

## FINANCE AND RESOURCES COMMITTEE

### NOTICE

There will be a meeting of the Finance and Resources Committee on Thursday 16<sup>th</sup> February 2023 at 1730 hours via Microsoft Teams or in the Boardroom at South Lanarkshire College

### AGENDA

Agenda Item		Paper	Lead
01	<b>Apologies for Absence</b>		
02	<b>Declaration of any potential Conflicts of Interest in relation to any Agenda items</b>		
03	<b>Minutes of Previous Meeting</b>		
04	<b>Matters Arising from the Previous Meeting</b>		
05	<b>Matters for Approval</b>		
	5.1 College overdraft facility	Y	KMCA
06	<b>Matters for Discussion</b>		
	6.1 Quarter 2 Management Accounts	Y	KMCA
	6.2 Cashflow Report	Y	KMCA
	6.3 Quarterly Update on Procurement	Y	KMCA
	6.4 Quarterly Facilities Update	Y	SMcM
07	<b>Matters for Information</b>		
	7.1 FFR summary for the college sector	Y	KMCA
	7.2 Mid-Year Forecast Guidance	Y	KMCA
	7.3 Capital Expenditure Plan	Y	SMcM
08	<b>Reserved items</b>		
	8.1 Professional fees report	Y	Chair
09	<b>Any Other Business</b>		
10	<b>Summation of Actions and Dates of Next Meetings</b> <ul style="list-style-type: none"> <li>• Joint meeting with ARC re Financial Statements – TBC</li> <li>• Thursday 18<sup>th</sup> May 2023</li> </ul>		

**FINANCE & RESOURCES COMMITTEE**

Draft Minutes of the meeting of the Finance & Resources Committee held on 7 November 2022 at 18.00 hours in the Boardroom and via Microsoft Teams. This meeting was preceded at 16.30 by a meeting of the Audit & Risk Committee attended by the Chair of Finance & Resources along with other Committee representatives.

As previously agreed, the Chair of the FRC attended the meeting of the ARC, and the Chair of the ARC attended the meeting of the FRC.

Agenda Item			
1.	<table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;"> <b>Present:</b>  C Gibb (Committee Chair)  H Anderson  D Morrison  A Sherry (Acting Principal)   P Scott (Acting Clerk) </td> <td style="width: 50%; vertical-align: top;"> <b>In attendance:</b>  P Hutchinson (Chairing Member)  C McLaughlin (Chair of Audit &amp; Risk)  A Docherty (Member of ARC)  F Whittaker (Member of ARC)  Y Finlayson (Chair of LRSB ARC)  K McAllister (Head of Finance)  S McManus (Depute Principal) </td> </tr> </table>	<b>Present:</b> C Gibb (Committee Chair) H Anderson D Morrison A Sherry (Acting Principal)  P Scott (Acting Clerk)	<b>In attendance:</b> P Hutchinson (Chairing Member) C McLaughlin (Chair of Audit & Risk) A Docherty (Member of ARC) F Whittaker (Member of ARC) Y Finlayson (Chair of LRSB ARC) K McAllister (Head of Finance) S McManus (Depute Principal)
<b>Present:</b> C Gibb (Committee Chair) H Anderson D Morrison A Sherry (Acting Principal)  P Scott (Acting Clerk)	<b>In attendance:</b> P Hutchinson (Chairing Member) C McLaughlin (Chair of Audit & Risk) A Docherty (Member of ARC) F Whittaker (Member of ARC) Y Finlayson (Chair of LRSB ARC) K McAllister (Head of Finance) S McManus (Depute Principal)		
2.	<b>Apologies:</b> T Donnelly		
	<b>Declaration of any Potential Conflicts of Interest in relation to any Agenda Items</b>  No declarations made		
3.	<b>Minutes of Previous Meeting – 22 August 2022</b>  The minutes were approved as a true and accurate record.		
4.	<b>Matters Arising from the Previous Meeting</b>  No matters arising not covered under other heads.		
	<b>Reserved items of Business</b>		
	<b>Reason for non-publication - GDPR restrictions</b>		
5.	<b>Professional Fees</b>  The Committee Chair spoke to a confidential paper summarising payment of fees to professional advisers. These costs would be included in the final accounts for later publication		

	<p><b>Matters for Decision</b></p> <p><b>Items 6 a) and b) are Reserved – being drafts of matters which will later be published in final form</b></p>
6.	<p><b>2021/22 Draft Report and Financial Statements</b></p> <p>a) <b>Draft Report and Financial Statements</b>  b) <b>Draft Annual External Audit Report on the College’s Report and Financial Statements</b>  c) SFC document, “<b>Good practice in college governance</b>”.</p> <p>The Audit &amp; Risk Committee had already postponed decisions on Items a) &amp; b) as these were very much work in progress and the Acting Clerk had been tasked with setting up a second Joint Meeting with Audit once the outstanding matters were finalised. The Committee noted for the record that the financial detail was sound.</p> <p>The last document c) was not properly for discussion and was issued for information. The Acting Clerk however advised that he would be asking the Board formally to adopt the new Code of Governance at the December Board on – albeit the Board had no actual choice in the matter as funding was conditional upon compliance with national codes.</p>
7.	<p><b>Fees Policy</b></p> <p>The Board considered and approved the revised Fees Policy as submitted by the Senior Leadership Team.</p> <p>It was noted that this was in line with current practices and guidance and that the increases broadly reflect inflation, being pegged at approximately 3.5% This would however be reviewed in February 2023 in the light of the then prevailing economic situation. In response to requests for clarification, the Committee was assured that refunds where students had withdrawn were dealt with on a case-by-case basis. The Head of Finance was however requested to flesh out the policy where students were expelled rather than being forced to leave as a result of special circumstances.</p>
	<p><b>Matters for Discussion – Reserved Item being a dynamic document which will be published later in final form.</b></p>
8.	<p><b>Management Accounts Forecast – year to 31<sup>st</sup> July 2023</b></p> <p>The Committee considered carefully the first Forecast for the year to 31<sup>st</sup> July 2023. A clearer picture would emerge at the 6 month point but for the moment the Committee noted that HN numbers were down as a result of changes in University recruitment policy but to some extent this was being offset by College recruitment in subject areas such as renewables. The Committee appreciated that the start of any academic year is always challenging for recruitment but were pleased to note that procedures were in place to respond flexibly to demand for places.</p>

9.	<p><b>Cashflow Return to SFC</b></p> <p>The Committee considered the cashflow return to SFC. The College had been able to carry forward an acceptable cash balance from the year to 31<sup>st</sup> July 2022 and the position remained satisfactory as at 30<sup>th</sup> September 2022. Assuming that major contracts come in on budget for the remainder of the year and that costs do not rise significantly above expected levels, the College will have sufficient funds to fulfil its investment plans and will have adequate working capital for the academic year to 31<sup>st</sup> July 2023. The Head of Finance felt it likely that the College might require to dip into reserves but these were adequate. In course of discussion, it was noted that the Value for Money Group would be looking in detail at where appropriate savings might be effected as part of prudent financial management.</p>
	<p><b>Matters for Information</b></p>
10.	<p><b>Quarterly Procurement Report</b></p> <p>The Committee considered the Quarterly Report which is referred to for its detailed terms. The Committee noted that management had been able to make additional savings and that these would be fully reported in the next Quarterly Report.</p> <p>The Committee was pleased to note the progress made with regard to the contracts either completed or put out to tender and progress with procedures and processes. The Committee noted especially; -</p> <ul style="list-style-type: none"> <li>• The award of the CCS Framework Contract re workshop restructuring</li> <li>• A contract via the Scotland Excel Framework Agreement re cash collection</li> <li>• A major tender of HR Systems was at the award review stage</li> <li>• Significant liaison with APUC with an additional temporary seconded from APUC to support the existing secondee.</li> </ul>
11.	<p><b>Facilities and Estates Update</b></p> <p>The Committee considered the Facilities and Estates Update which is referred to for its detailed terms. The Committee noted in particular the progress with the capital work plan, improved procedures for contract management and progress towards reducing the carbon footprint of the College. Those concerned were to be congratulated on the successful bid for additional solar panels worth around £200K.</p>
12.	<p><b>ESF Credit Activity Reconciliation</b></p> <p>The Committee noted the detail of the European Social Fund Credit Activity Reconciliation for 2020/21 which showed a revised ESF allocation of 5,676 Credits, an increase of 291, resulting in additional funds due in the sum of £82,015. It was noted that the ESF activity for the year was worth altogether £1,597,694.</p>

13.	<p><b>Value for Money Group</b></p> <p>The Committee noted the report from the value for Money Group which is referred to for its detailed terms. The Board were concerned to note that the reduction in core funding and the flat cash settlements over the next few years – couple with a cost-of-living crisis would result in a £5M deficit by 2025 unless some level of mitigation was put in place. The best available advice suggested that it would not be possible to mitigate the entire deficit, but the College would work towards whatever mitigation was possible. As part of this process the College would, of necessity, have to review its curriculum offer.</p>
14.	<p><b>Any Other Business</b></p> <p>The Committee Chair sought clarification as to the current state of the “Policy on Policies”. The Acting Clerk advised that as part of the work on the Governance Improvement Plan, he had discussed this very issue with the Internal Auditors, and they were now of the view that what was required was a list of Policies and Procedures with clear indications of planned review. He had been able to produce such a list which was adequate but not, he felt particularly well designed. He undertook to share this with the Committee Chair at the close of the meeting but work on this, he felt should be a matter for consideration as part of a Rolling Governance Review.</p> <p><u>Additional Note</u></p> <p>The Committee Chair reviewed the list after the meeting and agreed that a simplified version excluding management policies would better serve the needs of the Board and the Clerk would be taking this forward.</p>
15.	<p><b>Actions and Summation of Reserved Items of Business</b></p> <p>The Clerk summarised the Business of the day and confirmed that he would action an additional combined meeting with ARC</p>
16.	<p><b>Risk &amp; Equalities</b></p> <p>Strategic Risks had been clearly identified in the papers as appropriate and although not specifically addressed in discussion it was clear that any curriculum review would take into account the full range of equalities issues – including social disadvantage</p>
17	<p><b>Next Meeting - TBC</b></p>

Signed:.....

Date: .....

## Finance and Resources Committee

<b>DATE</b>	16 February 2023
<b>TITLE OF REPORT</b>	Review of College overdraft facility
<b>REFERENCE</b>	Agenda item 5.1
<b>AUTHOR AND CONTACT DETAILS</b>	Keith McAllister, Head of Finance keith.mcallister@slc.ac.uk
<b>PURPOSE:</b>	To review the College overdraft facility
<b>KEY RECOMMENDATIONS/ DECISIONS:</b>	<ul style="list-style-type: none"> <li>The Committee is requested to consider the College's requirement to retain its current overdraft facility and, if appropriate, to review the level of this facility.</li> </ul>
<b>RISK</b>	<ul style="list-style-type: none"> <li>That the College cannot demonstrate financial sustainability.</li> <li>That the College does not have adequate risk management processes and procedures in place.</li> </ul>
<b>RELEVANT STRATEGIC AIM:</b>	<ul style="list-style-type: none"> <li>Sustainable Behaviours</li> </ul>
<b>SUMMARY OF REPORT:</b>	<ul style="list-style-type: none"> <li>Under current Government accounting rules, colleges are not permitted to have an overdraft facility. However, as part of transitional arrangement, those who had one in place at the change of ONS classification in 2017 were allowed to retain their arrangement.</li> <li>The College's current overdraft facility is to the value of £300,000 with the Royal Bank of Scotland.</li> <li>The overdraft facility has not been utilised since 2016 but has been retained with the approval of the Board.</li> <li>It is extremely unlikely that the facility will be required in the current financial year but, depending on pending and future salary awards, and pending and future grant in aid allocations, there is a possibility that cash holding may be challenging at the end of the 2024/25 financial year.</li> <li>Should the College require funds, SFC will consider an advance on the next year's grant in aid allocation, but colleges are not currently permitted to negotiate a new overdraft facility. It is not expected that this will be relaxed.</li> <li>The cost of the current facility is £4,500 per annum with the amount of the charge being dependent on the level of the overdraft required.</li> </ul>

## Finance and Resources Committee

<b>DATE</b>	February 2023
<b>TITLE OF REPORT</b>	Quarter 2 ~ 2022/23 Management Forecast and Cashflow
<b>REFERENCE</b>	Item 6.1A – Management Forecast for the year to 31 <sup>st</sup> July 2023 Item 6.2 – Cashflow Forecast for the year
<b>AUTHOR AND CONTACT DETAILS</b>	Keith McAllister, Head of Finance keith.mcallister@slc.ac.uk
<b>PURPOSE:</b>	To provide narrative to forecast for the year to 31 <sup>st</sup> July 2023
<b>KEY RECOMMENDATIONS/ DECISIONS:</b>	<ul style="list-style-type: none"> <li>• The Committee is recommended to:</li> <li>• note the financial position for the year and the narrative that supports the figures; and</li> <li>• the cashflow situation as notified to Scottish Funding Council (see Item 6.2 on the Agenda).</li> </ul>
<b>RISK</b>	<ul style="list-style-type: none"> <li>• That the College cannot demonstrate financial sustainability.</li> </ul>
<b>RELEVANT STRATEGIC AIM:</b>	<ul style="list-style-type: none"> <li>• Sustainable Behaviours</li> </ul>
<b>SUMMARY OF REPORT:</b>	<ul style="list-style-type: none"> <li>• The College is working actively to meet its credit target of 48,812 and is seeking to address the current gap of circa 3,000 credits. In a similar way to last year, additional activity is being planned to meet the target, although the Funding Council has allowed for more flexibility with a 2% negative or positive tolerance being applied.</li> <li>• A combination of factors indicated that the deficit may be approximately £250k worse than Budget but actions are being put in place to bring the position back to Budget. These are detailed in the commentary below and would be £21k adrift from the budget originally approved by the Board of Management.</li> <li>• The lower fee income levels reflect the decrease in HN activity. The lower Alternative Income figure reflects anticipated income flows that are either delayed or no longer at the level that was initially anticipated</li> <li>• There is no indication that the salary award claims from 1<sup>st</sup> September 2022 will be settled in the near future; the forecast reflects the award as contained within the budget.</li> <li>• The cash position at the College will be a mitigation in the financial performance of the year.</li> </ul>

## Summary

The initial review of the financial situation at this point showed an increase to the expected deficit. The major causes are essentially related to income levels incorporated into the initial budget but not expected to be realised. These are highlighted in the notes below.

To bring the forecasted position back to Budget, the College will be instituting savings in the areas of Property & Estates, Central Services, Marketing and Academic Supplies for the remaining six months of the year. The savings being introduced as a result of this February 2023 review are detailed in the commentary below.

The Committee is asked to note that whilst Depreciation is built into the Forecast, this does not represent a cash spend.

