

**Board of Management
Finance and General Purposes Committee**

Date: 14 May 2019

Time: 12midday

Room: 2009

A G E N D A

**Presented
by**

- | | | | |
|----|-------------------------------------------------------------------|------------|-------|
| 1 | Welcome and Apologies for Absence | | KMG |
| 2 | Declaration of Interest | | KMG |
| 3 | Minute of Meeting of 26 February 2019 | (attached) | KMG |
| 4 | Matters Arising | (attached) | AW |
| 5 | Timetable of Work (Papers) | (attached) | AW |
| 6 | National Bargaining – Update | (verbal) | AG |
| 7 | SoSEP Project Budget | (attached) | KH |
| 8 | Financial Update | (attached) | KH |
| 9 | Estates/Facilities Update | (verbal) | AG |
| 10 | Scottish Government Draft Budget for the Sector - Update | (verbal) | KH |
| 11 | College Budget Setting | (attached) | AG/KH |
| 12 | Strategic Risk Register | (attached) | AG |
| 13 | Any Other Business | | |
| 14 | Date and Time of Next Meeting - Tuesday 17 September 2019 at 12md | | |

Board of Management Finance and General Purposes Committee

Minute of the Meeting of the Finance and General Purposes Committee of the Board of Management of Dumfries and Galloway College, held on Tuesday 14 May 2019 at 12 noon in Room 2009, Dumfries Campus.

Present: Karen McGahan (Chair) Sue Livermore
Andy Glen (Acting Principal) Ros Francis
John Henderson

In attendance: Karen Hunter, Head of Finance
Brian Johnstone, Regional Chair
Ann Walsh, Board Secretary

Minute Taker: Heather Tinning, Executive Assistant

1 Welcome and Apologies for Absence

The Chair welcomed all to the meeting, in her new position as Chair of the Finance & General Purposes Committee.

The Board Secretary confirmed the meeting was quorate.

2 Declaration of Interest

Members agreed to indicate declarations of interest as appropriate throughout the meeting.

3 Minute of Meeting of 26 February 2019

The Minute of the Finance and General Purposes Committee meeting held on 26 February 2019 was approved.

4 Matters Arising/Action Monitoring Log not included on the agenda

4.1 College Arm's Length Foundation (ALF) has now been dissolved

Action: The Chair to update the Board with regards to the College Arm's Length Foundation (ALF) at the Board meeting on 4th June

4.2 Amendment to F&GP Terms of Reference

Approval given from the Board. The Quorum is now "3 members, of whom 2 to be non executive Board Members".

5 Timetable of Work

A change was proposed, to move the External Development Income and Expenditure report from May to September, to enable a full year to be reported.

Decision: Members approved the change

It was noted that it was agreed at the last meeting for the Student Association Accounts to be removed from the timetable, this will be removed

During discussion regarding the timetable, the Acting Principal advised that a regular SoSEP report was presented to the Board. A paper is also presented to the Learning and Teaching Committee in terms of curriculum, and a report presented to this Committee in terms of Finance.

Action: The Board Secretary to update the Timetable of Work

Board of Management Finance and General Purposes Committee

6 National Bargaining Update:

The Acting Principal provided an update on National Bargaining, highlighting key points:

- Nineteen National Meetings have taken place
- Planned Industrial Action is going ahead this week, however SQA Exams will continue as normal
- No further talks are scheduled at present
- The 'Withdrawal of Good Will' impacts on results being entered into the college system and the processing of results – 17,525 results are still to be input. Management are developing a plan to manage this, which includes Management Staff and the Curriculum Managers entering results. A Timeline and formal communication will be issued to Staff
- The Management Team are focusing on minimising any impact on students

Members noted the position.

7 SoSEP Project Update

The Head of Finance spoke to the report which had been issued, highlighting key points:

- The report includes the actual cash flow spend up to date and projected spend up to August
- The spend to date is less than originally anticipated as construction work did not start until the beginning of April
 - Head of Finance reported approximately £332,000 paid up to end of April
 - Approximately £40,000 expected spend for wind turbine

During discussion, the following point were made

- Recent discussions have taken place with Managers regarding the hubs and spokes including the digital classrooms
- In terms of the ongoing expenditure for the spokes, the ongoing maintenance will be paid by the schools
- Members were pleased to note that Contractors on site undertaking the current building works are local firms
- Although the construction work started later than planned, there is no slippage with the Project, which is still on track for completion at the end of August 2019
- The Head of Finance confirmed that there are no financial concerns, however should any major issues arise she would contact the Chair of the Finance and General Purposes Committee
- The Chair advised that Disabled Facilities are exempt from VAT

Actions:

- The Head of Finance to check the ownership of the Assets in terms of the spokes
- The Head of Finance to ensure that any saving on VAT for disabled facilities are achieved

Members noted the SoSEP Project update.

8 Financial Update

The Head of Finance spoke to the report which had been issued, highlighting key points:

- Payroll costs more than expected up to date
- Going forward, uncertain of payroll costs up to end of year

Board of Management Finance and General Purposes Committee

- The Committee advised that they were keen to keep a small contingency in place and not get into the habit of a deficit every year. If the extra credits were sought from the bids through SoSEP, this would meet the needs of the Committee
- The SFC highlighted that they will fund costs back dated to September 2018 for Support Staff Job Evaluation
- The SFC agreed can draw down approximately £162,000 for the year, in terms of Flexible Workforce Development Fund

Action: Flexible Workforce Development Fund/Generating Income to be brought back to the agenda at a later date, including a report on 'Projected Increase in Activity'

Members noted the Financial Update.

9 Estates/Facilities Update

The Acting Principal provided an update to members, highlighting key points, including:

- Estates Team busy with Project Works
- In terms of Carbon Reducing Energy Saving Projects, if affordable, the team would wish to change the lighting in sports hall this year
- Baseline sessions for ICT have recently taken place
- ICT/IS Team are creating a joint Learning Virtual Environment, ie Joint Moodle
- There was a need for a Fire Evacuation last week, although not planned it provided a test of the plan while the temporary access due to the building works is in place. This was well managed and although exams were taking place at the time, staff managed this situation well, monitoring those students taking exams and keeping them apart from others evacuated from the building.
- There are no major incidents to report on Health & Safety
- The Health & Safety Committee meeting is scheduled for 20 May

Members thanked the Acting Principal for the update and recognised the excellent work identified in the verbal report.

10 Scottish Government Draft Budget for the Sector - Update

The Head of Finance reported that the SFC are still looking at allocations across the college sector, advising that there are no further updates to date from the SFC.

