility statement, audit, student satisfaction survey, self evaluation	L	The college operates as a community college serving the needs of the local area. In this respect the issues of social responsibility, promotion of equality and diversity and public value are intrinsic to the planning process and delivery mechanisms. These issues are given high priority by the Board and SMT. However there is no specific statement of intent or recent evidence to support the effectiveness of the college in this respect	2		A

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36	Commitment to environmental sustainability	Participation in <i>Climate Change Commitment</i> , development of climate change action plan and monitoring of progress against plan	M	The college has signed up to and is committed to the Climate Change Commitment. An analysis of the college carbon performance has been conducted by the Carbon Centre resulting in an action plan for improvement which is supported by the Board with funds committed and action on-going. As the building is new there may be limited scope to make major improvements	2	F	I
37	Appropriate quality of support services	Staff, student satisfaction surveys	L	Evidence from internal and external evaluations all indicate that there is a high quality of support service accompanying those directly related to curriculum delivery	1	Q	I
38	Effective systems to monitor enrolments	Performance against WSUMs activity target	L	Comprehensive electronic and paper based processes effectively monitor the performance against WSUMs activity not only of the college as a whole but down to course level. The information is virtually real-time and interrogation of this data occurs regularly with corrective actions taking place wherever necessary	1	A	I
Other potential goals identified							
39	Curriculum	Sustainability of multiple campuses/provision	M	Marginality of operation some courses - as funding reduces the challenge increases	2	Q	I

Board of Management

Hospitality Curriculum Development

1 Purpose of Report

To advise Members of the key dates for the hospitality tendering process.

2 Dates

24 March	2014	Return of Questionnaire
4 April		Complete PQQ assessment
7 April		Notification of tender shortlist
14 April		Issue of tender documents
17 April		Walkthrough Dumfries Campus
12 May		Return of tender documents
16 May		Award Date

3 Recommendation

Members to note dates of process.