## Income

1. As noted in the Summary, the College is working actively to close the current credit gap, as it did in 2021/22. With there being no ESF target to meet (ESF activity had to be delivered or there would be a clawback in funding), the College does have a tolerance factor of 2.0% that it can utilise. That said, the objective has been, and remains, to reach the activity target for the year. There has been a minor increase in the income level and this has been incorporated into the Quarter 2 figures.
2. The College overdelivered slightly on its 2020/21 ESF activity target and SFC has decided to allocate an additional £82k to the College in this respect. This has been incorporated into the Quarter 2 figures.  
Although the college sector no longer receives ESF activity and income, audits on prior year activity deliveries continues. The College has made provision for potential clawbacks and was required to repay £34k in respect of 2016/17 activity. This, though, was less than the £100k originally provided for as a consequence of additional work on reconciliation and audit work undertaken by College staff. The difference has been released this quarter.  
These two situations increase the College SFC income by £147k for the year.
3. SFC capital allocations continue to be more modest than in previous years. These funds have been added to the existing College funds and will be utilised in line with capital investment plans. There is an allocation of what are termed “revenue” estates funds, and these will be utilised to offset normal annual estates and digital investment projects. Capital allocations are shown as a contra in Non-Salary Expenditure and will be filtered through the relevant expenditure lines throughout the year or will be capitalised.
4. SFC has made an annual allocation in relation to the job evaluation exercise for support staff; this will be backdated to 1<sup>st</sup> September 2018 and each years allocation has been retained by SFC until the exercise is completed. The allocation is shown as a contra in Wages & Salaries.
5. SFC has made two additional ring-fenced allocations within the last quarter. The allocations are now:
  - a. Digital inclusion £81k (as included in the original budget)
  - b. Period poverty £8k
  - c. Counselling £25k (to support the College counselling service)
  - d. Young Person’s Guarantee £85k (to provide additional support for students)
6. Flexible Workforce Development Funds (FWDF) activity is proving difficult to deliver; clients are signing up for training but not following this through due to issues with releasing staff. A conservative estimate of income has been incorporated to flag up the extent of the difficulty, but the College has submitted a further claim in respect of 2021/22 activity and this figure is now incorporated into the 2022/23 forecast.
7. Income from HN courses will decrease from that anticipated, reflective of student numbers on those courses in June 2022. This accounts for a deficit of circa £90k.

The College is taking action to seek to increase its income over the remainder of the academic year.

8. Income from Alternative Income has been affected adversely by two factors:
  - a. Activity re the Shared Prosperity Fund has not started as a consequence of the UK Government not yet signing off the approved bid. Therefore it is anticipated that an element of this grant will be rephased into 2023/24. Income projection will be reviewed later in the year, but the current forecast of £140k has been decreased by £120k.
  - b. The College has not yet been informed if its funding for the Rural Energy Academy project will be extended beyond 31<sup>st</sup> March 2023. Without confirmation of this extension, projected income has been reduced by £100k.
9. Other income is expected to be on budget.

## **Payroll**

10. Based on the payroll for the first six months of the year, salaries look to be over budget by approximately £100k. This is primarily due to the Acting Principal being in post for longer than anticipated, August 2022-March 2023, which equates to around £40k.

The College has engaged additional staffing re procurement for one year to bring forward anticipated savings as part of the College's value for money agenda.

It should be noted that any salary award over and above that included in the budget will impact by £130k per 1.0%

## **Non-Salary Expenditure**

11. Property costs are very much dependent on market forces as regards utility costs but it is anticipated that the budget has made adequate provision. A provision has been made to incorporate savings via procurement.. Following an initial review of costs in February 2023, the College will be seeking to save £100k in this area.
12. Net depreciation should be as budget based on predicted asset purchases.
13. The review in February is seeking to reduce costs in Central Services by 5%. The costs of the investigation are set out in another item on the agenda. .
14. Marketing has been concentrated on less expensive social media outlets but additional efforts into boosting January recruitment will have costs marginally over budget for the year.
15. The allocation of Academic Supplies reflects a blended approach to learning, with investment in digital provision being funded centrally. The initial review at the start of February 2023 seeks to reduce costs in this category by 10% via a combination of reducing spend in general and ensuring that all appropriate study expenses are allocated to Bursaries, and thus do not impact the P& L,
16. Cross College costs incorporated a modest subsidy of the refectory now that all students have returned to campus. These costs are anticipated to be on budget.

## **Budget Savings**

Management reported to the Board that it would seek to make savings of £500k in the year to reduce the projected deficit. Inflationary costs are making this increasingly difficult, but management are confident that the February review referred to above will contribute to meeting this target.

### Wages and Salaries

- Savings of £200k were incorporated into the Budget. Indications are that the savings will be £100k rather than £200k, with the narrative above detailing the reasons. The curriculum areas have been merging classes and all vacancies and requests for staff are being reviewed by the Senior Leadership team with a view to produce additional savings.
- The Budget assumes a salary award as at 1<sup>st</sup> August 2022 of 3.0%. To date, no agreement has been reached between the Employers' Association and the relevant trades unions on this. Each 1.0% additional to 3.0% will result in an extra cost of £130k p.a.

### Savings via enhanced procurement

- The annual report currently being compiled by the College's Procurement Manager will be available for the Board of Management meeting in March. At this point the College will be better able to quantify savings.
- The College was successful in bidding for additional solar panels. This will assist in controlling utility costs.

## **Cashflow – Agenda item 6.2**

The College makes a cashflow return to the Funding Council each month. This incorporates its required drawdown, based on the grant in aid allocation, and it also incorporates a cashflow forecast for the year.

The attached document covered the College's December and January drawdown and forecast and contains assumptions on the phasing of major capital expenditure spends. It highlights that the College will have adequate working capital at the end of the financial year.

The College continues to monitor its cashflow on a daily basis but it should be noted that there is little opportunity for income generated from the balance held.

		<b>Finance &amp; Resources Committee</b>		
				<b>Feb 2023</b>
				<b>Agenda Item 6.1B</b>
<b><u>Management Forecast</u></b>		<b>12 Months to July 2023</b>		
<b><u>Year to 31st July 2023</u></b>	Note	<b>2022/23</b>		
		<u>Forecast</u>	<u>Budget</u>	<u>Variance</u>
		<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
<b><u>INCOME</u></b>				
SFC - Grant in Aid	1	13,773	13,724	49
SFC - ESF	2	147	0	147
SFC - Capital	3	433	433	0
SFC - Salaries Contribution	4	239	239	0
SFC - Other	5	199	81	118
<b>Total SFC income</b>		<b>14,791</b>	<b>14,477</b>	<b>314</b>
FWDF	6	243	200	43
Fees	7	1,892	2,040	(148)
Alternative Funding	8	815	1,045	(230)
Other income	9	54	54	0
<b>Total Income</b>		<b>17,795</b>	<b>17,816</b>	<b>(21)</b>
<b><u>EXPENDITURE</u></b>				
<u>Wages &amp; Salaries</u>				
Recurrent		13,967	13,867	(100)
SFC - salaries contribution		239	239	0
Pension Provision		30	30	0
	10	14,236	14,136	(100)
<u>Non Salary Expenditure</u>				
Property	11	969	1,069	100
SFC - Capital	Contra	433	433	0
SFC - Other	Contra	199	81	(118)
Net Depreciation	12	620	620	0
Central Services	13	863	903	40
Marketing	14	160	150	(10)
Academic supplies	15	790	878	88
Cross College Costs	16	86	86	0
		4,120	4,220	100
<b>Total Expenditure</b>		<b>18,356</b>	<b>18,356</b>	<b>(21)</b>
<b><u>Surplus / (Deficit)</u></b>		<b>(561)</b>	<b>(540)</b>	<b>(21)</b>

		<b>Finance &amp; Resources Committee</b>		
		<b>Feb 2023</b>		
		<b>Agenda Item 6.1C</b>		
<b><u>Management Forecast</u></b>		<b>6 months to</b>		
<b><u>Year to 31st July 2023</u></b>	Note	<b>January 2023</b>		
		<u>Actuals</u>	<u>Budget</u>	<u>Variance</u>
		<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
<b><u>INCOME</u></b>				
SFC - Grant in Aid	1	6,878	6,862	16
SFC - ESF	2	49	0	49
SFC - Capital	3	217	217	0
SFC - Salaries Contribution	4	120	120	0
SFC - Other	5	100	41	59
<b>Total SFC income</b>		<b>7,363</b>	<b>7,239</b>	<b>124</b>
FWDF	6	102	100	2
Fees	7	966	1,020	(54)
Alternative Funding	8	459	523	(63)
Other income	9	28	27	1
<b>Total Income</b>		<b>8,918</b>	<b>8,908</b>	<b>10</b>
<b><u>EXPENDITURE</u></b>				
<b><u>Wages &amp; Salaries</u></b>				
Recurrent		6,967	6,934	(33)
SFC - salaries contribution		120	120	0
Pension Provision		0	0	0
	10	7,086	7,053	(33)
<b><u>Non Salary Expenditure</u></b>				
Property	11	518	535	17
SFC - Capital	Contra	217	217	0
SFC - Other	Contra	100	41	(59)
Net Depreciation	12	310	310	0
Central Services	13	438	452	13
Marketing	14	78	75	(3)
Academic supplies	15	410	439	29
Cross College Costs	16	43	43	0
		2,113	2,110	(3)
<b>Total Expenditure</b>		<b>9,199</b>	<b>9,163</b>	<b>(36)</b>
<b><u>Surplus / (Deficit)</u></b>		<b>(282)</b>	<b>(255)</b>	<b>(27)</b>

Profile of grants to be paid to the College:

December / January

South Lanarkshire

Individual grants will be paid to the college based on the profile entered below (actual payments can not be amended) with the exception of ESF funding which will be paid on an agreed profile. Payment will only be made up to the annual budget.

Payments		Actual									Current	Forecast							Budget v Forecast FY 2022/23			Budget v Forecast AY 2022/23		
		Apr-22 Actual	May-22 Actual	Jun-22 Actual	Jul-22 Actual	Aug-22 Actual	Sep-22 Actual	Oct-22 Actual	Nov-22 Actual	Dec-22 Current	Jan-23 Forecast	Feb-23 Forecast	Mar-23 Forecast	Apr-23 Forecast	May-23 Forecast	Jun-23 Forecast	Jul-23 Forecast	Budget FY 2022-23	Forecast FY 2022-23	Variance	Budget AY 2022-23	Forecast FY 2022-23	Variance	
Grant-in-aid	F01004	1,200,000	1,200,000	1,200,000	1,110,293	900,000	0	1,000,000	1,300,000	1,000,000	1,200,000	1,100,000	1,300,000	1,300,000	1,300,000	1,500,000	1,572,999	13,414,828	12,510,293	904,535	13,772,999	13,472,999	300,000	
Student Support (Consolidated)	F17000	100,000	850,000	500,000	300,000	0	100,000	250,000	400,000	550,000	400,000	400,000	300,000	300,000	300,000	100,000	50,000	4,428,230	4,150,000	278,230	4,237,706	3,150,000	1,087,706	
Lifecycle maintenance RDEL	F22013	20,000	30,000	30,000	32,004	0	0	0	0	0	0	0	0	0	0	0	0	112,004	112,004	0	0	0	0	
Student Support Unspent funds AY20-21 March 22	F22032	0	0	0	0	0	0	0	0	0	0	-87,000	0	0	0	0	0	0	-87,000	87,000	0	-87,000	87,000	
Backlog maintenance RDEL FY22-23	F23002	0	0	0	0	0	0	0	0	0	0	30,000	0	0	0	0	0	66,750	30,000	36,750	0	30,000	-30,000	
Lifecycle maintenance RDEL FY22-23	F23004	0	0	0	0	0	0	19,000	19,000	0	19,000	19,000	19,000	19,000	19,000	19,000	11,765	182,765	95,000	87,765	163,765	163,765	-163,765	
Lifecycle maintenance CDEL FY22-23	F23005	0	0	0	0	0	0	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	20,765	182,765	108,000	74,765	182,765	182,765	-182,765	
Digital Poverty FE Capital	F23001	0	0	0	0	0	0	0	41,410	0	0	40,000	0	0	0	0	0	81,410	81,410	0	0	81,410	-81,410	
additional capital 2021	F21008	0	0	0	0	0	0	0	0	44,932	0	0	0	0	0	0	0	44,932	44,932	0	0	44,932	-44,932	
lifecycle maintenance CDEL	F22012	40,000	40,000	40,000	52,004	0	0	0	0	0	0	0	0	0	0	0	0	172,004	172,004	0	0	0	0	
mental health funding 2122	F22006	0	12,000	30,000	34,882	0	0	0	0	0	0	0	0	0	0	0	0	76,882	76,882	0	0	0	0	
digital learning 2122	F22007	80,000	0	61,911	0	0	0	0	0	0	0	0	0	41,410	0	0	0	141,911	141,911	0	0	41,410	-41,410	
Summer Covid Funds	F22008	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
counsellor funding 2122	F22009	0	0	0	20,621	0	0	0	0	0	0	0	0	0	0	0	0	20,621	20,621	0	0	0	0	
Deferred students AY2122	F22031	0	0	0	0	0	257,669	0	0	0	0	0	0	0	0	0	0	257,669	257,669	0	257,669	257,669	0	
Easter study support	F22036	1,342	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,342	1,342	0	0	0	0	
FWDF 2122 Levy	F22018	0	0	0	120,000	0	0	0	0	0	0	0	0	0	0	0	0	284,319	120,000	164,319	164,319	0	164,319	
FWDF 2122 SME	F22019	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	147,065	0	147,065	147,065	0	147,065	
Access to free period products in 2021-22 (FE)	F22026	0	0	0	7,724	0	0	0	0	0	0	0	0	0	0	0	0	7,724	7,724	0	0	0	0	
National Transition Training Fund (FE Formula)	F22025	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	64,269	0	64,269	64,269	0	64,269	
Foundation Apprenticeships	F22016	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	111,272	0	111,272	111,272	0	111,272	
Foundation Apprenticeships AY22-23	F23006	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	35,974	0	35,974	56,921	0	56,921	
ESF DSW 2021 programme	F21011	0	0	0	0	0	0	0	82,015	0	0	0	0	0	0	0	0	82,015	82,015	0	82,015	82,015	0	
Access to sanitary products AY22-23	F23018	0	0	0	0	0	0	0	0	0	0	7,724	0	0	0	0	0	7,724	0	7,724	7,724	0	7,724	
ESF Youth Employment Initiative (2016-17)	F17014	0	0	0	0	0	0	0	-34,014	0	0	0	0	0	0	0	0	-34,014	-34,014	0	-34,014	-34,014	0	
<b>Total Resource Drawdown</b>		<b>1,320,000</b>	<b>2,080,000</b>	<b>1,730,000</b>	<b>1,442,297</b>	<b>900,000</b>	<b>100,000</b>	<b>1,269,000</b>	<b>1,719,000</b>	<b>1,550,000</b>	<b>1,619,000</b>	<b>1,519,000</b>	<b>1,562,000</b>	<b>1,619,000</b>	<b>1,619,000</b>	<b>1,619,000</b>	<b>1,634,764</b>	19,890,461	17,890,793	1,999,668	0	0	0	
<b>Total Capital Drawdown</b>		<b>40,000</b>	<b>40,000</b>	<b>40,000</b>	<b>52,004</b>	<b>0</b>	<b>0</b>	<b>18,000</b>	<b>59,410</b>	<b>62,932</b>	<b>18,000</b>	<b>58,000</b>	<b>18,000</b>	<b>18,000</b>	<b>18,000</b>	<b>18,000</b>	<b>20,765</b>							
<b>Total Strategic Drawdown</b>		<b>81,342</b>	<b>12,000</b>	<b>91,911</b>	<b>183,227</b>	<b>0</b>	<b>257,669</b>	<b>0</b>	<b>48,001</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>41,410</b>	<b>0</b>	<b>0</b>							

## Finance and Resources Committee

<b>DATE</b>	16 <sup>th</sup> February 2023
<b>TITLE OF REPORT</b>	Procurement Update
<b>REFERENCE</b>	Agenda Item 6.3
<b>AUTHOR AND CONTACT DETAILS</b>	Keith McAllister, Head of Finance keith.mcallister@slc.ac.uk
<b>PURPOSE:</b>	To update the Committee on the Procurement function
<b>KEY RECOMMENDATIONS/ DECISIONS:</b>	The members are recommended to: <ul style="list-style-type: none"> <li>• note the progress being made re procurement processing and procedures and the contracts that have been either completed or put out to tender.</li> </ul>
<b>RISK</b>	<ul style="list-style-type: none"> <li>• That the College does not follow Scottish Government procurement guidance and that it does not receive value for money.</li> </ul>
<b>RELEVANT STRATEGIC AIM:</b>	<ul style="list-style-type: none"> <li>• The Highest Quality Education and Support</li> <li>• Sustainable Behaviours</li> </ul>
<b>SUMMARY OF REPORT:</b>	<ul style="list-style-type: none"> <li>• 3 contracts have been awarded, two via APUC Frameworks and one via the Scotland Excel Framework Agreement.</li> <li>• A major procurement tender for HR systems, the terms and conditions are currently being reviewed by Anderson Strathern</li> <li>• College management are working with the Procurement function to prioritise future work and to liaise with APUC in this regard. APUC has provided additional assistance to work alongside the APUC Supply Chain Manager at the College (who has extended her hours of work at the College on a temporary basis.)</li> </ul>

## Overview

The College is continuing to make positive progress on procurement process and procedure and is currently working towards refreshing all the procurement procedures, processes and templates. The introduction of these refreshed processes and procedures will be supported by training to all staff in due course. At present, the College has a contract with APUC for a 0.5 FTE procurement professional although the demands have required a temporary extension of the provision to 0.8 FTE in the busier times.