11 College Budget Setting

The Acting Principal and Head of Finance spoke to the report which had been issued, highlighting key points:

- The final allocation to be received later this year
- Budget based on actual spend last year and forecast this year
- Zero based budget factored into draft budget for next year. Training has taken place, with further training to be offered to staff
- The budget has factored in projected pay awards and pension costs based on the Public Sector Pay Award and expected changes in employer pension contributions. This may be subject to revision. Members discussed their concern for salary costs
- Finance & General Purposes Committee discussed their concerns over the Capital Maintenance Grant which has decreased by 52%

Board of Management Finance and General Purposes Committee

Decision: The Finance & General Purposes Committee recommend the Indicative Budget to be approved by the Board

Actions:

- The Head of Finance to present a report on Zero Based Budget at next Committee meeting
- The Head of Finance to share the updated Budget with Committee members in advance of the next Board meeting
- The Indicative College Budget to be recommended to the Board for approval at the meeting in June 2019

12 Strategic Risk Register:

The Acting Principal spoke to the Strategic Risk Register, in particular risks relevant to the Finance and General Purposes Committee.

The Finance & General Purposes Committee discussed and approved the Strategic Risk Register, with no amendment.

13 Any other Business

None.

14 Date and Time of Next Meeting

The date and time of the next Finance and General Purposes Committee is Tuesday 17 September 2019, 12 noon.

Board of Management Finance and General Purposes Committee

Minute of the Meeting of the Finance and General Purposes Committee of the Board of Management of Dumfries and Galloway College, held on Tuesday 26 February 2019 at 12 noon in Room 2009, Dumfries Campus.

Present: Ros Francis (Chair) Sue Livermore
Carol Turnbull (Principal) Karen McGahan

In attendance: Karen Hunter, Head of Finance
Andy Glen, Vice Principal Business Development & Corporate Services
Brian Johnstone, Regional Chair
Ann Walsh, Board Secretary

Minute Taker: Heather Tinning, Executive Assistant

1 Welcome and Apologies for Absence

The Chair welcomed all to the meeting, in particular the Principal, attending her last Finance and General Purposes Committee meeting, before leaving the college to take up a new post on 1 March.

Apologies for absence were received from John Henderson.

The Board Secretary confirmed the meeting was quorate.

2 Declaration of Interest

Members agreed to indicate declarations of interest as appropriate throughout the meeting.

3 Minute of Meeting of 20 November 2018

The Minute of the Finance and General Purposes Committee meeting held on 20 November 2018 was approved.

4 Matters Arising

4.1 Actions Monitoring Log

Members discussed the Actions Monitoring Log, and agreed:

- Arms Length Foundation (Dumfries and Galloway) – should be dissolved by April 2019.
- Terms of Reference – requested changes will be brought to the Board for approval, within the Chair of the Board's Succession Planning paper at the Board Meeting in March 2019

Action: Approval of the changes to the Terms of Reference to be requested at the Board of Management meeting on 19 March 2019

4.2 Timetable of Work (Papers) for F&GP

Members discussed and agreed amendments to the Timetable of Work, including:

- Remove Student Association Accounts
- Include a date on the schedule
- Add the document to Admincontrol as a guide for members

The Principal advised that the schedule was also a helpful reference for the Executive Team.

Action: The Board Secretary to update the Timetable of Work and upload to Admincontrol

Board of Management Finance and General Purposes Committee

5 National Bargaining - Update

The Principal provided an update on National Bargaining, highlighting key points:

- Confirmation had been received regarding the allocation of funding to resource the work required to undertake the Support Staff Job Evaluation. Staff have been seconded to undertake the preparatory work for this
- With regard to Lecturing Staff, another two days have been scheduled for strike action. No agreement had been reached at the last NJNC, another meeting is scheduled

6 SoSEP Project Budget

The Head of Finance spoke to the report which had been issued, highlighting key points on progress, including:

- A formal grant offer letter had been received from the SFC
- Cash can now be claimed on a monthly basis
- The formalities of governance are now in place
- SFC have requested quarterly reports jointly from Dumfries and Galloway and Borders College, which includes a detailed budget monitoring report and a narrative report showing progress against the agreed outcomes.

The Principal also updated members on the Project to date, reporting that:

- The Project is on target regarding time and budget
- Tenders are now out for Construction
- Interviews have been held for a Part-time Project Manager
- Discussion ongoing with schools – a Memorandum of Agreement will be reached with the Education Services moving forward
- Stranraer Blue Prints are available in the Point (Dumfries Campus). A dedicated room has also been set up in the Stranraer Campus for the Project

Members asked that the scope of the project construction be highlighted at the Board Meeting in March. The VP BD&CS will present a Digital walk through video for the Dumfries Campus to the Board. Blue Prints and information is also available in the Point (Dumfries Campus).

Members noted the report.

7 Financial Update

The Head of Finance spoke to the report which had been issued, highlighting key points with regard to Budget Changes, including:

- Additional SFC grant included for National Bargaining costs
- Expecting NIL net change
- Contingency in place, hoping to remain in place until May
- **Decision:** Members formally approved the changes.

The Head of Finance also reported that:

- Finance have started the process to look at next year's budget, in terms of rolling out zero based budgets. Finance for non-Finance Manager Workshops have been arranged, with meetings ongoing with Managers with responsibility for budgets.
- SFC have confirmed that our request for additional student support grant has been successful, and we will draw down additional funds of £450,000.

Board of Management Finance and General Purposes Committee

8 Estates/Facilities Update

The VP Business Development & Corporate Services spoke to the report which had been issued, by the Head of Corporate Services, highlighting key points to note, including:

- The College remains on target to have all works completed by the end of March 2019 in line with the requirements from the Scottish Funding Council Condition Survey. Overall, the work undertaken to date is within the projected costs
- The VP advised that the college has met the 5-year target to reduce the carbon management by 20%, with 2 years to spare, and will continue with the emissions reductions, including the renewable technologies used in the new STEM hubs

Members thanked the VP for the update and recognised the excellent work identified in the report.

9 Scottish Government Draft Budget for the Sector - Update

The Head of Finance reported that the announcement with regard to the Draft Budget is due on the 27th February 2019 from the Scottish Government. A brief update was received last month, advising that colleges had been given an indication of approximately £10m capital grant funding between all colleges.

The Principal suggested that, if the college can show a commercial profit, to consider a donation into the ALF (held by SFC) to build up some funding for potential future needs. The Chair welcomed further discussion at the next committee meeting.

