Agenda v2

1000-1300 on Friday 7 February 2020,

Airthrey Castle, Hermitage Road, Stirling, FK9 4LA

Chair: Alan Ritchie

Item		Lead	Paper
1.	Welcome and Apologies: JT	AR	Verbal
For Approval			
2.	Minute of Previous Meeting Friday 10 January 2020	AR	Paper 2
3.	Rolling Actions	AR	Paper 3
Invited Input			
4.	Future meetings invited input	AR	Verbal
For Discussion / Decision			
5.	Benchmarking / Unit Cost Return	AR	Verbal
6.	Scottish Government – ESF Replacement Funds	ST	Paper 6
7.	Colleges Scotland Update • Scottish Teachers Pension -Age Discrimination • Scottish Teachers Pension - Eligibility	AWTY	Verbal Paper 7.1 Paper 7.2
Standing Items			
8.	Feedback from Working Groups 8.1 Funding and Finance Committee 8.2 Funding Model Working Group 8.3 Digital Ambitions Group 8.4 Events and Conferencing Group 8.5 Managing Agent Working Group 8.6 National Bargaining 8.7 Good Governance Steering Group	 PS AR HR KH/HR Col Scot AR HR	Verbal Paper 8
9.	SFC Publications since last meeting 9.1 College Performance Indicators 2018-19 9.2 College Statistics 2018-19 9.3 In-year redistribution of student support funds 2019-20 9.4 College MY FFR 2019-20	AR	Verbal

10.	Any Other Notified Business 10.1 Underlying surplus /(deficit) at year end 10.2 Feedback from Strategic Futures meeting 10.3 Brexit implications 10.4 Lennartz Opportunity 10.5 WGA Training Session	 SD AW AR AR AR	

Future meetings/events:

Type	Date	Location	Attendance
Meeting	Friday 6 March 2020	CDN, Stirling	HMRC (TBC) SFC (TBC)
Meeting	Friday 3 April 2020	CDN, Stirling	SFC, WGA Training
Meeting	Friday 1 May 2020	CDN, Stirling	SFC? (TBC)
Conference	28-29 May 2020	Dalmahoy	
Session 2020-21			
Meeting	Proposed Friday 7 August 2020	CDN, Stirling	

APPROVED Minute of CDN Finance Development Network Steering Group
Friday 7 February 2020, Airthrey Castle, Hermitage Road, Stirling, FK9 4LA

Present	
Alan Ritchie (AR) - Chair	Hazel Robertson (HR)
Susan Dunsmuir (SD)	Pete Smith (PS)
Tracy Elliott (TE)	Alison Stewart (ASt)
Tom Hall (CS)	Stuart Thompson (ST)
Karen Hunter (KH)	Andy Witty (AWTY, Colleges Scotland)
In Attendance	
Michelle Brand (MB) - Minute Secretary	Jade Urquhart (JU) – CDN MA
Apologies	
Michael Breen (MBRE)	James Gow (JG)
Alan Carr (AC)	Graham Little (GL)
Iain Clark (IC)	Jennifer McLaren (JMcL)
Ailsa Close (AC)	James Thomson (JT)
Brian Ferguson (BF)	Gayle Watson (GW)
Brigid Ferguson (BF-UHI)	Alan Williamson (AWL)

Actions from this meeting 7 February 2020

Ref	Details	Lead	Delivery Date
Minute of Previous Meeting 10 Jan 2020	AWTY agreed to circulate the data around the spend per head for schools/universities and colleges to show the inequity that currently exits between HE and FE. AWTY also confirmed the Funding Model working group are considering this data.	AWTY	12.02.20
Benchmarking Unit Cost Return	ST to circulate a questionnaire and data available currently to help the group benchmark printing costs and consider best practice leading towards efficiency savings. Detail to be discussed at the March steering group meeting.	ST	06.03.20
Shared Services WG	The group agreed that TE would feedback interest about a shared internal audit and finance system to the Shared Services Working Group.	TE	Complete

Decisions from meeting

Ref	Details
Prev. Minutes (10.01.20)	The minutes of the meeting of 10 January 2020 were agreed without amendment.

Future Meeting Input	The group agreed the following schedule of external input to the steering group meetings:
	• March meeting
	  ○ HMRC
	  ○ SFC
	• April meeting
	  ○ WGA session
	• May meeting
	  ○ Hymans Robertson – pension update, consideration about extending an invite to the May conference to deliver a session.

Benchmarking	The group agreed to carry out targeted benchmarking and focus on best practice sharing: • Printing costs/efficiencies - (March meeting) • Efficiency of teaching and utilisation of hours; • Class sizes
Date of Next Meeting: Fri 6 March 2020 – CDN Offices, Stirling	

Notes from meeting

Ref	Details
Rolling Actions	The Rolling Actions were updated during the meeting. It was noted that Audit Scotland confirmed the WGA are not auditable, although it would be expected that the data would be consistent across all mode of reporting.
Scottish Government – ESF Replacement Funds	There is currently very little specific detail known about the replacement fund, but the college sector has an important opportunity to feed into this high-level discussion. Response will be sent from Colleges Scotland next week and the intention is to provide some high-level core asks but leaving it sufficiently broad to allow fund requests at a later date. The group agreed that Colleges should focus on what really matters to the sector: 1. Additionality, value added to the sector 2. Regional need – intervene to support 3. MA's/FAs 4. Widening access 5. Social deprivation 6. Attainment gap.