An additional APUC resource, Chris Harper, for a 1.0 FTE as a Procurement Project Manager appointed for 1 year to work on specific allocated projects to assist with the current work demands particularly with regard to estates

## Sustainability/ Carbon Reduction

Sustainability continues to be a key focus in Procurement and opportunities to build sustainability into each contract will continue to be considered. Procurement will also ensure that build carbon reduction actions will form part of the tendering exercise as it is important to adjust the working practices to support the College to reduce its carbon footprint. The Board has approved targets for reducing indirect emissions of greenhouse gases and to report on how the College will align spending and use of resources with emissions reduction efforts.

The College Procurement function is considering actively what is termed “*circular procurement*” which sets out an approach to ‘green’ public procurement. This includes paying special attention to “*the purchase of works, goods or services that seek to contribute to the closed energy and materials loops with the supply chains, whilst minimising, and in the best case avoiding, negative environmental impacts and waste creation across the whole life-cycle*” This will be embedded into the procurement policy and processes. For example: potentially leasing, rather than owning, vehicles.

The Supply Chain Manager attends the College Sustainability Group to obtain information on anything that could be included in future procurement activities and to advise on opportunities for Community Benefit.

The Supply Chain Manager has collated data for **From Now To 2030** (FNT2030), a Scottish Government initiative to reduce the carbon footprint to zero by the year 2030, under the distinct categories below. This relates to the sustainability strategic aims targeted at 2030, linked to the UC Sector Climate Strategy (May 2022) signed by all College Principals.

FNT2030 has been broken into distinct categories that are required to be reported on to the Scottish Government as follows:

- Energy
- Food
- Furniture
- IS
- Labs and
- Travel

However, there are other sustainability targets through out all the Universities and Colleges aimed at 2038 which are currently being reported back to the Scottish Government in order that the collated information can be combined to prevent a duplication of effort.

### **Procurement Reporting**

Members should note that it is anticipated that the Annual Report for the period 1 Aug. 21 – 31 Jul 2022 will be available February/March 2023.

### **Procurement Project Manager – Allocated Work**

Chris Harper (Procurement Project Manager) has been allocated the following projects to complete.

<b>Contract</b>	<b>Process</b>
Fixed Wire Testing	Direct Award
Gutter Works	Quick Quote
Building Maintenance	Open Tender
Architectural Services	Quick Quote
Electrical Services	Framework/ Mini Competition
Washing machine / Laundry replacement	Quick Quote

### **Single Tender Actions – Since last report**

Note that the College is obliged to report on all single tender action awards.

<b>Contract</b>	<b>Service Area</b>	<b>Cost</b>	<b>Supplier(s)</b>	<b>Contracted</b>
Building Warrant Preparation - Design	Estates	£4,900	Denham Youd	15/11/2022
Building Warrant Preparation – Project Management	Estates	£3,375	Gardner & Theobald LLP	15/11/2022
Culture Shift	Student Services	£27,000	Culture Shift (Report & Support)	15/12/2022
QDP Surveys	Quality Unit	£10,206	QDP Services	05/01/2023

## **Contract Renewals**

The following contracts are due for renewal.

<b>Contract</b>	<b>Expiry</b>	<b>Anticipated Procurement Process</b>
Catering Services	11 <sup>th</sup> August 2023	Framework Agreement/Open Procedure
Multi- Functional Devices and Services	31 <sup>st</sup> March 2023	Framework Agreement

## **Next Contracts to be placed**

<b>Contract</b>	<b>Type</b>	<b>Anticipated Procurement Process</b>
LED Lighting	New	Open Tender
Catering Services	Renewal	Framework Agreement/Open Tender

## **Contracts in the Tender Process**

The following contracts are currently going through the tender process and will be awarded in due course.

	<b>Service</b>	<b>Area</b>	<b>Process</b>	<b>Stage</b>	<b>Via</b>
1	Human Resources Information System (HRIS)	HR	Awaiting agreed revised terms from Legal and MHR after meeting that took place on 01/02/23	Award	SH
2	Multi-Functional Devices	IT/Student Services	Moderation	Evaluation	SH
4	Restructure of Workrooms	Construction	Board Approval	Award	SH
5	Taxi Services (NCL-led collaborative tender)	Finance	Clarification	Award	NCL
6	Gutter Works	Estates	Tender	Out to Tender	CH

## **Awarded Contracts Since Last Report**

The Following Contracts have now been placed via tenders and / or extended.

<b>Service</b>	<b>Contracted</b>	<b>Awarded to:</b>	<b>Value</b>	<b>Via</b>
Non-Life Insurance	11/11/22	FE Protect Ltd t/a Education Protect Scotland Ltd	£61,000 p.a. for two years with an option to extend	APUC
Fixed Wire Testing	24/01/2023	Comply2	£16,500 in total for a 5-year period	CH
Solar Photovoltaic System (project fully funded externally)	03/02/2023	Procast Building Contractors Ltd	£212,000 one-off purchase <b>(Note – grant awarded to the College was for a maximum of £220,000)</b>	SH

**FINANCE AND RESOURCES COMMITTEE**

<b>DATE:</b>	February 2023
<b>TITLE OF REPORT:</b>	Facilities Update
<b>REFERENCE</b>	Agenda Item 6.4
<b>AUTHOR AND CONTACT DETAILS</b>	Stella McManus, Depute Principal <a href="mailto:Stella.mcmanus@slc.ac.uk">Stella.mcmanus@slc.ac.uk</a>
<b>PURPOSE:</b>	To provide the Finance and Resources Committee with a summary of in-year performance to date.
<b>KEY RECOMMENDATIONS/ DECISIONS:</b>	Members are asked to note the following updates: <ul style="list-style-type: none"> <li>• Progress on the intrusive and non-intrusive building conditioning survey</li> <li>• Contract monitoring review.</li> <li>• Sustainability charts reporting on energy, waste, water and gas.</li> </ul>
<b>RISK</b>	<ul style="list-style-type: none"> <li>• Those essential estates work is not carried out on a timely basis impacting on the learner experience.</li> <li>• That there is a failure to adhere to statutory and legislative health &amp; safety requirements.</li> </ul>
<b>RELEVANT STRATEGIC AIMS:</b>	<ul style="list-style-type: none"> <li>• Highest quality education and support - providing a high-quality environment for staff and students</li> <li>• Sustainable behaviours – environmentally sustainable behaviours.</li> </ul>
<b>SUMMARY OF REPORT:</b>	<ul style="list-style-type: none"> <li>• The Non-Intrusive Building Conditioning survey has been carried out and the College now has overall high-level summary, with a series of minor recommendations.</li> <li>• The Intrusive Building Survey is currently out to tender and awaiting feedback. There will be an action plan of work provided following this work.</li> <li>• An update on our service providers and their Red Amber Green (RAG) status and noting that some providers are part of the procurement processes in train.</li> <li>• Fortnightly meetings are being held to check the progress of the work.</li> <li>• The charts being used for our energy consumption, solar PV generation, waste and water provide a visual representation usage. Key challenge is finding additional ways to offset our energy usage where possible, given the significant increase in energy costs.</li> </ul>

## 1.0 INTRODUCTION

- 1.1 This paper outlines the progress of the building survey and other essential estates work, the standard contract monitoring update and the visual charts being used to report on sustainability and energy usage.
- 1.2 In addition, there is the standard contract monitoring update and the visual charts being used to report on sustainability and energy usage

## 2 BUILDING SURVEY

- 2.1 The College has focussed on the completion of the non-intrusive and intrusive external building surveys. To date the intrusive one has been completed and the external survey, which is primarily focussing on the cladding is out to tender.

### 2.2 *Non-Intrusive Building Survey*

- 2.3 The non-intrusive building survey focussed on the following areas:

- 2.3.1 a non-intrusive visual inspection of the building focussing on the condition of the external cladding of both the workshop building and the main building;
- 2.3.2 a fabric condition survey which inspected the condition of the internal fabric of both the workshop building and the main building;
- 2.3.3 a non-intrusive visual inspection of the building structure, aiming to highlight any significant structural defects and inform the next phase of intrusive investigations and repair.

- 2.4 The College is pleased to report that the buildings were generally found to be in a good state of repair, considering the age and form of construction. There were no significant structural defects identified. However, there are a number of minor cosmetic defects which should be reviewed and dealt with as part of the ongoing maintenance plan.

- 2.5 Doig and Smith have now provided the College with a "Structural / Fabric Repairs" (Category "C" Essential Repairs) plan which have been extrapolated from the reports to address the minor defects. The estimated cost of this work is approximately £77k (excluding VAT). It is envisaged that these repair works will be undertaken by current contractors available to the College.

### 2.6 *Intrusive Investigations*

- 2.7 As per the non-intrusive visual inspection of the building structure and the issue concerning the cladding panel at the front of the building, intrusive investigations were recommended. The scope of this work includes, the opening up, removal and reinstatement of cladding panels at a number of locations across the construction wing and the main building. In addition, it also seeks to ascertain whether there is appropriate fire barrier or stopping in the façade.
- 2.8 This work is currently out to tender and at the point of writing the College was awaiting an update on the tenders submitted. In a similar way to the non-intrusive survey the College will receive a repairs plan. These costs are not currently part of the capital expenditure plan as they are as yet unknown.

### 3 OTHER WORKS

3.1 Other essential work that is currently in progress include the internal condition and operation of equipment such as the gas boilers, where essential maintenance is taking place to ensure they are operating at optimum levels.

3.2 Significant progress has been made on the reconfiguration of the workrooms with a tender for the work having been accepted. As there has been a cost increase to circa £200k, the Board of Management will be required to give approval.

3.3 As part of the roof legacy the College also noted that it had to carry out repair works to existing gutters, wall heads, man-safe systems and bird spikes. This is currently going through the tender process and three contractors have visited the campus and we expect to have returned tenders by the end of February. The works will involve stripping back of existing box gutters to prepare for install of a Sika gutter product. This will provide us with a guarantee similar to the recent flat roof replacement.

### 4.0 CONTRACT MONITORING

4.1 High level / large volume maintenance and repairs are contracted out to specialist businesses and are obtained via tendering process in collaboration with the College's APUC procurement professional. These items and contractors are shown in the table below alongside their RAG ratings.

4.2 Each contract review starts with a list of key objectives and identifies opportunities to improve, both in terms of the current contract itself, and in feeding into future contract negotiations, and key achievements. The review uses a scorecard format and will identify key improvement actions, with timescales and responsibilities stated. Any issues and risks identified will be raised with the supplier and a system of measuring and monitoring KPIs will be introduced. Examples of this would be:

- Shortages reported;
- Deliveries missed or late;
- Quality of service or goods;
- Invoice accuracy; and
- General customer satisfaction as reported by the end user.

*Table 1: Service Providers*

RAG Rating		Expense - Supplier	Progress to Green: Key Actions
Last Quarter	This Quarter		
		Gas - Supply – Total Gas	
		Gas - College Infrastructure – ECG	Currently amber due review of all maintenance and service level agreements
		Electricity – Supply – EDF	
		Electricity – Feed in Tariff – Scottish Power	
		Electricity – College Infrastructure –	No contracted electrical contractor in place. Contractors being used for urgent work whilst joint tender with NCL is in train.
		Elevators - Kone, maintaining all 5 elevators	Excellent response times and experienced engineers.

		Mechanical & Ventilation – ECG	This provision now maintains the new Air Handling plant but not Air Conditioning as this is managed by PMC who installed the equipment. Progress being made on tender.
		Kitchen equipment, including refrigeration units – React Catering Services Ltd	Response time is as expected, some follow up repair calls have been needed but service is good
		Water – Supply – Business Stream	There was a brief loss of provision for 1 day but did not impact the college
		Water – College Infrastructure - ECG	Adequate service by ECG for Water testing. Will keep under review
		Laundry Equipment PPM & Reactive – JLA	JLA have provided excellent service in recent months both in quality and response
		CCTV – DANTE Security Systems Access control) – DANTE	The College is seeking to secure a contact via APUC in the near future for a long-term contractor. Temporarily using Dante in the interim.
		Security Systems (Alarms) – Connolly Security Services	Good progress made, reactive and responsive, faults fixed in a timely manner.
		Fire Systems – Connolly Security Services (Fire Division)	FM have liaised and worked to have service improved. Now completed
		Pest Control – Environmental Services Pest Control Ltd	Good service provision and very reactive
		Construction Machinery Maintenance – Inhouse and 'The Saw Centre'	Carried out internally and backed up by routine maintenance contractor services employed
		Waste & Recycling – Biffa	Service levels have improved to a satisfactory level. Contract review meetings in place.
		Ground's maintenance – IPSUM	Service levels have continued to improve to a satisfactory level.

4.3 The Depute Principal, Associate Principals, the Head of Facilities and the Procurement Team now meet every fortnight to check the progress of contracts that require updating. This has resulted in improved prioritisation of the contracts such as mechanical and ventilation and the electrical contractor. Members should be aware that latter is being done as a joint tender with New College Lanarkshire. These meetings are also supporting a summer works schedule.

4.4 In addition, as part of these meetings a review of contract management will be starting to ensure that all suppliers are part of routine timely reviews for example, every quarter leading to an annual yearly review.