Action: The Head of Finance to email the Chair in advance of the next Board meeting if any update has been received in terms of the Draft Budget

10 Strategic Risk Register

The Principal spoke to the Strategic Risk Register, in particular risks relevant to the Finance and General Purposes Committee, including:

- Risk 2.1 – there are no sign of changes
- Risk 2.2 – no changes to report
- Risk 2.3 – accounted for in budget
 - Risk 2.5 – committee agreed to remove
- Risk 2.6 – college now less than 200 short of credit target
- Risk 2.7 – the college received the full additional funding allocation

The committee discussed and approved the Strategic Risk Register, with minor amendment.

11 Any other business

11.1 Chair – Finance and General Purposes Committee

The Chair reported that this was her last meeting as Chair of the Finance and General Purposes Committee, however will continue to be a Member of the Committee. The Principal thanked the Chair for the contribution she has made whilst in position, and welcomed the changes and approach that she had brought to the F&GP Committee. The Regional Chair also thanked the Chair for her hard work whilst in position as Chair of the Committee.

12 Date and Time of Next Meeting

The date and time of the next Finance and General Purposes Committee is Tuesday 14 May 2019, 12 noon.

Finance & General Purposes Committee

Matters Arising

Agenda Item No	Agenda Item & Action	Date to be Completed	Responsible Manager	Progress
Meeting of 18 September 2018				
4.1	College Arm's Length Foundation (ALF) The Principal to update the Finance & General Purposes Committee once the ALF is formally closed	To update once closed	Principal/Head of Finance	Dissolution papers will be available after 7 May
Meeting of 26 February 2019				
4.1	Approval to be sought from the Board at the meeting on 19 March 2019 and Terms of Reference of F&GP to be amended to increase number of non executive members and set quoracy to no less than 2 non executives.	14 May 2019	Board Secretary	✓
4.2	Timetable of Work to be updated and added to Admincontrol	March 2019	Board Secretary	✓
9	Scottish Government Draft Budget for the Sector - to email the Chair in advance of the next Board meeting if any update has been received	14 May 2019	Head of Finance	No updates have been received

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DUMFRIES AND GALLOWAY FURTHER EDUCATION FOUNDATION

Company number **SC468121**

Registered office address

College Gate, Bankend Road, Dumfries, DG1 4FD

Company status

Dissolved

Dissolved on

7 May 2019

Company type

Private Limited Company by guarantee without share capital use of 'Limited' exemption

Incorporated on

23 January 2014

Accounts

Last accounts made up to **31 January 2018**

Nature of business (SIC)

- 85590 - Other education not elsewhere classified

Is there anything wrong with this page?

Finance & General Purposes Committee

Timetable of Work (Papers) for the Finance & General Purposes Committee

	September	November	February	May
Required papers per Government Financial Memorandum. Delegated to F&GP by the Board				
Annual Financial Statements		✓		
College Budget setting				✓
Approval for revision to College budget (if needed)	✓	✓	✓	
College Aged Debt Annual Report to include approval for write offs	✓			
SFC 5 year Financial Forecast return	✓			
Papers requested by the Committee				
Matters arising	✓	✓	✓	✓
National Bargaining – verbal update	✓	✓	✓	✓
Financial Update to include management accounts and cash flow	✓	✓	✓	✓
Estates/Facilities Updates to include - Carbon Management plan	✓	✓	✓ ✓	✓
Update on Scottish Government Draft Budget for the sector			✓	
External Development Income and Expenditure	✓			✓
Update on SFC College Grant Allocation/ Capital Grant				✓
Papers requested by other Committees				
Annual F&GP Report to the Board (Board)	✓			
Student Association Accounts (L&T)		✓		
Strategic Risk Register (Audit)	✓	✓	✓	✓

SoSEP Project Budget - April 2019

Id	Task name	Project Ref	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Sub Total - GROSS
8	Planning application	4. Stranraer mini hub	£2,500	£2,500																				£5,000
10	Centre construction works 1 Stranraer	2. Dumfries Innovation								£13,563	£423	£213	£322,555	£177,000	£111,202									£624,956
11	Centre construction works 2 Dumfries Renewable Technologies	3. Care STEM Hub									£0	£0	£565,000	£475,000	£252,071									£1,292,071
12	Centre construction works 3 Dumfries Care and STEM	1. IT Infrastructure									£0	£0	£283,500	£128,000	£102,893									£514,393
20	Hub Development. Dumfries and Stranraer IT	5. New Technology kits								£0	£0	£0	£57,600	£146,400										£204,000
21	Hub Development Dumfries-Care Technology Kits and equipment	2. Dumfries Innovation centre								£0	£22,137	£0	£174,932	£174,931										£372,000
22	Hub Development Dumfries and Stranraer - Renewable Technology Kits									£0	£59,838	£0	£100,000	£160,162	£80,014									£400,014
26	Professional fees-Dumfries Renewable Technologies Centre	2. Dumfries Innovation centre				£9,036	£1,260	£18,477	£2,005	£12,372	£24,257	£7,251	£7,146	£7,146	£6,106									£95,056
27	Professional fees-Dumfries Care Hub and STEM Centre	3. Care STEM Hub				£7,146		£7,146		£7,338	£23,074	£7,251	£7,146	£7,146	£7,041	£1,768								£75,056
28	Professional fees-Stranraer Engineering	4. Stranraer mini hub				£7,146	£1,889	£9,306		£11,409	£25,257	£7,251	£7,146	£7,652										£77,056
30	D&G - Spoke Development	7. Spokes									£25,200	£0	£86,021	£284,800	£86,021		£86,021		£54,953					£623,016
31	D&G - Running costs	8. Running costs											£0	£23,500										£23,500
32	D&G - Project Management & Support	9. Project Management & Support									£12,707	£4,286	£16,638	£8,408	£8,408	£8,408	£8,408	£8,408	£8,408	£8,408	£3,413			£95,900
34	D & G Articulation										£3,740	£3,740	£3,740	£3,740	£3,740	£3,740	£3,740	£3,740	£3,740	£3,740				£37,400

4,439,418

Finance and General Purposes Committee

Financial Update at March 2019

1 Budget Changes

1.1 The proposed changes to the budget for 2018-19 are:

	£000's
SFC grant for additional credits	(54)
SFC grant for Job Evaluation – process costs	(26)
Reduction in forecast FWDF grant	50
Reduction in FWDF expenditure	(50)
SOSEP – additional revenue allocation of funding	(750)
SOSEP – additional revenue expenditure allocation	750
Reduction in forecasts for fee income	25
Increase in payroll budget	56
Reduction in depreciation charges	<u>(30)</u>
Net change	<u>(29)</u>

1.2 SFC have confirmed that 350 additional credits have been allocated to the College following an in-year transfer of activity targets across the sector. A standard price per credit of £154.04 has been set for this reallocation. In addition, SFC have confirmed that funding of £26k will be provided to cover the administration costs for the Job Evaluation process.