Colleges Scotland Update	**Draft Budget** **Revenue Budget** £640m - Revenue announcement (includes pensions, sanitary products, inflation, monies for STEM, World Skills innovation). AWTY draft submission request paper will be recirculated with full details. A lot of the finer detail has yet to be confirmed as SFC are still in discussion with Scottish Government. Colleges Scotland will continue to have their in-year discussions with SFC. Colleges Scotland noted there is an additional £10m Flexible Workforce Development funds but they are still in discussion in relation to the other £10m to negotiate how much can come to colleges. **Capital Budget** Reduced levels of capital funding for the college sector with the Draft Budget for 2020-21 confirmed as £35.7m. This represents a reduction of £11.9m against the draft budget for 2019-20. It is important to note that last year's figure included £22m of capital funding for the Forth Valley College campus build in Falkirk. In 2020-21, up to £3m has been allocated for the Dunfermline Community Learning Campus. This leaves £32.7m for capital, which compares to an equivalent figure of £25.6m for 2019-20, therefore representing an increase of £7.1m available for backlog maintenance and lifecycle costs. The overall figure is an increase on last year, but less than asked for and less than needed. **Paper 7.1 – age discrimination** The Scottish Government has accepted that the principles apply to all public sector pension schemes. Public consultation begins in spring but ahead of this they are asking for views on these two options: 1) Defer the choice until retirement; or 2) Immediate choice which brings clarity to the fund but individual may choose the option that is not necessarily the best for them. The group have an opportunity to input views, by sending these to Colleges Scotland no later than Tuesday 11 February. **Paper 7.2 Scottish Teachers' Pension Scheme – Eligibility** This paper was circulated for information to raise awareness at an FD level and, Colleges Scotland are already liaising with the HR group. **Mental Health Funding** AWTY confirmed there will be no additional funding will be provided by Scottish Government, as this is a 4-year pot of money and colleges should draw down only the funds needed for the current year.
Funding & Finance Committee	The Committee has not met since last meeting.
Funding Model WG	HR – provided an update from the working group, which has had its 2nd meeting and noted that the SFC will be issuing a consultation document. Colleges Scotland will develop a draft paper of what has been captured to date, and which represents the sector view on both the existing funding model as well as future funding model options, and then present to SFC ahead of their consultation.

	The group expressed the need for transition plans during the implementation of any new model.
Digital Ambitions WG	TH provided an update and the full report will be presented at the working group next week. Once considered by the working group it will be circulated to the wider sector for comment and this group in March, before being formally published in March 2020 and presented to the Scottish Government.
Events & Conferencing Group	KH provided an update and the group discussed the circulated programme. The group welcomed the different programme style and congratulated the group on their work to date.
Managing Agents WG	TH provided an update and advised that letters had been prepared and sent to both CEO's of the Scottish Electrical Charitable Training Trust (SECTT) and the Scottish and Northern Ireland Plumbing Employers Federation (SNIPEF), having been approved by the College Principals Group, to make those individuals aware of the MAWG with a view to securing meetings in which to discuss future contractual arrangements.
National Bargaining	Update provided on national bargaining with further update to be provided following next round of meetings.
Good Governance Steering Group	HR provided an update and explained that the review is still ongoing, and the report and guidance have been delayed ensuring inclusion of the new guidance around TU members on College Boards.
SFC Publications	Noted by the group.
AOB	TE updated the group about her attendance at the first Shared Services working group meeting which includes staff from universities, colleges and APUC. TE raised awareness of the steering group to some of the shared services on offer: • CECIL • DPO • VLA (Moodle share) • Training resources are available online. Shared services in the pipeline: Change management, project management, Office 365, SharePoint. APUC are looking for early adopters to take up any of these services to help with the development of a shared services offering. The group discussed the possibility, cost dependant, of considering a shared internal audit service and a shared finance system service. TE will progress this at the next meeting.
AOB Underlying surplus/deficit at year end	The group discussed the handling of underlying surplus/deficit at the year-end.

AOB Strategic Futures	AR updated the group that he and AWTY attended a meeting as part of the draft budget negotiations process.
Brexit Keep as standing item	The group raised the question of where data is stored while on the 'cloud' and any issues this could raise now that the UK has left the EU and is in a transition period.
Lennartz Opportunity	AR updated the group on the work being undertaken by John Rippon at KPMG in relation to VAT paid to HMRC under 'Lennartz'. The cut-off date is January 2016. AR will circulate the details for any College to contact KPMG if they wish.
Cyber Security	The group discussed cyber security (re)accreditation and the possibility of APUC pulling together a shared service for this ahead of the next renewal.
Secondment Opportunity	Heather Stevenson, Colleges Scotland are looking for a secondee to join their team and assist with the job evaluation pay modelling. It is expected that this role will be part-time. If anyone is interested, they should contact Heather Stevenson directly.

Meeting closed 12.25

Outstanding Actions from previous meetings

From 6 December 2019		
New SORP The SFC will issue the new accounts direction towards the summer 2020.	SFC	27.05.20