## 5.0 SUSTAINABILITY

5.1 Table 2: Solar Panel Production

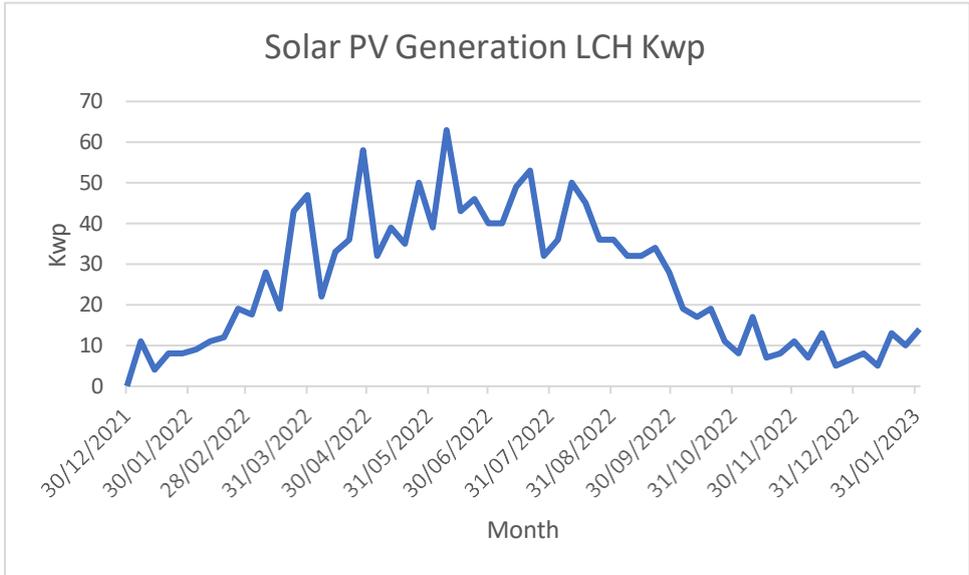
Reporting Period	Construction Wing	Annex	Low Carbon House	Total Kwp
Apr–Jun 2020	14,025	4,741	652	19,418
Jul–Sep 2020	13,303	3,450	473	17,226
Oct-Dec 2020	3,567	612	117	4,296
Jan-Mar 2021	172 (FAULT)	1,011	183	1,366
Apr-Jun 2021	171 (FAULT)	4,345	585	5101
Jul - Sept 2021	1,378	3,931	555	5,864
Oct- Dec 2021	1,828	476	109	2,413
Jan – Mar 2022	7501	1301	236	9038
Apr-Jun 2022	20063	4040	536	24639
Jul-Sept 2022	18022	3562	503	22087
Oct-Dec 2022	4080	638	142	4860

*NOTE: Quarter year comparison is low due to a fault with one of our arrays. This has been fixed; however, the output won't have reached its full potential.*

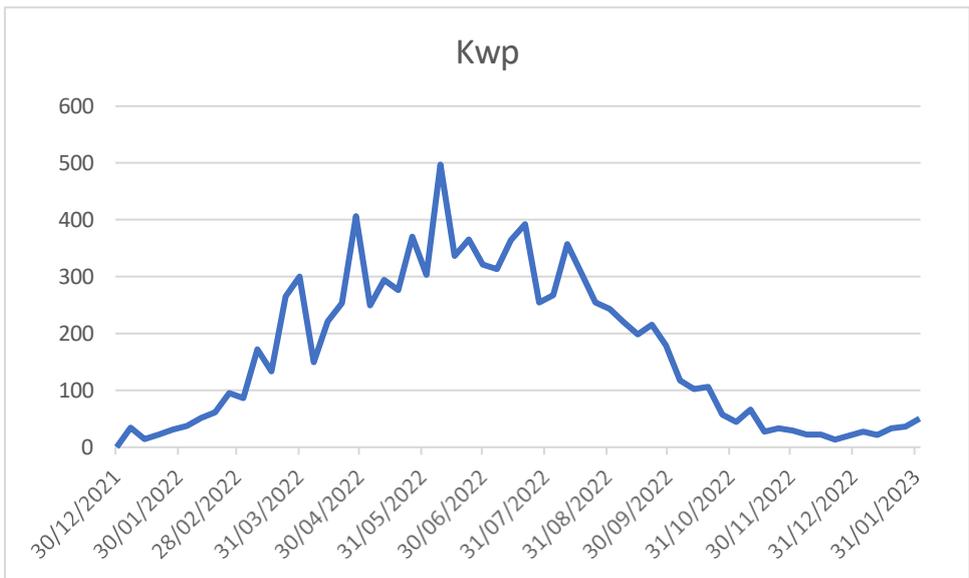
5.2 The Solar Photovoltaics (PV) panel figures are as expected for this time of year, and that this reporting period will see a decrease in generated hours due to a decrease in daylight hours.

5.3 This year alone (2022), the college generated 60,624Kwh. If the College uses the example of a "Renault Zoe" car, a 22Kwh charge would allow it to travel 125Km. The College has produced a total of 60,624Kwh PV, therefore this would allow 2,756 charges allowing the vehicle to travel 344,500 Km, which would be equivalent to 9 times around the world.

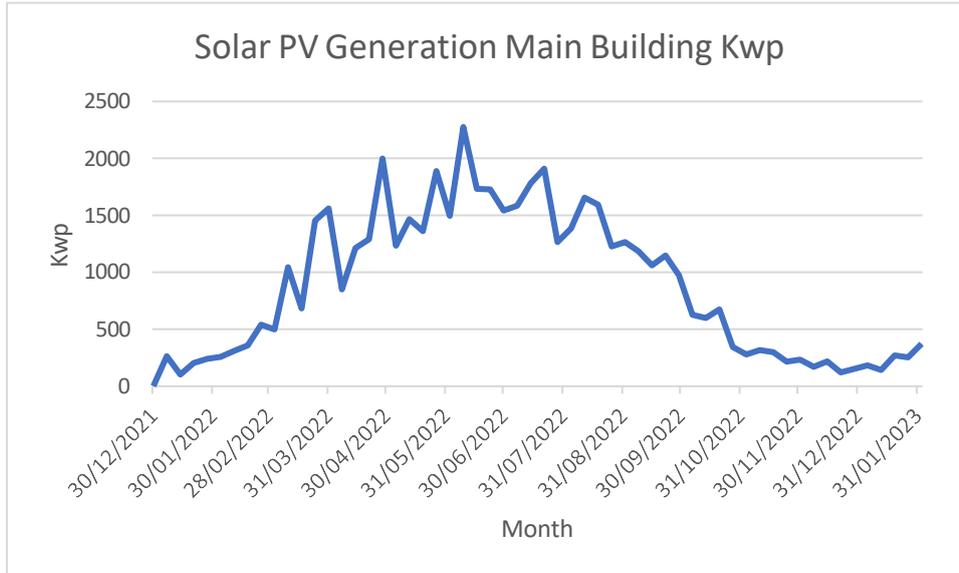
5.4 Chart 1: Solar PV for the Low Carbon House



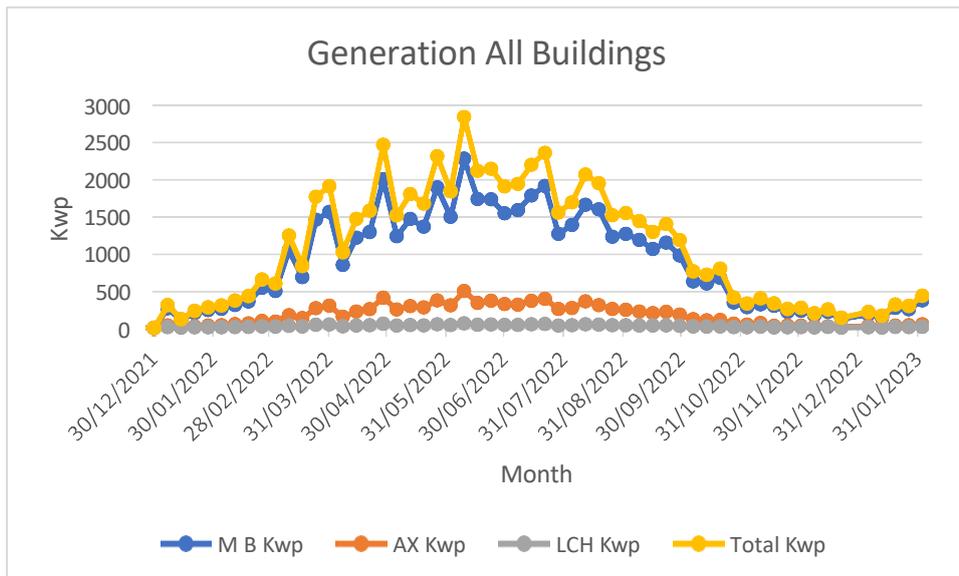
5.5 Chart 2: Solare PV for the Annex



5.6 Chart 3: Solar PV Figures Main Building



5.7 Chart 4: Total Solar PV Figures Combined

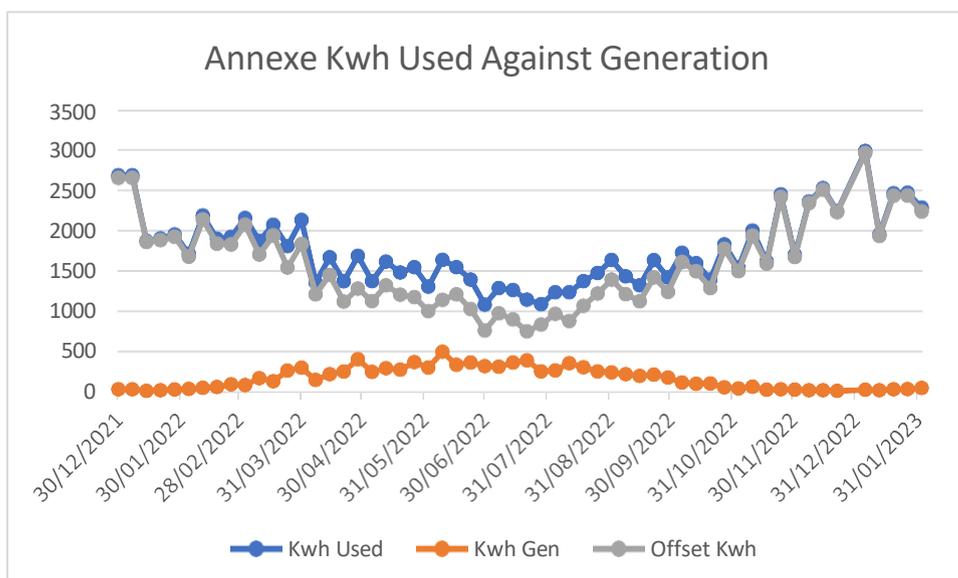


5.8 Charts 5 and 6 show how much of what we have generated for the annex and the main building can be offset against what we actually use in these buildings. In line with our efforts to help achieve net-zero the College is adding additional 150Kwp (70kwp at present on the main building) solar PV panels to the construction roof area over the next two months, with the aim to complete by 31 March 2023. This is possible due to Scottish Government grant funding.

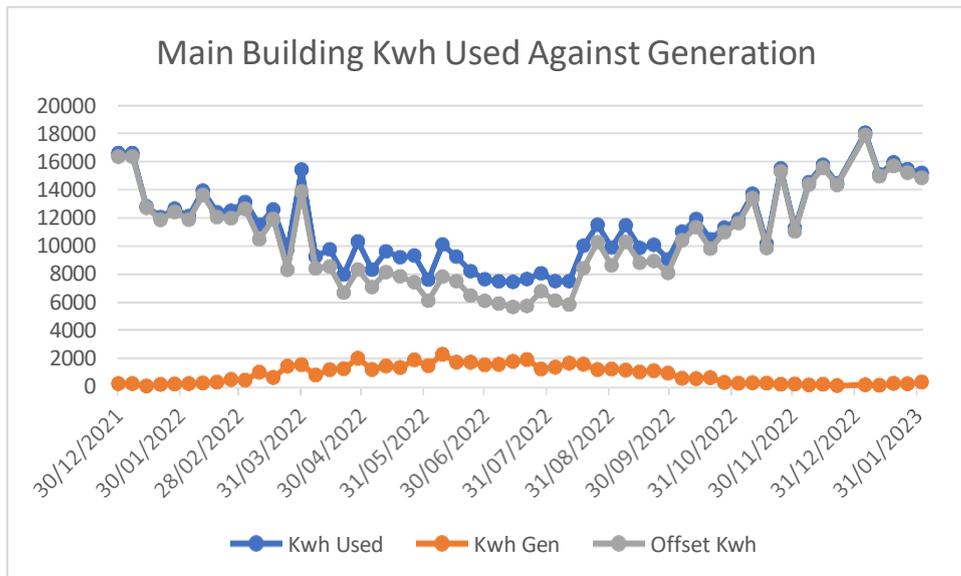
5.9 The installation of the new PV system will also offset approximately 120,000KwH which will help support with energy costs.

5.10 As can be seen from the graphs, in the summer months the gap between used and generated become closer due to less energy needed for heating, lighting etc and more energy being generated. In addition, there are also fewer people in the building resulting in less usage. In contrast the gap widens again during the autumn and winter period.

5.11 *Chart 5: Annexe Kwh Used Against Generation*



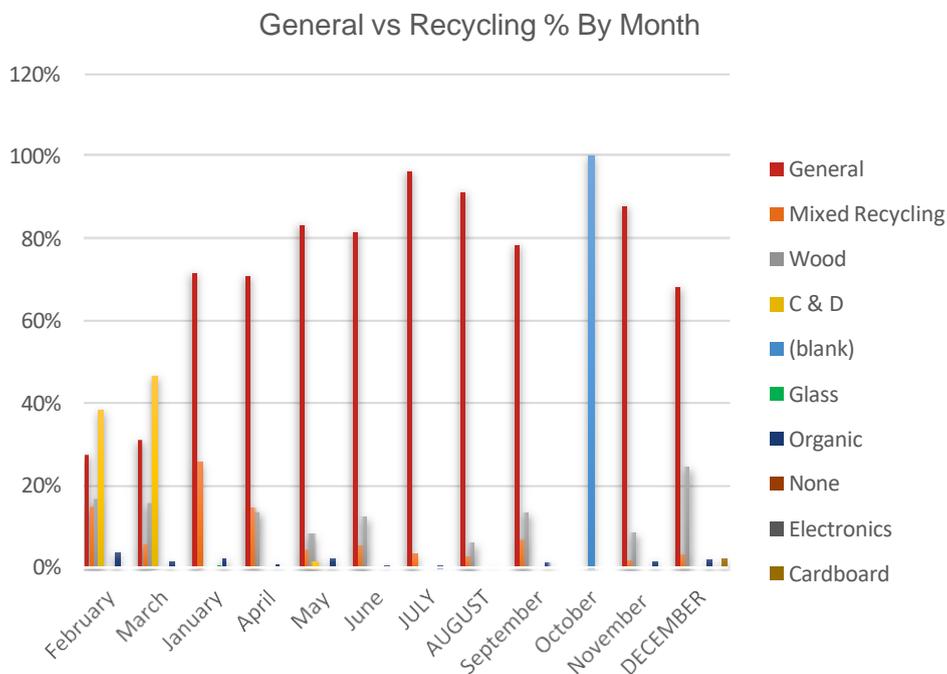
5.12 Chart 6: Main Building Kwh/p Used Against Generation



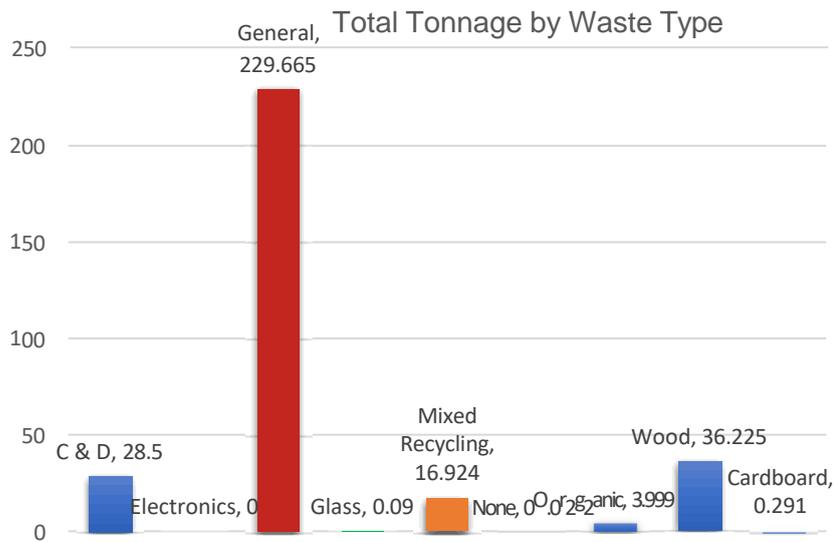
6 Waste

6.1 The graphs show in detail a breakdown of the waste categories from the College supplier Biffa, who were awarded the waste management contract from January 2022. Note that the category “C&D” refers to “Mixed Construction and Demolition” waste.