1.3 The forecasts for training to be delivered under the Flexible Workforce Development Fund has been revised based on current plans and discussions with local eligible businesses. Training of £153k is expected to be delivered from the total available £203k.

1.4 The SoSEP budget forecasts have been revised to show a further £750k of revenue costs and related income for the period up to 31 July 2019.

1.5 Forecasts for fee income have been reduced based on current planned activity for the remainder of the academic year.

1.6 The Income and Expenditure forecasts included in the Appendix here incorporate the proposed changes to the budget.

Finance and General Purposes Committee

2 Results to 31st March 2019

2.1 The forecasts have been updated to reflect the expenditure and outstanding orders which were raised up to 31 March 2019, including several orders for IT equipment and infrastructure for the S0SEP project. Total commitments at 31st March for the project amounted to £347k, and the contract for the construction work has also now been raised.

2.2 Pay forecasts have been increased to reflect some additional costs for equal pay claims which have now been settled. As agreement has not yet been reached for any cost of living pay award for lecturing staff, the projections may require to be revised.

2.3 A contingency of £55,000 is still in place and will be utilised to offset potential additional costs arising or reductions in income before the end of the year. Given the uncertainty over pay costs it will be prudent to retain this for the time being.

2.4 Discussions with local eligible businesses are continuing to utilise the funding for the Flexible Workforce Development Fund (FWDF) project. The latest projections indicate that training of £153,000 likely to be delivered within the timescales which have been set out by SFC. The forecasts will be reviewed on a regular basis and the external development team continue to work with local businesses to organise the training requested. No surplus has been anticipated for this project, and costs equal to the grant funding have been included in the forecasts.

2.5 A review of forecast expenditure and any changes to income forecasts will be discussed with budget holders as part of the budget discussions for 2019-20, but all CLT members are requested to review the budgets for their areas and highlight any potential issues with the Head of Finance.

2.6 The Key Performance Indicators monitoring the forecast out-turn for the year, and working capital position at 31st March 2019 are summarised as follows:

Income and Expenditure:

Operating Surplus/ deficit as % of income	0.18%	(31.07.18 – 8.66%)
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Non-SFC income as % of total expenditure (including ALF grant income)	12.71%	(31.07.18 – 16.3%)
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Balance Sheet:

Current Assets: Current liabilities	0.72	(31.07.18 – 0.54)
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Days cash to annual expenditure (excluding depreciation)	34 days	(31.07.18–22days)
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2.7 Income and expenditure for the eight months to March 2019 and forecasts to July 2019 are summarised in the Appendix to this report.

2.8 Balance Sheet

The balance sheet movement for the period between January and March was:

	March '19	January '19	Movement	
	£000	£000		
Fixed Assets	35,730	35,967	-	237
Current Assets	2,196	1,875		321
Current Liabilities	(3,030)	(2,498)	-	532
Long term liabilities	(21,393)	(21,520)		127
Pension Liability	(2,807)	(2,807)		-
Net Assets	10,696	11,017	-	321
Revaluation Reserve	(5,949)	(5,987)		38
I&E Account	(4,747)	(5,030)		283
	(10,696)	(11,017)		321

	March '19	January '19	Movement
	£000	£000	
Cash at bank	1,125	583	542
Net Current Assets (Liabilities)	(834)	(844)	10

2.9 Current assets including bank balances increased between January and March, and include some additional grant drawn down for the SoSEP project in advance of expenditure.

2.10 The increase in current liabilities includes the unspent SoSEP grant funding. An initial estimate has been made to split capital and revenue elements of the grant funding and related expenditure, but this will need to be checked and revised if necessary when the buildings are completed, and expenditure is known.

Finance and General Purposes Committee

3 Cash Forecasts

- 3.1 Cash forecasts for the period up to July 2019 show a reduction in bank balances to £288,000, which reflects the level of free cash reserves held by the College following re-classification and the final payment of Lennartz liabilities.
- 3.2 The cash forecasts indicate that the balances at 31 March 2019 will be enough to meet payments as they fall due, but this will continue to be monitored with any potential issues highlighted for the Executive Management Team.
- 3.3 The detailed cash flow projections for the period to July 2019 is included in the Appendix to this report.

4 Student Support

- 4.1 Student support costs for the period to date reflect scheduled payments of bursary, EMA, childcare and discretionary funds as well as accrued costs for buses and purchase of materials from the 'study costs' budget.
- 4.2 The emphasis on 'Student Engagement' for the current year and introduction of an enhanced bursary for Care Experienced students has increased the overall projected costs for the year.
- 4.3 The forecasts indicate that, given the additional bursary funds now received from SFC, the College will have sufficient funds to meet commitments for the remainder of the year.

5 Scottish Colleges Foundation/ Arm's Length Foundation

- 5.1 The balance retained by the Scottish Colleges Foundation for Dumfries and Galloway College amounts to approximately £80,000.
- 5.2 Funding of £55,000 had been approved for the College to draw during 2018-19 for engineering equipment, but as the proposed use of the funds has now changed, a revised bid would need to be made to the Trustees.