6.2 Chart 7: General Vs Recycling

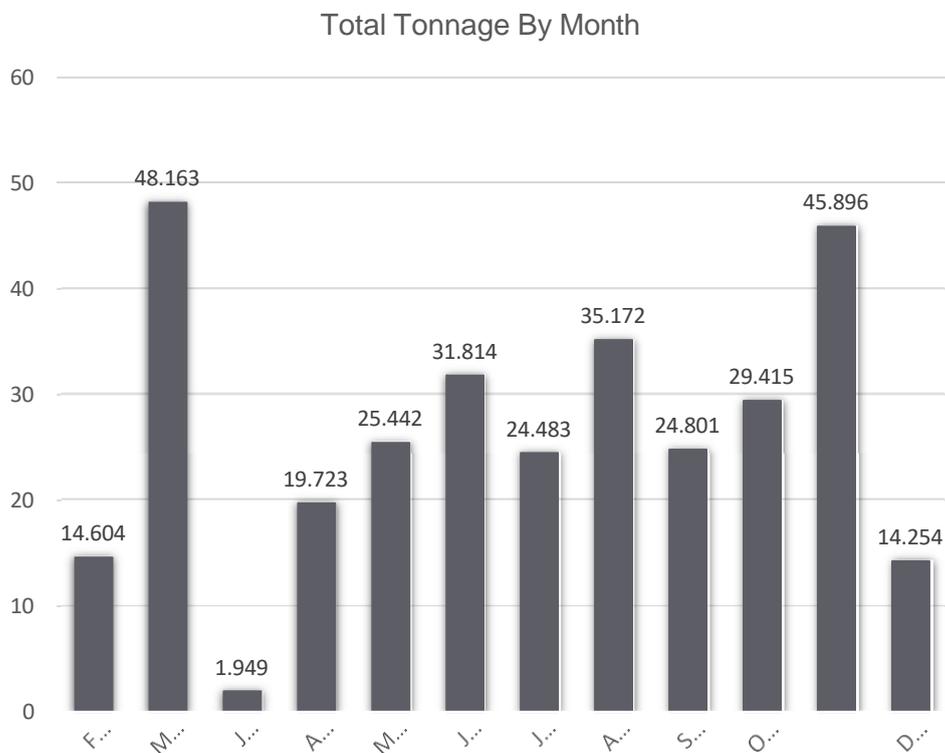


6.3 Chart 8: Total Tonnage by Waste Type



6.4 The general waste category over the year in 2022 peaks in March and November and team are looking at what can be done to reduce this. The College is aware that some contractors had used College skips to remove waste from the campus.

6.5 Chart 9 Waste: Monthly Tonnage



## **7 ENERGY CONSUMPTION: ALL BUILDINGS**

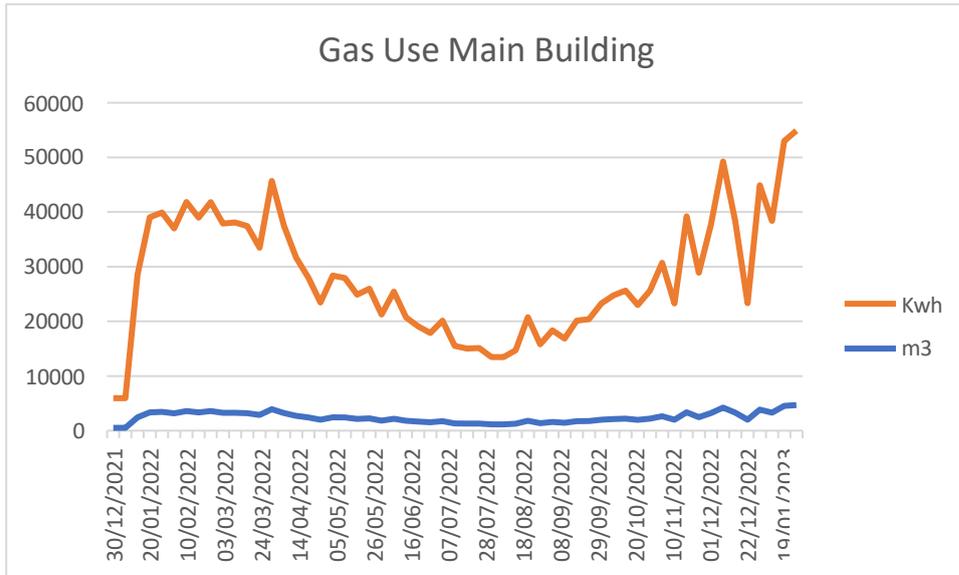
7.1 Table 3 below provides an overview of energy consumption across the estate over the last 3-year period, across all the utilities: gas, electricity and water. The change in the utilisation of the building will obviously affect the comparisons, but the table is designed to compare the movement in the quarter over the prior year equivalent, and the current rolling year over the prior year equivalent.

7.2 There are also charts to demonstrate the rolling gas and water consumption so that is easier to read in line with the electricity charts already provided.

### 7.3 Table 3 Energy Consumption

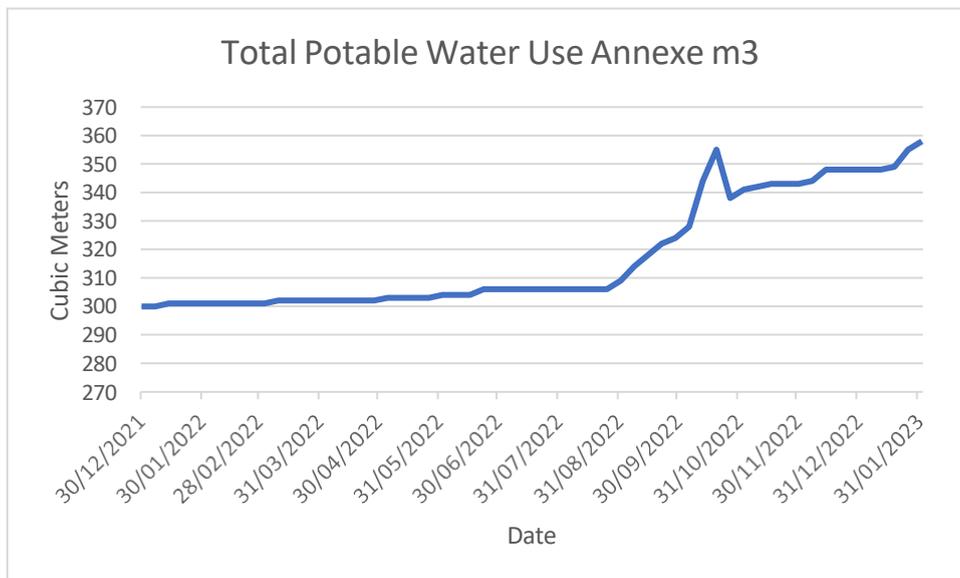
<b>Finance and Resources Committee Estates Report February 2023 Energy Consumption- all Buildings</b>				
Date	Usage in kWh	Movement over prior year quarter	Rolling Year	Movement over prior rolling year
<b>Gas - kWh</b>				
Jan - Mar 2019	522,541	-23%	1,523,877	-14%
Apr - Jun 2019	339,949	4%	1,535,774	-14%
Jul - Sep 2019	250,064	13%	1,564,445	-9%
Oct - Dec 2019	500,643	11%	1,613,197	-4%
Jan - Mar 2020	636,674	22%	1,727,330	13%
Apr - Jun 2020	145,432	-57%	1,532,813	0%
Jul - Sep 2020	220,102	-12%	1,502,851	-4%
Oct - Dec 2020	408,878	-18%	1,411,086	-13%
Jan - Mar 2021	555,678	-13%	1,330,090	-23%
Apr - Jun 2021	330,348	127%	1,515,006	-1%
Jul - Sep 2021	205,185	-7%	1,500,089	0%
Oct-Dec 2021	249,945	-39%	1,341,156	-5%
Jan-Mar 2022	551,090	-1%	1,336,568	0%
Apr - June 2022	313,839	-5%	1,320,059	-13%
Jul - Sep 2022	200,677	-2%	1,315,551	-12%
<b>Oct-Dec 2022</b>	<b>337,867</b>	<b>35%</b>	<b>1,403,473</b>	<b>5%</b>
<b>Electricity - kWh</b>				
Jan - Mar 2019	635,936	-3%	2,221,890	-1%
Apr - Jun 2019	474,459	-8%	2,177,952	-5%
Jul - Sep 2019	431,202	-5%	2,156,326	-4%
Oct - Dec 2019	562,561	-8%	2,104,158	-6%
Jan - Mar 2020	574,224	-10%	2,042,446	-8%
Apr - Jun 2020	225,865	-52%	1,793,852	-18%
Jul - Sep 2020	299,521	-31%	1,662,171	-23%
Oct - Dec 2020	472,746	-16%	1,572,356	-25%
Jan - Mar 2021	775,982	35%	1,774,114	-13%
Apr - Jun 2021	368,153	63%	1,916,402	7%
Jul - Sep 2021	283,081	-5%	1,899,962	14%
Oct-Dec 2021	127,306	-73%	1,554,522	-1%
Jan-Mar 2022	193,702	-75%	972,242	-45%
Apr - June 2022	135,743	-63%	739,832	-61%
Jul - Sep 2022	135,201	-52%	591,952	-69%
<b>Oct-Dec 2022</b>	<b>174,960</b>	<b>37%</b>	<b>639,606</b>	<b>-59%</b>
<b>Water Consumption - M<sup>3</sup></b>				
Date	Usage in m <sup>3</sup>	Movement over prior year quarter	Rolling Year	Movement over prior rolling year
Jan - Mar 2019	2,872	-6.2%	10,751	0%
Apr - Jun 2019	2,230	-26.1%	9,962	-9%
Jul - Sep 2019	2,185	13.9%	10,229	-7%
Oct - Dec 2019	2,628	-10.7%	9,915	-9%
Jan - Mar 2020	2,225	-22.5%	9,268	-14%
Apr - Jun 2020	628	-71.8%	7,666	-23%
Jul - Sep 2020	1,109	-49.2%	6,590	-36%
Oct - Dec 2020	203	-92.3%	4,165	-58%
Jan - Mar 2021	74	-96.7%	2,014	-78%
Apr - Jun 2021	201	-68.0%	1,587	-79%
Oct-Dec 2021	1,665	50.1%	2,143	-49%
Jan-Mar 2022	2193	96.6	4,133	105%
Apr - June 2022	2,507	92.0	6,566	314%
Jul - Sep 2022	1,650	-0.9	8,015	274%
<b>Oct-Dec 2022</b>	<b>2,178</b>	<b>-0.7</b>	<b>8,528</b>	<b>106%</b>

7.4 Chart 10: Gas Use Main Building



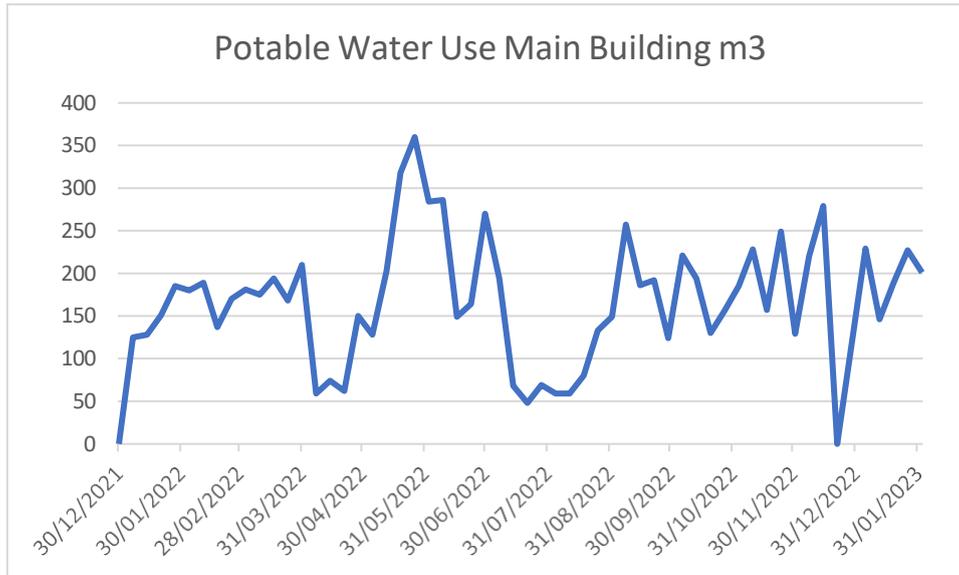
7.5 The key challenge for the College will be to consider how it can reduce its energy consumption given the substantial rising costs in energy bills.

7.6 Chart 10: Potable Water use Annexe



7.7 The low water usage in the annexe is due to all toilet flushing coming from the rainwater harvesting system. The reason for the increase in October 2022, was due to routine cleaning and drainage of the system.

## 7.8 Potable Water use Main Building



7.9 Possible solution to cut down on potable water consumption would be to introduce waterless urinals, water solenoid valves and replace taps with 2 litre flow restrictors.

## 8 RISK

8.1 Those essential estates work is not carried out on a timely basis impacting on the learner experience.

8.2 That there is a failure to adhere to statutory and legislative health & safety requirements

## 9 EQUALITIES

9.1 There are no new matters for people with protected characteristics which arise from consideration of the report.

## 10 RECOMMENDATIONS

10.1 Members are recommended to note the contents of this report and:

10.1.1 Progress on the intrusive and non-intrusive building conditioning survey;

10.1.2 Contract monitoring review; and

10.1.3 Sustainability charts reporting on energy, waste, water and gas.

## Finance and Resources Committee

<b>DATE</b>	16 February 2023
<b>TITLE OF REPORT</b>	College sector FFR
<b>REFERENCE</b>	Agenda item 7.1A
<b>AUTHOR AND CONTACT DETAILS</b>	Keith McAllister, Head of Finance keith.mcallister@slc.ac.uk
<b>PURPOSE:</b>	To inform the Committee of the forecasts made to the Scottish Funding Council in Sept 2022
<b>KEY RECOMMENDATIONS/ DECISIONS:</b>	<ul style="list-style-type: none"> <li>The Committee is asked to note the combined financial impact on the sector as predicted and returned to SFC in September 2022.</li> </ul>
<b>RISK</b>	<ul style="list-style-type: none"> <li>That the College cannot demonstrate financial sustainability.</li> <li>That the College does not have adequate risk management processes and procedures in place.</li> </ul>
<b>RELEVANT STRATEGIC AIM:</b>	<ul style="list-style-type: none"> <li>Sustainable Behaviours</li> </ul>
<b>SUMMARY OF REPORT:</b>	<ul style="list-style-type: none"> <li>Colleges were asked to submit two financial forecasts as at September 2022. These covered the years to 2026/27</li> <li>The first version incorporated modest increases in costs, including salaries, and a flat cash grant in aid settlement. The criteria for this forecast were set by the Funding Council.</li> <li>Following representation by the sector, a second forecast allowed colleges to make a return that better reflected what the colleges themselves saw as realistic.</li> <li>SFC have released the first set of forecasts (i.e. incorporating the “conservative” figures) in summary form and the attached is an extract from that.</li> <li>The Committee is asked to note that, even with these more modest projections, significant losses are projected from 2022/23 onwards, with a cashflow impact that would see the sector in a perilous and unsustainable financial situation by the second last year of the period of review.</li> <li>Although the figures that more reflected what the sector predicted were not released, these would show a significantly poorer position by approximately two years prior to the end of the period of review.</li> <li>The sector should be in receipt of the indicative grant in aid allocations in mid / end March. There is usually a call to submit budgets based on these allocations by the end of June, but this has been extended to the end of September more recently.</li> </ul>

	Actual 2020-21	Forecast 2021-22	Forecast 2022-23	Forecast 2023-24	Forecast 2024-25	Forecast 2025-26	Forecast 2026-27
<b>Statement of Comprehensive income and expenditure (Consolidated)</b>							
	£000	£000	£000	£000	£000	£000	£000
<b>INCOME</b>							
Tuition fees and education contracts	113,558	116,778	113,503	114,745	116,302	117,339	118,447
Funding Council/RSB grants	622,174	643,206	646,741	633,512	633,159	633,093	633,263
Research grants and contracts	2,539	3,170	3,179	3,362	3,473	3,572	3,667
Other income	53,773	60,551	60,569	58,111	55,885	56,667	56,781
Investment income	52	24	8	8	8	8	8
Donations and endowments	236	512	210	212	216	221	228
<b>Total income</b>	<b>792,332</b>	<b>824,241</b>	<b>824,210</b>	<b>809,950</b>	<b>809,042</b>	<b>810,900</b>	<b>812,394</b>
<b>EXPENDITURE</b>							
Staff costs	585,657	563,875	576,150	567,408	570,185	576,300	583,289
Staff costs - exceptional restructuring costs	6,501	7,031	5,386	3,536	2,382	921	0
Exceptional costs - non-staff	(1,880)	0	0	0	0	0	0
Other operating costs	164,603	181,469	189,819	192,512	196,236	200,269	205,466
Donation to arms length foundation	400	2,600	0	0	0	0	0
Depreciation	57,971	59,010	58,899	58,481	57,635	57,400	57,232
Interest and other finance costs	26,493	20,113	19,090	18,493	17,599	16,725	15,851
<b>Total expenditure</b>	<b>839,745</b>	<b>834,098</b>	<b>849,345</b>	<b>840,430</b>	<b>844,038</b>	<b>851,615</b>	<b>861,838</b>
<b>Surplus/(deficit) before other gains and losses and share of operating</b>	<b>(47,413)</b>	<b>(9,856)</b>	<b>(25,135)</b>	<b>(30,480)</b>	<b>(34,995)</b>	<b>(40,714)</b>	<b>(49,444)</b>
Gain/(loss) on disposal of fixed assets	(21)	564	0	0	0	0	0
Gain/(loss) on investments	0	0	0	0	0	0	0
Share of operating surplus/(deficit) in joint venture(s)	0	0	0	0	0	0	0
Share of operating surplus/(deficit) in associate(s)	0	0	0	0	0	0	0
<b>Surplus/(deficit) before tax</b>	<b>(47,434)</b>	<b>(9,292)</b>	<b>(25,135)</b>	<b>(30,480)</b>	<b>(34,995)</b>	<b>(40,714)</b>	<b>(49,444)</b>
Other taxation	-66	0	0	0	0	0	0
<b>Surplus/(deficit) for the year</b>	<b>(47,500)</b>	<b>(9,292)</b>	<b>(25,135)</b>	<b>(30,480)</b>	<b>(34,995)</b>	<b>(40,714)</b>	<b>(49,444)</b>
Unrealised surplus on revaluation of land and buildings	96,728	23,531	0	0	0	0	0
Actuarial (loss)/gain in respect of pension schemes	164,840	23,005	0	0	0	0	0
Other comprehensive income	529	263	294	294	294	294	294
<b>Total comprehensive income for the year</b>	<b>214,597</b>	<b>37,507</b>	<b>(24,841)</b>	<b>(30,186)</b>	<b>(34,701)</b>	<b>(40,420)</b>	<b>(49,150)</b>

BALANCE SHEET		Actual	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
		2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
		£000	£000	£000	£000	£000	£000	£000
Non-current assets	a) Intangible assets	268	184	154	128	107	89	74
	b) Fixed assets	1,694,609	1,707,108	1,712,546	1,719,710	1,687,028	1,649,586	1,605,269
	c) Investments	441	441	441	441	441	441	441
<b>Total non-current assets</b>		<b>1,695,318</b>	<b>1,707,733</b>	<b>1,713,140</b>	<b>1,720,280</b>	<b>1,687,576</b>	<b>1,650,116</b>	<b>1,605,784</b>
Current assets	a) Stocks	548	585	570	570	570	570	570
	b) Debtors	61,824	71,618	59,267	53,575	53,940	54,402	54,742
	c) Investments	900	900	900	900	900	900	700
	d) Cash and cash equivalents	122,007	138,987	67,483	46,873	25,945	1,426	(31,903)
	e) Other (e.g. assets for resale)	5,036	4,700	4,700	4,700	4,700	4,700	4,700
<b>Total current assets</b>		<b>190,315</b>	<b>216,789</b>	<b>132,919</b>	<b>106,617</b>	<b>86,054</b>	<b>61,998</b>	<b>28,808</b>
Creditors: amounts falling due within one year	a) Bank loans and external borrowing	2,044	2,085	2,067	2,205	2,032	2,057	2,068
	b) Bank overdrafts	0	0	0	0	0	0	0
	c) Lennartz creditor	227	227	227	227	227	227	227
	d) Obligations under finance leases and service concessions	228	91	23	23	15	0	0
	e) Payments received in advance	7,652	8,249	4,297	4,070	4,060	4,028	4,013
	f) Amounts owed to Funding Council	22,055	27,585	5,811	5,709	5,709	5,709	5,809
	g) Obligations under PFI/NPD	7,797	9,040	9,459	9,350	8,690	8,650	8,337
	h) Deferred capital grant	29,166	28,411	28,232	27,930	27,880	27,635	26,788
	i) Other creditors and accruals	128,756	147,655	106,462	99,321	100,001	102,030	104,292
<b>Total creditors &lt; 1 year</b>		<b>197,925</b>	<b>223,343</b>	<b>156,578</b>	<b>148,835</b>	<b>148,614</b>	<b>150,336</b>	<b>151,534</b>
Share of net assets/(liabilities) in associate		0	0	0	0	0	0	0
<b>NET CURRENT ASSETS/LIABILITIES</b>		<b>(7,610)</b>	<b>(6,554)</b>	<b>(23,659)</b>	<b>(42,218)</b>	<b>(62,560)</b>	<b>(88,338)</b>	<b>(122,726)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>1,687,708</b>	<b>1,701,179</b>	<b>1,689,482</b>	<b>1,678,062</b>	<b>1,625,016</b>	<b>1,561,778</b>	<b>1,483,058</b>
Creditors: amounts falling due after more than one year	a) Local authority loans	251	204	157	110	63	0	0
	b) Bank loans and external borrowing	20,755	18,719	16,584	14,301	12,425	10,446	8,340
	c) Lennartz creditor	0	0	0	0	0	0	0
	d) Finance leases and service concessions	1,116	65	42	19	4	4	4
	e) Obligations under PFI/NPD	215,802	199,564	190,105	180,755	172,004	163,291	154,892
	f) Deferred capital grant	564,835	564,853	590,405	622,747	617,033	607,311	590,602
	g) Amounts repayable to Funding Council	2,211	4,436	4,436	4,436	4,278	4,120	3,962
	h) Other creditors	3,215	2,260	2,072	1,698	1,308	902	473
<b>Total creditors &gt;1 year</b>		<b>808,185</b>	<b>790,101</b>	<b>803,801</b>	<b>824,066</b>	<b>807,115</b>	<b>786,074</b>	<b>758,273</b>
Provisions	a) Pension provision	354,477	246,748	246,732	244,054	241,376	238,696	236,015
	b) Other	16,305	13,548	10,167	9,801	9,435	9,069	8,703
<b>Total provisions</b>		<b>370,782</b>	<b>260,296</b>	<b>256,899</b>	<b>253,855</b>	<b>250,811</b>	<b>247,765</b>	<b>244,718</b>
<b>TOTAL NET ASSETS</b>		<b>508,741</b>	<b>650,781</b>	<b>628,781</b>	<b>600,140</b>	<b>567,090</b>	<b>527,939</b>	<b>480,068</b>
Restricted Reserves	a) Endowment Reserve	22	22	22	22	22	22	22
	b) Restricted Reserve	(29,250)	16,604	16,603	16,552	16,552	16,552	16,552
<b>Unrestricted reserves</b>	a) Income and Expenditure Reserve	<b>(105,252)</b>	<b>(36,541)</b>	<b>(47,350)</b>	<b>(64,877)</b>	<b>(86,354)</b>	<b>(113,880)</b>	<b>(150,126)</b>
	b) Revaluation Reserve	643,221	670,696	659,505	648,443	636,869	625,245	613,621
Non-controlling interest		0	0	0	0	0	0	0
<b>TOTAL RESERVES</b>		<b>508,741</b>	<b>650,781</b>	<b>628,780</b>	<b>600,140</b>	<b>567,089</b>	<b>527,939</b>	<b>480,069</b>

	Actual 2020-21 £000	Forecast 2021-22 £000	Forecast 2022-23 £000	Forecast 2023-24 £000	Forecast 2024-25 £000	Forecast 2025-26 £000	Forecast 2026-27 £000
<b>Cashflow (excluding Orkney College and Shetland College)</b>							
<b>1 Cash flow from operating activities</b>							
a) Surplus / (deficit) for the year	(46,016)	(7,396)	(23,050)	28,770	33,180	38,781	47,311
<b>2 Adjustment for non-cash items</b>							
a) Depreciation	57,971	59,010	58,899	58,481	57,635	57,400	57,232
b) Amortisation of intangibles	2,113	0	0	0	0	0	0
c) Benefit on acquisition	0	0	0	0	0	0	0
d) Amortisation of goodwill	0	0	0	0	0	0	0
e) Loss / (gain) on investments	0	0	0	0	0	0	0
f) Decrease / (increase) in stock	26	(12)	12	0	0	0	0
g) Decrease / (increase) in debtors	(12,465)	(9,452)	9,973	4,850	(773)	(989)	(986)
h) Increase / (decrease) in creditors	38,479	18,765	(68,778)	(12,773)	(5,844)	(4,627)	(4,309)
i) Increase / (decrease) in pension provision	37,449	(1,417)	(2,201)	(2,629)	(2,629)	(2,631)	(2,632)
j) Increase / (decrease) in other provisions	(1,880)	(8,002)	(10,268)	(5,338)	(5,511)	(5,527)	(5,527)
k) Receipt of donated equipment	0	0	0	0	0	0	0
l) Share of operating surplus / (deficit) in joint venture	0	0	0	0	0	0	0
m) Share of operating surplus / (deficit) in associate	0	0	0	0	0	0	0
n) Other	2,645	(1,924)	(3,939)	(5,131)	(4,291)	(3,924)	(5,135)
<b>Total adjustment for non-cash items</b>	<b>124,316</b>	<b>56,969</b>	<b>(16,302)</b>	<b>37,460</b>	<b>38,587</b>	<b>39,702</b>	<b>38,643</b>
<b>3 Adjustment for investing or financing activities</b>							
a) Investment income	(7)	(18)	(7)	(7)	(7)	(7)	(7)
b) Interest payable	21,224	17,763	16,492	15,822	15,086	14,350	13,572
c) Endowment income	0	0	0	0	0	0	0
d) Loss / (gain) on the sale of assets	10	(6)	0	0	0	0	0
e) Capital grant income	(12,992)	(12,460)	(13,956)	(15,801)	(13,318)	(13,287)	(13,195)
<b>Total adjustment for investing or financing activities</b>	<b>8,235</b>	<b>5,279</b>	<b>2,529</b>	<b>14</b>	<b>1,761</b>	<b>1,056</b>	<b>370</b>
<b>4 Net cash inflow from operating activities</b>	<b>86,244</b>	<b>52,957</b>	<b>(38,758)</b>	<b>7,746</b>	<b>6,310</b>	<b>1,198</b>	<b>(8,736)</b>
<b>5 Cash flow from investing activities</b>							
a) Proceeds from sales of fixed assets	142	874	170	0	0	0	0
b) Proceeds from sales of intangible assets	4	0	0	0	0	0	0
c) Capital grants receipts	15,925	16,528	53,643	57,886	10,450	9,044	9,044
d) Disposal of non-current asset investments	0	0	0	0	0	0	0
e) Withdrawal of deposits	0	0	0	0	0	0	0
f) Investment income	(7)	3	(6)	(6)	(6)	(6)	(6)
g) Payments made to acquire fixed assets	(22,642)	(23,761)	(58,687)	(58,527)	(10,816)	(9,431)	(9,215)
h) Payments made to acquire intangible assets	(405)	(180)	(180)	(180)	(180)	(180)	(180)
i) New non-current asset investments	0	0	0	0	0	0	0
j) New deposits	0	0	0	0	0	0	0
<b>Total cash flows from investing activities</b>	<b>(6,983)</b>	<b>(6,536)</b>	<b>(5,060)</b>	<b>(827)</b>	<b>(552)</b>	<b>(573)</b>	<b>(357)</b>
<b>6 Cash flows from financing activities</b>							
a) Interest paid	(2,944)	(1,987)	(1,308)	(1,232)	(1,121)	(1,017)	(930)
b) Interest element of finance lease and service concession	(16,293)	(15,736)	(15,140)	(14,544)	(13,916)	(13,282)	(12,589)
c) Endowment cash received	0	0	0	0	0	0	0
d) New secured loans	0	0	0	0	0	0	0
e) New unsecured loans	0	0	0	0	0	0	0
f) Repayments of amounts borrowed	(2,888)	(2,946)	(3,034)	(3,171)	(3,352)	(3,253)	(3,273)
g) Capital element of finance lease and service concession payments	(7,571)	(9,111)	(8,148)	(8,483)	(8,345)	(7,590)	(7,444)
<b>Total cash flows from financing activities</b>	<b>(29,696)</b>	<b>(29,780)</b>	<b>(27,630)</b>	<b>(27,430)</b>	<b>(26,734)</b>	<b>(25,142)</b>	<b>(24,236)</b>
<b>7 (Decrease) / increase in cash and cash equivalents in the year</b>	<b>49,345</b>	<b>16,640</b>	<b>(71,598)</b>	<b>(21,263)</b>	<b>(21,933)</b>	<b>(25,671)</b>	<b>(35,024)</b>
<b>8 Cash and cash equivalents at beginning of the year</b>	<b>72,439</b>	<b>122,007</b>	<b>138,937</b>	<b>67,383</b>	<b>46,873</b>	<b>25,945</b>	<b>1,426</b>
<b>9 Cash and cash equivalents at the end of the year</b>	<b>122,007</b>	<b>138,937</b>	<b>67,383</b>	<b>46,873</b>	<b>25,945</b>	<b>1,426</b>	<b>(31,903)</b>