	PERIODS 1 TO 8		12 MONTHS TO JULY 2019				
	August to March 2019		August 2018 to July 2019				
	Actual	Budget	Forecast *	Budget approved by F&GP - November	Changes for approval	Revised Budget	Variance
	£000	£000	£000	£000	£000	£000	£000
INCOME							
Grant Income							
- SFC Core grant	(6,463)	(6,457)	(9,697)	(9,612)	(79)	(9,691)	6
- FWDF grant	(51)	(51)	(152)	(203)	50	(153)	(1)
- CCLG grant	(24)	(24)	(41)	(41)		(41)	0
- Access to free sanitary products	(35)	(35)	(35)	(35)		(35)	0
- SOSEP Project	(287)	(293)	(1,000)	(250)	(750)	(1,000)	0
- Other SFC grants	0	0	(12)	(12)		(12)	0
- Hollywood Trust	(34)	(35)	(47)	(47)		(47)	0
- ALF Grants	(30)	(30)	(45)	(55)		(55)	(10)
- Other grants	(35)	(33)	(17)	(23)	(7)	(30)	(13)
- Capital maintenance grant	(381)	(381)	(381)	(381)		(381)	0
- Release of deferred capital grant	(508)	(508)	(762)	(762)		(762)	0
Fee Income	(984)	(1,019)	(1,494)	(1,577)	25	(1,552)	(58)
Other Income	(46)	(46)	(67)	(57)		(57)	10
Total Income	(8,878)	(8,912)	(13,750)	(13,055)	(761)	(13,816)	(66)
EXPENDITURE							
Total Pay Costs	6,068	6,057	9,291	9,223	56	9,279	(12)
Property Costs	681	634	780	774		774	(6)
SOSEP Costs	347	400	1,000	250	750	1,000	0
Supplies and services	395	386	670	679	7	686	16
FWDF Costs	20	20	153	203	(50)	153	0
Other employee costs	137	136	186	182		182	(4)
Telephones and ICT Infrastructure	318	314	368	369		369	1
Transport	44	45	61	62		62	1
Refectory	12	14	8	4		4	(4)
Other	116	116	167	206		206	39
Registration costs	117	117	211	210		210	(1)
Marketing	41	43	68	76		76	8
Depreciation	976	976	1,438	1,467	(29)	1,438	0
Contingency	0	0	0	55	0	55	55
Total Other Costs	3,204	3,201	5,110	4,537	678	5,215	105
Total Expenditure	9,272	9,258	14,401	13,760	734	14,494	93
Operating Surplus/ (Deficit)	(394)	(346)	(651)	(705)	27	(678)	(27)
Adjustment for non-cash and other items:							
Non-government capital grants (ALF)	0	0	0	0	0	0	0
Depreciation net of deferred grant released	(508)	(508)	676	705	(29)	676	0
Underlying operating surplus/ (deficit)	114	162	25	0	(2)	(2)	(27)

STUDENT SUPPORT

Income
Expenditure

Net costs to be met by College

PERIODS 1 TO 8	
August to March 2019	
Actual	Budget
£000	£000
(1,847)	(1,847)
1,847	1,847
0	0

12 MONTHS TO JULY 2019				
August 2018 to July 2019				
Forecast	Budget approved by F&GP - November	Changes for approval	Revised Budget	Variance
£000			£000	£000
(2,562)	(2,562)	0	(2,562)	
2,562	2,562	0	2,562	
0	0	0	0	0

Dumfries and Galloway College
Cash Flow Projections for 2018-19

Forecasts for April '19

Forecast 18-19

Income

SFC Grants

SFC Core Grant	434,463		980,000	850,000	910,000	599,054	9,073,517
SFC additional Lecturer pay	36,112	83,226	166,626	27,430	-	-	527,326
SFC additional Support pay		24,171			-	-	24,171
SFC Other	3,996	3,996	3,996	3,996	3,996	3,996	40,245
Access to sanitary products							34,906
Flexible Workforce Development Fund 2018-19				25,000		23,514	150,000
Flexible Workforce Development Fund 2017-18						-	45,245
C0SEP Project income	600,000	500,000	875,000	900,000	1,250,000	277,019	4,402,019

Student Support

Bursary	170,000	429,478	263,202	263,202	263,202		2,237,151
Capital Maintenance - revenue							356,214
Capital Maintenance - capital							25,000
SFC - Student Support clawback			-	61,934		-	61,934
EMA Admin			12,000				12,000
EMA Student Maintenance	9,420	36,960	25,000	25,000	25,000		198,090

Other Income

Other grant income		30,700			31,600		62,300
HE Hardship	24,859						82,864
SAAS Fees		40,604	25,000				599,807
Re-charges - UWS/ Gl. Uni/ DGC			102,000		75,000		177,000
Other cash received in SDS	67,184	58,503	87,695	77,695	87,695	87,711	893,768

Total cash in

	1,346,034	1,207,638	2,478,585	2,172,323	2,646,493	991,294	18,789,199
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Expenditure

Payroll	759,590	779,816	810,000	810,000	810,000	780,000	9,293,776
SFC Additional Campus Manager	4,909	4,909	4,091	4,091	4,091	4,093	49,093
EMA payments	15,960	18,480	25,000	25,000	25,000	-	168,790
SFC Bursary and other student support payments	201,890	219,189	270,571	265,000	254,035	109,500	2,236,765
HE Hardship	8,440	14,123	10,000	11,419	5,557	-	82,864
PL payments	141,893	175,035	145,000	140,000	160,000	155,000	2,066,180
C0SEP Project costs - revenue	31,119	76,307	324,000	118,000	30,000	309,348	957,185
C0SEP Project costs - Capital - Buildings	13,563		520,000	665,000	780,000	452,857	2,431,420
C0SEP Project costs - Capital - F&F		7,992	120,000	57,000	388,408		573,400
C0SEP Project costs - Capital - IT		99,182	80,014	220,818			400,014
Very High Priority Capital Maintenance			28,307				155,301
Scottish Colleges Foundation - capital			14,000				225,000
Scottish Colleges Foundation - revenue			48,808				79,664
Maintenance costs - from SFC Capital Maintenance grant	38,169	24,994	25,000	25,000	25,305		175,878
Other payments	41,258	30,806	17,750	7,750	17,750	17,725	259,433
Lennartz	-	-	-	-	-	-	105,737
Capital Grant - payments		15,000	10,000	-	-	-	25,000

Total cash out

	1,256,791	1,465,833	2,452,541	2,349,078	2,500,146	1,828,523	19,285,500
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Net cash inflow/(outflow)

	89,243	(258,195)	26,044	(176,755)	146,347	(837,229)	(496,301)
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Balance b/f	1,250,384	1,339,627	1,081,432	1,107,476	930,721	1,077,068	736,140
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Balance c/f	£1,339,627	£1,081,432	£1,107,476	£930,721	£1,077,068	£239,839	£239,839
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Finance and General Purposes Committee

DRAFT BUDGET FOR 2019-20

1. PURPOSE OF REPORT

The purpose of this report is to review the initial budget proposals for the 2019-20 financial year.

2. REPORT

The Scottish Funding Council provided the indicative allocations of grant funding for 2019-20 on 28 February, with an aim to finalise the funding offer in May pending finalisation of the Outcome Agreements with the college sector for 2019-20. Any changes to the grant offer from SFC will be reported to this committee in future budget updates.

This draft report has been drafted with the aim of achieving an underlying break-even out-turn for 2019-20. No contingency has been included in the current budget allocations, but any savings identified following completion of budget discussions will be allocated to a contingency to provide some budget cover for future changes.