## Finance and Resources Committee

<b>DATE</b>	16 February 2023
<b>TITLE OF REPORT</b>	Mid year financial return
<b>REFERENCE</b>	Agenda item 7.2
<b>AUTHOR AND CONTACT DETAILS</b>	Keith McAllister, Head of Finance keith.mcallister@slc.ac.uk
<b>PURPOSE:</b>	To inform the Committee of the forecast required by the Scottish Funding Council in respect of the College's mid year return.
<b>KEY RECOMMENDATIONS/ DECISIONS:</b>	<ul style="list-style-type: none"> <li>• The Committee is asked to note the requirements of the Return and, in particular, that the College is being asked to compare its predicted outturn with the conservative FFR return made in September 2022, rather than with the figures which the College felt were more realistic.</li> <li>• The Committee is asked to give guidance on whether the College should make its forecast based on the modest FFR forecast or the forecast which was based on what was felt to be a more realistic foundation.</li> </ul>
<b>RISK</b>	<ul style="list-style-type: none"> <li>• That the College cannot demonstrate financial sustainability.</li> <li>• That the College does not have adequate risk management processes and procedures in place.</li> </ul>
<b>RELEVANT STRATEGIC AIM:</b>	<ul style="list-style-type: none"> <li>• Sustainable Behaviours</li> </ul>
<b>SUMMARY OF REPORT:</b>	<ul style="list-style-type: none"> <li>• Colleges are asked to provide an update to its Financial Forecast Return (FFR) at the six-month point of the financial year.</li> <li>• Any significant variances should be highlighted and explained.</li> <li>• At this point, there has not been a settlement with either the support staff or the lecturing staff unions on the salary award as at 1<sup>st</sup> September 2022.</li> <li>• At this point, it is extremely unlikely that the job evaluation exercise for support staff will be completed prior to September 2023 (i.e. after the year end), so the impact of any settlement will not affect the 2022/23 financial year.</li> </ul>



Comhairle Maortheac in gl' haid n nah-Alba



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## College mid-year financial forecast return (MYR) 2022-23

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**ISSUE DATE:** 03 February 2023

**REFERENCE:** SFC/CI/01/2023

**SUMMARY:** This Call for Information requests colleges / Regional Strategic Bodies to provide an updated financial forecast return for Academic Year 2022-23.

**FAO:** Principals, Finance Directors and Board Secretaries of Scotland's Regional Colleges, non-assigned non-incorporated colleges, Regional Strategic Bodies; and the general public.

**FURTHER INFORMATION:** **CONTACT:** Andrew Millar / Wilma MacDonald  
**JOB TITLE:** Assistant Director / Senior Financial Analyst  
**DIRECTORATE:** Finance  
**TEL:** 0131 313 6538 / 0131 313 6565  
**EMAIL:** [amillar@sfc.ac.uk](mailto:amillar@sfc.ac.uk) / [wmacdonald@sfc.ac.uk](mailto:wmacdonald@sfc.ac.uk)

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## Table of contents

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<b>College mid-year financial forecast return (MYR) 2022-23.....</b>	<b>4</b>
Purpose .....	4
Mid-year financial forecast return.....	4
Guidance and format of the mid-year financial forecast return .....	4
Information requested.....	5
Further information .....	5
<b>Annex A.....</b>	<b>6</b>
<b>Guidance for completion.....</b>	<b>6</b>
Structure of the MYR .....	6
Sheets not requiring completion .....	6
Completion of the MYR.....	6
Input of financial forecast figures.....	6
Financial commentary .....	7

## College mid-year financial forecast return (MYR) 2022-23

### Purpose

1. This Call for Information requests colleges / Regional Strategic Bodies to provide an updated financial forecast return for Academic Year 2022-23.
2. Regional colleges, Regional Strategic Bodies (RSBs), and non-assigned non-incorporated colleges should send their returns to the Scottish Funding Council (SFC) no later than 31 March 2023. Earlier returns are encouraged where this is possible.
3. For all multi-college regions, individual returns will be required from the RSB for each of the assigned colleges by 31 March 2023.

### Mid-year financial forecast return

4. The financial forecast return (FFR) is an established part of SFC's financial health monitoring framework. Financial projections are a key source of information in enabling SFC to monitor and assess the medium-term financial planning and health of institutions. The FFR submitted by institutions in September 2022 included forecasts for 2022-23 to 2026-27.
5. The mid-year return (MYR) enables SFC to obtain a meaningful revised forecast of institutions' financial position in terms of income and expenditure, adjusted operating position, balance sheet and liquidity part way through the current academic year. It also draws comparisons with the previous 2022-23 forecast provided in the September 2022 FFR.

### Guidance and format of the mid-year financial forecast return

6. Guidance for completion of the return can be found in **Annex A**. A blank copy of the spreadsheet is published along with this Call for Information on SFC website. The return follows the same format as the September 2022 FFR.
7. Finance Directors will receive an individual spreadsheet which we have pre-populated with the 2022-23 forecast from the 2022 FFR. Institutions are required to complete the 2022-23 MYR figures. For assigned colleges, we will send the pre-populated return to the RSB.
8. Where a variance between the FFR and the revised MYR forecast is significant (variance +/- 5% or over 2% of total expenditure), explanations must be included on the spreadsheet and in the accompanying financial commentary. As with previous forecast exercises, we may come back to institutions with queries and requests for further details following our analysis of the forecast information.

## Information requested

9. Please email an electronic copy of the return in Excel format, along with a financial commentary and any relevant recent papers presented to your Governing Body, to [isg-returns@sfc.ac.uk](mailto:isg-returns@sfc.ac.uk) by **31 March 2023**.

## Further information

10. Please contact Andrew Millar, Assistant Director, Finance (tel: 0131 313 6538; email: [amillar@sfc.ac.uk](mailto:amillar@sfc.ac.uk)) or Wilma MacDonald, Senior Financial Analyst, Finance (tel: 0131 313 6565; email: [wmacdonald@sfc.ac.uk](mailto:wmacdonald@sfc.ac.uk)) to discuss any aspect of this communication.



**Ursula Lodge CPFA**

Deputy Director, Institutional Sustainability & Capital

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## Annex A

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### Guidance for completion

#### Structure of the MYR

1. The MYR takes the form of an excel spreadsheet which has ten sheets.
2. Nine of the sheets require input by the institution. We suggest the order of completion is:
  - (i) Capital expenditure
  - (ii) Income
  - (iii) Expenditure
  - (iv) SoCIE
  - (v) Adjusted operating result' (all institutions) & 'Cash budget for priorities (incorporated colleges only)
  - (vi) Balance Sheet
  - (vii) Liquidity analysis
  - (viii) Cashflow
  - (ix) Declaration

#### Sheets not requiring completion

3. The Summary sheet does not require to be completed. This summarises various key figures from the spreadsheet and is calculated automatically.

#### Completion of the MYR

##### Input of financial forecast figures

4. The sheets in the spreadsheet contain blue highlighted boxes for the input of the updated forecast figures. Please note that only whole numbers should be input into the spreadsheet. It is very important that you do not link the spreadsheet to another document or add additional columns or rows in any of the sheets in the workbook.
5. If the movement in an item on last year's results or on the September 2022 FFR forecast

is of a significant amount (variance +/- 5% or over 2% of total expenditure), please provide details of the reason for the variance in the explanation column.

### Financial commentary

6. Please note that a commentary is required on the financial forecast to cover the context in which the forecast has been prepared and enable a proper understanding of key aspects of the financial forecast. The commentary should cover any significant variances from the original FFR, including any changes in the assumptions, and provide details of the key risks identified when preparing the forecast.
7. You should also provide copies of recent papers presented to your institution's Governing Body relating to the revised forecast if they cover the areas highlighted above.
8. As with previous forecast exercises, we may come back to institutions with queries and requests for further details following our analysis of the forecast information.

**FINANCE AND RESOURCES COMMITTEE**

<b>DATE:</b>	16 February 2023
<b>TITLE OF REPORT:</b>	Capital Expenditure Progress Update
<b>REFERENCE</b>	Agenda item 7.3
<b>AUTHOR AND CONTACT DETAILS</b>	Stella McManus, Depute Principal <a href="mailto:Stella.mcmanus@slc.ac.uk">Stella.mcmanus@slc.ac.uk</a>
<b>PURPOSE:</b>	To provide the Finance and Resources Committee with a summary of capital expenditure to date.
<b>KEY RECOMMENDATIONS/ DECISIONS:</b>	Members are recommended to note the following updates: <ul style="list-style-type: none"> <li>• note the contents of this report;</li> <li>• note progress to date on the capital work plan</li> </ul>
<b>RISK</b>	<ul style="list-style-type: none"> <li>• That there is a failure to progress the capital expenditure plan before the start of the next academic year impacting adversely on the learner experience and College business systems.</li> </ul>
<b>RELEVANT STRATEGIC AIMS:</b>	<ul style="list-style-type: none"> <li>• Highest quality education and support - providing a high-quality environment for staff and students</li> <li>• Sustainable behaviours – environmentally sustainable behaviours.</li> </ul>
<b>SUMMARY OF REPORT:</b>	<ul style="list-style-type: none"> <li>• The Capital Work Plan is being funded from SFC Capital 2022-23, SFC Digital Funding 2022-23, Backlog Maintenance 2021-22 and the College Strategic Investment Fund.</li> <li>• The Capital Work Plan as approved at the August 2022 Board of Management meeting is being progressed, albeit at a slightly slower rate due to challenges in sourcing contractors and quotes due to the current economic environment. However, support from the procurement team has helped to increase the pace of work.</li> </ul>

## 1 INTRODUCTION

1.0 This paper provides Members with an overview of the Capital Work Plan progress to date and identifies a number of challenges that the College has encountered in progressing some of the planned work.

## 2 CAPITAL WORK FUNDING

2.1 Members will recall that at the August 2022 Board of Management meeting the College reported that additional capital expenditure funding was being used to invest in key systems and the College estate to support with providing a 21<sup>st</sup> century learning environment. This work is being done in parallel with a curriculum review supporting the strategic direction of the College in line with labour market intelligence and its operational environment.

2.2 Table 1 below sets out where the capital work is being funded from

2.3 *Table 1: Capital Expenditure Funding Available*

<b>Funding</b>	<b>Amount</b>
SFC capital 2022/23	£182,851
SFC Digital Poverty 22/23	£81,449
Backlog Maintenance 21/22	£66,750
Strategic Investment Fund	£1,000,000
<b>Total</b>	<b>£1,331,050</b>
Note also funds with SLC Foundation	£500,000

## 3 CAPITAL WORK EXPENDITURE AND PROGRESS

3.1 Annex A sets out the detail of the proposed planned work which currently totals circa £1.4m. The College recognises that this is over the funding available, and work is ongoing to review and prioritise the items set out in annex A.

3.2 The Capital Plan includes significant spend outlined previously including:

- 3.2.1 the reconfiguration of staff workrooms costing approximately £200;
- 3.2.2 internal building survey work equating to about £77k;
- 3.2.3 a new HR software system about £84
- 3.2.4 a new Student Records system £39k in year one and
- 3.2.5 a new telephone system circa £18k in year one.

3.3 Actual spend on the Capital Plan to date is circa £250k.

3.4 The Capital Plan as previously set out in November 2022 Facilities report considered by Members is progressing at a slower rate than planned due to challenges in sourcing contractors and quotes. However, support from the procurement team has assisted in increasing the implementation of the Plan and the College anticipates that all work will be overtaken by the conclusion of the academic year. To date there are 12 completed projects, 8 partially completed and 33 yet to complete but are seeking quotes or require further work.

## **4 EQUALITIES**

4.1 There are no new matters for people with protected characteristics or from areas of multiple deprivation which arise from consideration of the report.

## **5 RISK**

5.1 That there is a failure to progress the capital expenditure plan before the start of the next academic year impacting on the learner experience and the effectiveness of College business systems.

## **6 RECOMMENDATIONS**

6.1 Members are recommended to:

- note the contents of this report;
- note progress to date on the Capital Work Plan