The approach to budget setting for 2019-20 has been 'Zero-based', with each budget holder asked to set out their requirements for 2019-20, as well as any areas where savings can be made. That process is still ongoing, and budget holders are being supported to help them provide the information necessary. Total non-pay budget for 2018-19, excluding depreciation, amounts to £2,475,000 which represents approximately 20% of the overall costs for the College. Planned savings amount to £130,000.

All budget requests will require to be scrutinised and approved by the Executive Management Team. As the total request for non-staff budget has not yet been finalised, the figures in this report have been based on the forecast spend for the current year, with changes applied relating to the South of Scotland Enterprise (SoSEP) project and other known changes in order to provide initial high-level budget figures.

The Appendix to this report shows a detailed breakdown of income and expenditure items, with the format of the report showing the net operating results and the non-cash and other adjustments highlighted, which mirrors the format of the year-end financial statements.

Key Assumptions

The key assumptions made for the draft budget are set out below.

Finance and General Purposes Committee

Income

SFC Grant Allocation

As highlighted in the summary reported to the Board meeting in March, the core funding indicated by SFC includes additional costs to meet national bargaining pay harmonisation costs and is effectively a 'flat cash' settlement.

The capital maintenance grant has decreased by 52% and is intended to provide a 'contribution towards backlog and life cycle maintenance'.

The table below shows a comparison of the indicative allocation of core grant and credit target for 2019-20 compared to the current year:

	2018-19	2019-20	<i>change from 2018-19</i>	
Credit Target	30,176	30,176	-	
Additional allocation of credits	350		-	350
Core Funding	9,073,517	9,820,471		746,954
In-Year additional Credit funding	53,914	-	-	53,914
National Bargaining Funding	771,126	209,215		
	9,898,557	10,029,686		131,129 1%
Capital Maintenance	381,214	184,000	-	197,214 -52%

Other Income

SAAS fee income has been based on target numbers of HE students for 2019-20, with some allowance for places not filled, and some students leaving before the cut-off date for fees.

Commercial income has been based on the curriculum plan and targets and planned activity for 2019-20.

Finance and General Purposes Committee

Fees for SDS and other fee income has been based on planned activity for the period.

Expenditure

Salaries

The total salary budget has been estimated at £9,700,000 which represents 80% of total costs, excluding depreciation.

Salary costs have been set based on the lecturing staff required to deliver the Curriculum Plan for 2019-20 and allowing for an increase in employer pension rates and current levels of support staff.

No allowance has been made for the Support Staff Job Evaluation Project. Any changes in salary costs will not be known for some time, and the costs are expected to be met for the period from SFC grant funding.

A pay award has been included in the forecast costs, which has been based on Public Sector Pay Policy of 3% increase for staff earning less than £36,500 and 2% increase for staff on higher salary levels.

Property costs

The budget is expected to cover core costs for ongoing estates maintenance and repairs.

No allowance has been included to cover any development work, and any future plans will require to be costed and assessed against any funding which may become available.

SoSEP Project

Income and related expenditure for the SoSEP Project of £140,000 has been included in the budget, based on the forecast spend on running costs for the period as set out in the Project reports.

Student Support Funding

The indicative grant from SFC sets out the same level of cash as actually received during the current year, including the additional funding received for the In-Year Re-distribution of funds, which amounts to £2,554,000.

SFC have indicated that the Bursary Maintenance grant to students should increase by 5.9%, and the increased bursary for Care Experienced students will continue for 2019-20.

Finance and General Purposes Committee

The College is able to determine the level of support we provide for Childcare and Housing costs to students. In previous years, the levels have been set at a conservative rate, with additional funds being distributed later in the year. An increase in rates has been proposed for 2019-20, which will bring the support in line with other colleges and aims to help with student retention.

Assets and depreciation

Depreciation costs and release of deferred capital grants re based on the asset register at April. The budget will require to be updated for capital expenditure from the SoSEP project, but the additional depreciation costs should be covered by release of deferred grants.

Contingency

No general contingency has been included in the budget at this time. The Executive Management Team aim to identify savings when the budget reviews have been completed, and those savings will be added to the contingency.

Out-turn for the period

The budget shows an Operating deficit of £659,000 and the underlying position after adjusting for depreciation and release of deferred capital grants is a net surplus of £3,000.

3. RECOMMENDATION

The Committee are requested to review the draft budget for 2019-20 and recommend it for approval by the Board subject to notification from SFC of their final allocation.

Finance and General Purposes Committee

APPENDIX

Budget Summary:	Forecast for 2018-19	Budget for 2019-20	Change from 2018-19 forecast
Income	£	£	£
Grant Income			-
- SFC Core grant	(9,148)	(9,820)	(672)
- SFC NB Grant	(549)	(209)	340
- FWDF Grant	(152)	(153)	(1)
- CCLG grant	(41)	(48)	(7)
- Access to fees sanitary products	(35)	(35)	0
- SoSEP grant	(1,000)	(141)	859
- Other SFC grants	(12)	(12)	0
- Hollywood trust grant	(47)	(2)	45
- ALF grant	(45)	0	45
- Other grants	(17)	(12)	5
- Capital maintenance grant	(381)	(184)	197
- Release of deferred capital grants	(762)	(752)	10
Fee Income	(1,494)	(1,508)	(14)
Other Income	(67)	(53)	14
Total Income	(13,750)	(12,930)	820
Expenditure			
Total Pay Costs	9,291	9,700	409
Property Costs	780	685	(95)
SoSEP costs	1,000	141	(859)
Supplies and Services	670	439	(231)
FWDF costs	153	153	0
Other Employee Costs	186	189	3
Telephones and IT Infrastructure	368	376	8
Transport	61	60	(1)
Refectory	8	5	(3)
Other	167	150	(17)
Registration costs	211	211	0
Marketing	68	66	(2)
Depreciation	1,438	1,414	(24)
Contingency	0	0	0
Total Other Costs	5,110	3,889	(1,221)
Total Expenditure	14,401	13,589	(812)
Operating Surplus/ (Deficit)	(651)	(659)	8
Adjustment for non-cash and other items:			0
Non-government capital grants (ALF)	0	0	
Depreciation net of deferred grants released	676	662	(14)
Underlying Operating Surplus/ (Deficit)	25	3	(22)

Student Support:	Forecast for 2018-19	Budget for 2019-20	Change from 2018-19 forecast
Income	(2,554)	(2,554)	0
Expenditure	2,554	2,554	0
Net costs	0	0	0

Finance & General Purposes Committee

Strategic Risk Register

1 Introduction

- 1.1 The purpose of this paper is to provide the Committee with the opportunity to review the College's Strategic Risk Register.

2 The Report

- 2.1 The Principal and Executive Management Team routinely review the Strategic Risk Register to reflect the risks the College is facing and the mitigation that will be applied to each risk. There are currently 21 strategic risks, 6 of which are rated 9 (Amber = Significant risk) or above.

2.2 Committee Reporting

The Strategic Risk Register is now presented at each Committee and members are asked to pay particular attention to risks pertaining to the work of that Committee. The end column on the Risk Register has been amended to include the name of the Committee who would have 'oversight' of that risk, so that members can focus on these in their discussions. There is still the opportunity to discuss other risks at full Board meetings. There are 5 risks that should be scrutinized at this committee meetings.

3 Recommendation

- 3.1 It is recommended that the Committee consider and, if so minded, approve the Strategic Risk Register.

Andy Glen
Acting Principal
May 2019

Post Holders	Board	Board of Management	HoC	Head of Curriculum	HoSS&G	Head of Student Support & Guidance
	ELT	Executive Leadership Team	HoP&Q	Head of Planning & Quality		
	CLT	College Leadership Team	HoF	Head of Finance		
	PRIN	Principal	HoHR	Head of Human Resources		
	VPL&S	Vice Principal Learning & Skills	HoBD	Head of Business Development		
	VPBD&CS	Vice Principal Business Development	HoCS	Head of Corporate Services		

Score	Impact	Likelihood
1	Routine	Remote
2	Minor	Unlikely
3	Significant	Possible
4	Major	Probable
5	Critical	Very likely

Risk Number	POTENTIAL CONTRIBUTING FACTORS			TREATMENT		POST MITIGATION EVALUATION				
	Risks	Impact	Likelihood	Score	Mitigation Actions	Impact	Likelihood	Score	Monitoring	Responsibility /Committee Oversight
1	Strategic and Structural									
1.1	Failure of College strategy to meet the needs of Dumfries and Galloway Region and/or national priorities (eg Employability, DYW, attainment, articulation)	4	4	16	<ul style="list-style-type: none"> Robust strategic planning Effective environmental scanning Strong partnerships Clear links between strategy and practice Concerted demands for increased activity levels 	4	1	4	<ul style="list-style-type: none"> Robust monitoring via ROA Clear performance metrics Amendment of strategic direction/plans Rolling curriculum review 	Board, ELT BoM
1.2	College may be disadvantaged by changes to either UK or Scottish Government policies	4	3	12	<ul style="list-style-type: none"> Effective environmental scanning Negotiation/influence at national level 	4	2	8	<ul style="list-style-type: none"> Review of changes and amendment of strategic direction/plans Financial strategy sensitivities 	ELT BoM
1.3	College disadvantaged by changes arising from UK leaving European Union	3	4	12	<ul style="list-style-type: none"> Negotiation/influence at national level Review of activities/ projects Responsiveness to new opportunities 	2	2	4	<ul style="list-style-type: none"> Review of changes and amendment of strategic direction/plans/ curriculum Financial strategy not ESF dependent 	ELT BoM

Post Holders	Board	Board of Management	HoC	Head of Curriculum	HoSS&G	Head of Student Support & Guidance
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	PRIN	Principal	HoHR	Head of Human Resources		
	VPL&S	Vice Principal Learning & Skills	HoBD	Head of Business Development		
	VPBD&CS	Vice Principal Business Development	HoCS	Head of Corporate Services		

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Risk Number	Risks	Impact	Likelihood	Score	Mitigation Actions	Impact	Likelihood	Score	Monitoring	Responsibility/ Committee Oversight
2	Financial									
2.1	Change in SFC Funding Methodology and Allocation – Reduction in Funding	3	3	9	<ul style="list-style-type: none"> Negotiation/influence at national level Contingency plans for reduced funding 	2	3	6	<ul style="list-style-type: none"> Advance modelling of new funding methodologies and allocations Monitoring impact of changes Amendment of strategic or operational direction/plans Financial strategy sensitivities 	ELT F&GP
2.2	Failure to achieve institutional sustainability	5	4	20	<ul style="list-style-type: none"> Protection of funding through dialogue with SFC Robust annual budget-setting and multi-year financial strategic planning (from 2018-19) Effective budgetary control Where required, swift action to implement savings 	4	3	12	<ul style="list-style-type: none"> Regular monitoring of budgets Regular review of financial strategy and non-core income sensitivity 	CLT F&GP
2.3	Salary and conditions of service pressures outstrip ability to pay	4	4	16	<ul style="list-style-type: none"> Influence within Employers Association Management of staffing expenditures 	4	3	12	<ul style="list-style-type: none"> Expenditure modelling On-going discussions with staff Financial strategy sensitivities 	ELT HoHR F&GP

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	PRIN	Principal	HoHR	Head of Human Resources		
	VPL&S	Vice Principal Learning & Skills	HoBD	Head of Business Development		
	VPBD&CS	Vice Principal Business Development	HoCS	Head of Corporate Services		

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Risk Number	POTENTIAL CONTRIBUTING FACTORS			TREATMENT		POST MITIGATION EVALUATION				
	Risks	Impact	Likelihood	Score	Mitigation Actions	Impact	Likelihood	Score	Monitoring	Responsibility/ Committee Oversight
2	Financial (cont.)									
2.4	Financial Fraud	4	3	12	<ul style="list-style-type: none"> Strong financial controls: segregation of duties and review of transactions Review of impact of any changes in structure or duties Whistleblowing arrangements 	3	2	6	<ul style="list-style-type: none"> Continuous review of financial controls Internal Audit programme 	HoF Audit
2.5	Failure to achieve credit (activity) target	5	3	15	<ul style="list-style-type: none"> Real time monitoring system Identify & implement additional/alternative provision where required 	4	1	4	<ul style="list-style-type: none"> Continuous review of progress v targets. Current shortfall of approx. 450 credits – expected to achieve target, including ELC target. Indicated to SFC that we will take additional 350 credits this year 	ELT HoC HoP&Q F&GP
2.6	Insufficient Student Support Funding to meet demand.	4	5	20	<ul style="list-style-type: none"> Strong financial monitoring Possible opportunity to request additional in year funding 	4	2	8	<ul style="list-style-type: none"> Continuous monitoring of demand v funding allocation Ongoing dialogue with Scottish Funding Council. Confirmation received from SFC that full amount of additional funding requested would be allocated 	PRIN HoF F&GP