Capital Expenditure Bids for Works							JUSTIFICATION		Facilities Dept. Requirement		Progress Update August 2022
Person Requesting	Area	Title of Work	Works to be completed	Cost of works	Cost inc VAT	Date Required	Comments	Complete Yes or No			
Myra Sei	Care	Laptops and clever touch screen	20 additional laptops plus charging cabinet 30 replacement laptops	10,420	12,504	Aug-22	laptops 6400 cabinet 800 30 may be required if laptops not returned from short term loan. Comments: Add edit Non Pay for Faculty or add to IT overall capex budget	Yes	Digital poverty support blended /online delivery	IT Purchase	Ordered - awaiting delivery (CS 08/12/2022)
Myra Sei	Care	Hairdressing/beauty electrical equipment	Replace hairdressing/beauty electrical equipment 3 year cycle	10,000	12,000	Aug-22	Beauty Therapy Desk Fans for nail desks £749.95 + £149.99 total £899.94(including VAT) Hairdressing: portable steamers, small electrical equipment, photography lights, microwave and hand held steamer £4,315.53 (including VAT) Backwashers (60 for two salons) £4 896(including VAT) Total £10 111.4	Yes	Update equipment in line with industry requirements and standards	Faculty Purchase	Equipment requirements updated
Wilma MacLeod	Hair and Beauty	Hairdressing/beauty electrical equipment	Replacement of washing machine and dryers	18,792	22,550	Apr-22	Awaiting Quote from company, procurement.	No	Update required as part of ongoing maintenance cycle	Facilities Purchase	Updated quote required. Input require from Facilities and Health & Safety
Myra Sei	Health and Social Care	Simulation suit	for Health and Social Care students	16,354	20,443	Aug-22		Yes	Simulated training facility to support practical skills prior to placement. Provide a realistic working environment for students across all levels of Health and Social Care programmes		Curriculum to Action - Order expected to be complete January 2023
Myra Sei	Health and Social Care	Resources for Health and Social Care	Anatomical models, Moving + Handling equipment and delib machines.	10,000	12,000	Jul-22	From Curriculum Plan 2023-24	No			
Myra Sei	Workroom	Build additional office space in Care workroom area 205		10,000	12,000	Apr-22	Awaiting drawings and quote from Head of Facilities	No	To provide office space for new school coordinator in proximity to line manager.	Is restrictive of 105 going to enable this, or is there a specific location?	Details have been provided to AP. Work planned for later in year (Facilities) CF
Wilma MacLeod	Beauty	Nail Desks	Nail desks required with filters to eliminate odours from chemicals	7,668.50	9,202.20	Jan-22	Health & Safety requirement	Yes	Additional ventilation required		Ordered 8 December 2022 delivery expected January 2023
David Innes	Professional Cookery	Replacement equipment for kitchens	Walk in Freezer (bcs), Freezers and Fridges, Kitchen Aids, replacement tumble dryer etc	£ 30,000	£ 36,000	Aug-22	Some spend now underway. The walk-in freezer is to be repaired	Partially Complete	General equipment refresh. This equipment has not been replaced since new in 2008	Faculty Purchase	Curriculum Purchase
David Innes	Horticulture	Horticulture – Glasshouse, paving and machinery and refurbishment of workshop G16		£ 16,000	£ 20,000	Aug-22	G16 complete	Partially complete	To support expanding delivery depending on quotations Awaiting quote from facilities for G16 work	G16 completed. Greenhouse and machines is Faculty Purchase. Paving can be carried out but we require a specific layout requirement	G16 completed
Myra Sei	Business	An accessible classroom		£ 10,000	£ 12,000	Aug-22	Added to the scope of the architect work.	No	To meet the accessibility needs of students as per the Disability Discrimination/Equality Acts	Location to be determined.	Currently there is a room, but more space is required.
Myra Sei / Wilma	Business / Accounting /AAT		Rooms(labs) modified to ensure group work (active learning) can take place: reconfig of rooms additional laptops laptop-charging units double monitors for accounting courses slide flipchart boards mounted.	£ -	£ -	Jul-22	From Curriculum Plan 2023-24 Not Required to this extent.				
David Innes	IT	Computing and IT room	FA delivery as part of consortium agreement. Introduction of computing course to meet the industry demands. 2023-24 curriculum update.	£ 30,000	£ 36,000	Aug-22	From Curriculum Plan 2023-24	No			
David Innes	IT	Creative and Digital	Creative and Digital media equipment to provide industry standard equipment and experiences	£ 10,000	£ 12,000	Sep-22	From Curriculum Plan 2023-24	No			
David Innes	Carpentry and Joinery	Replacement of machinery and tools	Workshop machinery moving towards the end of their serviceable life, annual service implemented as a preventative measure. Cordless power tool technology becoming more prevalent, battery lifespan improvement, Refurb of Rigs	£ 14,230	£ 17,076	Jul-22	From Curriculum Plan 2023-24	No			
David Innes	Built Environment	Reconfiguration of space	space to deliver roofing – multiuse workspace would support curriculum. Class rooms without dividing wall to allow for computers along the walls and desk space in middle 116 and 118				From Curriculum Plan 2023-24 Awaiting Archtech quotes Depends on what was displaced, if mezzanine floor was floored to make to larger workshops then the cost could be upwards of £150,000. Rooms identified are LG80 and LG82 or move current location of cabin in LG72a and open up wall combining LG72 giving a flat space workshop less cos	No			
David Innes	All	Access to a multi- purpose space	Wider college discussion	£ -	£ -		Cross College discussion		Fitness Room, Mock Court, Examination space, Theatre and Exhibition Space, Student social space	Location to be determined.	To be confirmed pending location.
David Innes	Construction	32 Laptops and 2 charging stations		£ 13,120	£ 16,400	Aug-22	(Laptops 32 x £450) Charging stations 2 x £1000 Comments: Added to IT's capex	Yes	Creative and Innovative. Increase the flexibility of the teaching spaces to facilitate the need to utilise ICT and associated software packages such as SmartScreen	IT purchase	Ordered - awaiting delivery (CS 08/12/2022)
David Innes	Construction	Briquette bagger		£ 4,800	£ 6,000	McH 22	Completed	Yes	Reducing our environmental impact. By repurposing the wood waste we are increasing our recycling credential and reducing our carbon footprint	Curriculum Purchase	Curriculum purchase
David Innes	Construction	Internal workshop refurbishment	Wall replacement in plastering workshop necessary for plastering course to take place.	£ 16,000	£ 20,000	Aug-22		No	Continually Improving. Due to the levels of activity a number of workshops require some refurbishments prior to the new academic year. This is in the areas of Painting & Decorating and Plastering	Plastering Workshops - Summer Works	Partially completed. Requires another 2 quotes.
David Innes	Construction / Wet Trades	Upgrade of materials and house	Specialised roofing rig required to support curriculum delivery, replacement of equipment and the EWI house upgrade.	£ 25,000	£ 30,000	Jul-22		No			
David Innes	Construction	Create additional external teaching and assessment space		£ 48,000	£ 60,000	Aug-22	(3 x £20,000)	Yes	High Achieving. For example: Working off concrete pads and creating real life working environment which will allow for project work to be undertaken thus support students to complete their SVQ	Concrete pads - Summer Works	Original supplier chosen failed to turn up, alternatives being sourced.
David Innes	Construction / Travel	LG72 & LG72A	Convert teaching space into workshop type space. Relocate Cabin. Remove floor tiles. Purchase/install work benches. Additional equipment is required.	£ 15,000	£ 18,000	Oct-22		No	This would involve moving the Cabin to another location and find a replacement teaching area for LG72. Looking to establish where there is capacity to undertake these moves before any alterations to LG72 & 72A take place. This will need rooming information to be captured.	Curriculum to review location.	Aircraft requires alternative location.
David Innes / Craig Fergus	Construction	Restructure of Workrooms	Construction workroom 105, 115, Workroom 305, marketing office work after flood damage and 309 Facilities	£ 167,315	£ 200,778	Aug-22	Awaiting building warrant and start date. Awaiting approval from Chairs Committee due to price.	No	Continually Improving. Increase the efficient use of the office space, including the access to natural light and air by redesigning the area to include rooms 105 including b,c,d & 115. This would include creating a test centre for CSCS to be carried out thus reducing the impact of a classroom being allocated	105 to 115 Alterations - Summer Works	2 Quotes received. Review required.
Craig Ferguson	Atrium / Reception Area / Facilities	Redesign of atrium and reception	Note this is look at how the ground floor space is being used and how to make the best use of it.	£ 15,000	£ 18,000	Aug-22	Part of architect scoping exercise.	No	See separate sheet. This is for an enclosed reception with additional space behind the desk. Creation of a cubby hole at the side for Fina	Reception - Summer Works	Specialist company /shopfitter requires to be contacted for design and quotes. (Facilities) CF. Just a note to raise projected costs sitting at £15-18k - is this too conservative given the size of the project? RH
Craig Ferguson	Facilities	Plant Room	Plant room updating, boiler replacement and BM	£ 69,500	£ 83,400	Feb-22	Partially completed	Partially Complete	Urgent to stop occurrence of flooding	Added to Summer Works	In progress, except BM
Craig Ferguson	Facilities	Lift Shaft	Stabilisation of the lift shaft	£ 29,900	£ 35,880	Apr-22	Completed	Yes	Completed.	Added to Summer Works	
Craig Ferguson	Facilities	Internal Building Survey	Internal Building Survey Cost	£ 25,000	£ 30,000	Jan-22	Partially Completed awaiting 3rd pre survey on 13/1/22	Yes	TBC	Added to Summer Works	3 Reports returned. Awaiting final cladding report
Craig Ferguson	Facilities	Building Survey Internal Work	Building Survey Internal Work	£ 77,000	£ 92,400	Aug-22	Not yet started just received report in Jan 23	No			
Craig Ferguson	Facilities	Building Survey External Cladding Work	Building Survey External Cladding Work	£ 25,000	£ 30,000	Sep-22	Out to tender, awaiting quotes.	Partially Complete			
Craig Ferguson	Facilities	Internal CCTV	Replace existing analogue cameras to digital (incl. Wiring)	£ 25,000	£ 30,000	Mar-22	Cost is guide estimate, framework supplier to be contacted or out to Tender	No	Building security and more accurate investigation process due to improved images	Added to Summer Works	Internal cameras only. Will require to go to tender
Craig Ferguson	Facilities	Electric Van	Replace old van with new electric one	£ 35,000	£ -	Jul-22	Cost is guide estimate, framework supplier to be contacted or out to Tender. Not priority. Potential funding for this.	No	Old van is past its economic value and of low worth. Becoming less reliable. New electric one would be a great step forward for our carbon footprint. The van is required for local merchant collections both by Facilities and Construction faculty	Added to Summer Works	Further research required and expect to go out to tender
Craig Ferguson	Facilities	External Paving	Relay, repair and level paving slabs	£ 10,000	£ 12,000	Apr-22	Cost is guide estimate, Existing groundwork contractor still to quote 09/12/22, or out to framework/tender	No	Some paving is requiring repairing/replacing to level to ensure a safe walking surface.	Added to Summer Works	No price provided by existing grounds maintenance contractor will require to go out to tender.
Craig Ferguson	Facilities	Electric Charging point	Install of Electric vehicle charging point for electric van	£ 10,000	£ -	Jun-22	Cost is guide estimate	No	Charging point in addition to 2 existing beside Van parking bay. Positive impact on our carbon footprint	Added to Summer Works	Funding / Grants required research before order can be made.
Craig Ferguson	Facilities	EV charging points (multiple)	Install of EV charging point in various locations throughout carpark	£ 50,000	£ -	Jun-22	Cost is guide estimate. Tender required	No	Multiple options for EV drivers. Positive impact on our carbon footprint.	Added to Summer Works	Funding / Grants required research before this can be raised via a tender
Craig Ferguson	Facilities	CAFM System	Install, commission and training of staff of Computer Aided Facilities Management System (5 Licences)	£ 10,000	£ 12,000	Feb-22	Cost is guide estimate. Supplies contacted for Demo, Peers in other colleges/ Universities contacted for recommendations	No	Improve the Facilities Management effectiveness, improved efficiency, accurate reporting, information can be provided automatically reducing staff recourse impact.	Added to Summer Works	Research into appropriate system & liaise with IT for asset tracking. Obtain quotes and progress to tender or purchase.
Craig Ferguson	Facilities	Battery Wall	Install battery wall link to Solar PV	£ 100,000	£ -	Jun-22	Remove from Cap ex spend now from Scot Gov funding. Cost with VAT £120k	No	Reducing energy costs	Added to Summer Works	Research what is available, obtain quotes and progress to tender
Craig Ferguson	Facilities	Solar PV	Install of Solar PV array to main building roof (if possible)	£ 80,000	£ -	Jun-22	Out to tender Cost with VAT £96k	Partially Complete	Reducing energy costs. Not included in cap ex spend as	Added to Summer Works	Obtain quotes and go out to tender
Craig Ferguson	Facilities	External Doors	Remove and replace external glazed doors	£ 50,000	£ 60,000	Apr-22	Framework contractor quoted. Declined by finance. £44k	No	Doors are beginning to fail. This is a risk to building security and safe operation of fire exit doors	Added to Summer Works	Quote received, value over permissible level. Go out to tender
Craig Ferguson	Facilities	Facilities office electronic screens	Install 5 screens and onlan equipment to interlink BMS, Helpdesk info as well as electronic noticeboards	£ 5,000	£ 6,000	Jan-22	Order to be placed	No	Improve departmental efficiencies and have upto the minute monitoring and notification of building systems	Added to Summer Works	Research and purchase
Craig Ferguson	Facilities	Acoustic Insulation	Install acoustic insulation above folding partitions	£ 10,000	£ 12,000	Mar-22	Awaiting rough cost from contractor	No	Improved working environment for Students and Lecturers	Added to Summer Works	Awaiting quote. Will require to chase
Craig Ferguson	Facilities	5 Year Electrical Testing	Fixed electrical testing (5 yearly)	£ 16,000	£ 19,200	Mar-22	Out for tender	No	Required to meet H&S Legislation	Added to Summer Works	3 suppliers are about to be engaged with to quote for the works
Craig Ferguson	Facilities	Fire Alarm Smoke head replacement	Replacement of Smoke detection heads	£ 40,000	£ 48,000	Jan-22	Fire Alarm system works in process just now	Partially Complete	Aged equipment needing replaced to give coverage	Added to Summer Works	Quote received. Partially carried out. To be completed
Craig Ferguson	Facilities	Gutter Work	Standing seam gutters and and plant room wall heads	£ 30,000	£ 36,000	Mar-22	In Tender Process	Partially Complete			
Gary McIntosh	HR	HR System	Purchase of new HR system.	£ 70,000	£ 84,000	Jan-22		Partially Complete		Dept. Purchase	
Gary McIntosh	HR	HR Office	Reconfiguration	£ 30,000	£ 36,000	Jan-22		No		Added to Summer Works	3 Quotes required.(by Facilities) CF
Chris Sumner	MIS	Student Records System	New system purchase	£ 30,000	£ 36,000		£150k over 5 years plus VAT so figure is for year 1	No			
Chris Sumner	MIS	Replace Phone System	Upgrading of phone system	£ 14,200	£ 18,460		£71k over 5 years)	No			
Chris Sumner	MIS	Wifi upgrade of kit/user portal	Upgrade require to the wifi points in the college around 70 units total. This is for security purposes as the system is now discontinued by Aruba (HPE). The cost of this would include the addition of clear pass for wifi portal for connecting students. reoccurring cost per year for the user portal (£7500)	£ 40,000	£ 60,000	Jun-22	There was a commitment to spend 150k from a project bid/spend review.	No	Justification was part of the project bid/spend review - this is security and infrastructural preventative maintenance	IT Purchase	Issues with frameworks has meant a delay in purchasing, quotes are due at the end of August if we wish to proceed - CS 11-08-2022
Chris Sumner	MIS	HP 640 Laptops (70)	Framework devices - 137, 139, LG93, 318, 320, 222	£ 26,890	£ 32,256	Jun-22	This was purchased, awaiting install 11-08-2022 CS	Yes	Upgrade and expanding our estate of devices, allows more flexibility between classrooms and external working	IT Purchase	Done - install needs to happen
Chris Sumner	MIS	HP 640 Laptops - Library (130)	Replaces 35 old Toshiba + 65 Additional. Would give 320 Library Laptops in total	£ 49,920	£ 59,904	Jun-22	This was purchased, awaiting install 11-08-2022 CS	Yes	Upgrade and expanding our estate of devices, allows more flexibility between classrooms and external working	IT Purchase	Done - install needs to happen
Chris Sumner	MIS	Desktops		£ 8,000	£ 9,600	Jun-22		No	This is an annual requirement to maintain the lifespan of the college equipment. These refreshes allow us to continue to roll the latest version of windows, keeping the college secure	IT Purchase	Still to be completed in line with yearly refresh, to be ordered yet - CS 08/12/2022
Chris Sumner	MIS	Access Control - Winpak replacement	Replacement Server and access control system	£ 20,000	£ 24,000	Jun-22	Upgrade to the current system required	No	This system needs improved to help with security, moving to a new system would allow us to potentially use digital card saving a chunk of the £20k a year we currently spend. Also improves the attendance system as we could improve the integration with mobile apps	Facilities Dept. Requirement	This is being handed to Craig with my input, I've had suggested we work together on it but he would be the lead. 11-08-2022 CS
Chris Sumner	MIS	New Phone system	Replacement equipment for the phone system interlinked with the Teams software	£ 25,000	£ 25,000	Jun-22	Upgrading the current phone system	No	This would improve the service overall, integrate with Teams and improve the service for navigating the calls in the college (Voice overs etc). Project review bid still need completed and quotes are due back by the end of August	IT Purchase	Project bid review is awaiting FF Group approval, planned for January CS 08/12/2022
Chris Sumner	MIS	ESX server 2022-23 replacement	Part of the server replacement cycle	£ 18,649	£ 22,378	Aug-22	Upgrading the aging kit which is 9 years old	No		IT Purchase	Ordered, delivered, awaiting install CS 08/12/2022
Chris Sumner	MIS	PA Equipment	Purchase PA system for the College	£ 10,000	£ 12,000	Aug-22	PA system purchased	Yes	For all staff conference and events throughout the year. Justification is to prevent addition support costs at these events as the IT team can do this under their remit	IT Purchase	Done
<b>Total (inc VAT)</b>					£ 1,445,432						
					£ 534,963						
					£ 533,880						
					£ 141,460		HR System, Student Records and Phone System.				
					£ 245,138						
<b>Funded via:</b>											
SFC capital 2022/23					£ 182,851						
SFC Digital Poverty 22/23					£ 81,449						
Backlog Maintenance 21/22					£ 66,750						
Strategic Investment Fund					£ 1,000,000						
					£ 1,331,050						
Note also funds with SLC Foundation					£ 500,000						