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Risk Number	POTENTIAL CONTRIBUTING FACTORS				TREATMENT	POST MITIGATION EVALUATION				
	Risks	Impact	Likelihood	Score	Mitigation Actions	Impact	Likelihood	Score	Monitoring	Responsibility /Committee Oversight
3	Organisational									
3.1	Legal actions; serious accident; incident or civil/criminal breach	4	5	20	<ul style="list-style-type: none">Adherence to legislative and good practice requirementsPositive Union relations and staff communicationEffective management development programmes	3	2	6	<ul style="list-style-type: none">Monitoring and reporting in key areas – eg H&S, equalities, employee engagementContinuous professional developmentInternal audit programmeStaff surveys	ELT BoM
3.2	Reputational Risk – Loss of reputation with key stakeholders	4	3	12	<ul style="list-style-type: none">Marketing strategyPositive marketing approaches	4	2	8	<ul style="list-style-type: none">Stakeholder engagementSocial media monitoring arrangements	PRIN VPBD&CS HoP&Q BoM
3.3	Disasters – eg Fire, MIS Failure, Failure of Emergency Procedures	5	4	20	<ul style="list-style-type: none">Sound systems of administrationClear fire and disaster recovery arrangementsStaff CPD	5	1	5	<ul style="list-style-type: none">Business Continuity Plan including scenario testing	VPBD&CS VPL&S HoCS BoM
3.4	Failure to meet Prevent and related obligations	5	3	15	<ul style="list-style-type: none">Prevent trainingStaff awareness and contingency planningEngagement/practice sharing with local agencies	5	1	5	<ul style="list-style-type: none">Business Continuity Plan including scenario testingInformation sharing with local agencies	VPBD&CS HoCS BoM

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	CLT	College Leadership Team	HoF	Head of Finance		
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Risk Number	POTENTIAL CONTRIBUTING FACTORS				TREATMENT	POST MITIGATION EVALUATION				
	Risks	Impact	Likelihood	Score	Mitigation Actions	Impact	Likelihood	Score	Monitoring	Responsibility /Committee Oversight
3	Organisational (cont.)									
3.5	Industrial Relations Problems (including industrial action)	4	5	20	<ul style="list-style-type: none">Adherence to legislative and good practice requirementsPositive Union relations and staff communicationEffective management development programmesIndustrial action continuity planning	4	5	20	<ul style="list-style-type: none">Regular union/management dialogueRegular employee engagement monitoringOpen communication with staffEIS currently taking industrial (including strike) action.	ELT HoHR HR
3.6	Failure to achieve ambitions of ICT strategy; strategy and development is ineffective, programme of change not achieved	4	4	12	<ul style="list-style-type: none">Planning, careful phasing of changes to processes, systems and equipmentEffective management of ICT arrangements	4	2	8	<ul style="list-style-type: none">Regular review/reporting on milestones, systems effectiveness etcRegular CPDRolling programme of updates to systems and equipment	VPBD&CS HoCS Audit
3.7	Breach of ICT/Cyber security	4	3	12	<ul style="list-style-type: none">Effective management of ICT arrangementsActive ICT/data security monitoring and cyber security policy	4	2	8	<ul style="list-style-type: none">Staff CPD on cyber security issuesRegular security monitoring/testingCyber resilience plan	VPBD&CS HoCS Audit

Risk Number	POTENTIAL CONTRIBUTING FACTORS			TREATMENT		POST MITIGATION EVALUATION				
	Risks	Impact	Likelihood	Score	Mitigation Actions	Impact	Likelihood	Score	Monitoring	Responsibility /Committee Oversight
3	Organisational (cont.)									
3.8	Breach of data security/data protection	5	4	20	<ul style="list-style-type: none"> Effective management of ICT arrangements and GDPR compliance Mandatory staff CPD and awareness raising on data protection (relative to role) 	4	2	8	<ul style="list-style-type: none"> Active data protection monitoring and auditing Effective information and data security policies in operation Regular data security monitoring/testing GDPR Action Plan 	VPBD&CS, HoCS Data users Audit
3.9	Failure to reach aspirational standards in learning, teaching and service delivery	4	3	12	<ul style="list-style-type: none"> Clear quality arrangements and priority actions Continuous self-evaluation and action planning Rigorous CPD arrangements in place Regular classroom observation and learner feedback arrangements 	4	3	12	<ul style="list-style-type: none"> Comprehensive monitoring of key PIs and student/staff feedback Regular Stop and Review events External review and validation findings Current PI report indicates no significant improvement in retention at this moment 	VPL&S, VPBD&CS HoP&Q HoC L&T
3.10	Failure to achieve/maintain compliance arrangements, eg contracts; awarding bodies; audit	4	3	12	<ul style="list-style-type: none"> Robust strategic planning and monitoring Effective environmental scanning Strong partnerships Clear links between strategy and practice 	2	2	4	<ul style="list-style-type: none"> Effective internal monitoring/review/verification arrangements External review findings 	PRIN CLT Audit

Key to Risk Estimation/Score based on scale of 1 – 5 for impact/likelihood: Green (1-8) = Minor Risk; Amber (9-15) = Significant Risk; Red (16-20) = Major Risk; Purple, (>21 - 25) = Fundamental Risk

Risk Number	POTENTIAL CONTRIBUTING FACTORS			TREATMENT		POST MITIGATION EVALUATION				
	Risks	Impact	Likelihood	Score	Mitigation Actions	Impact	Likelihood	Score	Monitoring	Responsibility /Committee Oversight
3	Organisational (cont.)									
3.11	Failure to meet the deadlines in our successful bid to SoSEP regarding the provision of Hub and Spoke model for Engineering, Construction and Care	3	4	12	<ul style="list-style-type: none"> Robust project planning in place and feedback via EMT to Board of Management Clear and consistent approach to the project with Borders College Independent scrutiny through clerk of works (for building works) SFC involvement at all stages of the project 	3	3	9	<ul style="list-style-type: none"> Curriculum development planning through L&T Committee Overall project through regular Board of Management updates Further scrutiny through SoSEP Board 	PRIN VP BD&CS VP L&S BoM
3.12	Failure to reach contractual agreement with CITB regarding delivery of Construction related Apprenticeships	4	4	16	<ul style="list-style-type: none"> National issue, discussions with CITB, SQA now escalated to include SDS and Scottish Government Request to defer new qualification until 2019/20 being considered by SQA regulatory body 	4	4	16	<ul style="list-style-type: none"> Principal actively involved in national discussions Detailed scenario planning regarding costs of delivery and impact on college currently being completed Curriculum Manager involved in national forum exploring options 	PRIN VP L&S CM BoM