

Finance Community of Practice – Lead Group Update

The purpose of this note is to provide a summary of developments on a range of matters that we've been working on. If you have any queries please do not hesitate to contact me (godfreyj@dumgal.ac.uk or by telephone 01387 734007) or another member of the Lead Group.

Treasury Management

Clarification has been sought regarding issues of Treasury Management as a result of turmoil in the financial markets. Following consultation with the lead group, SFC recently wrote to Linda McTavish (as Convenor of the Principal's Convention). The discussions have highlighted an anomaly in respect of the Scottish Public Finance Manual (SPFM) and its application within the FE Sector. It is important to recognise that Audit Scotland believe that that the SPFM does apply to Colleges. However, it is apparent that if it were applied (in its current format) many further issues would arise. This issue is likely to continue to feature on our agenda. The SPFM is available via the following hyperlink:

<http://www.scotland.gov.uk/Topics/Government/Finance/spfm/Intro>

Institutional Sustainability

Following on from the Community of Practice in December 2008, and Martin Fairburn's letter of 6 April, a working group was established to develop this workstream.

Several meetings have recently taken place to consider the development of the institutional sustainability. The Sector is represented by four Principals, two finance people (myself and David Neilson) and several HR representatives. The primary purpose of the group is to agree guidance to Colleges on the development of an institutional sustainability strategy, supported by a small basket of related trend data.

A final meeting of the group is scheduled for the end of August, after which guidance will be published.

Scotland's Colleges Action Learning Set

We have received a small amount of funding from SFC which is being used to develop on-line training materials. In the first instance, we will develop introductory materials which can be used as part of an induction programme for new staff. We'll let you know when the materials are ready but if you'd like more information please contact Anne Law (anne.law@scotlandscolleges.ac.uk)

Procurement Capability Assessments

You may have seen a copy of an email from Nigel Paul to Linda Mctavish re these assessments and also a letter from John Swinney. Some of you may also have received an email from APUC seeking agreement as to when these assessments will take place. The Lead Group have been working closely with APUC and Procurement Scotland to ensure that these assessments are beneficial to Colleges. I believe the proposed format is now an improvement on the original proposal.

I would stress that this is a high priority for the Scottish Government and John Swinney is personally committed to it.

The process has been driven by larger public sector organisations. Within Scottish Government there are some who believe that excellent standards of procurement can only be achieved by directly employing procurement staff and having weighting policies on shelves. It is essential that smaller organisations are able to demonstrate that their processes are equally excellent given their scale of operation.

APUC

The Lead Group have been actively engaged with APUC over recent months and APUC are receptive to our concerns. You may have noticed that APUC are now sending one email every two weeks rather than the plethora of emails from previously arrived. This change was a direct result of a suggestion from the Lead Group and has hopefully helped you.

We have also been working with APUC on the Capability Assessments, Management Information and Best Practice Indicators (BPIs).

Whilst I believe the Capability Assessments are manageable and enable a College to demonstrate their added value, the BPIs are cumbersome. If you haven't looked at the BPIs you may want to view the following link for additional information:

<http://www.scotland.gov.uk/Resource/Doc/225005/0060882.pdf>

The issue of Capability Assessments was also raised at the recent Principal's Convention and they raised concerns. If you do have comments/concerns about the process then please contact me directly as I have been involved in the process (as was David Alexander previously).

Finance KPIs

You have no doubt seen the Finance KPIs for 2007/8 published recently by SFC. Members of the Lead Group were consulted on the publication of these indicators. The principal comment from the Lead Group was that the information could have more relevance if it also included current data (such as the KPIs from the Financial Forecast Returns). If this were implemented it would also address the issue raised at the Principals Convention meeting in July when it was agreed that FFR data should be more widely available. Work is on-going to progress this.

Communication/Community of Practice

The Lead Group have recently been considering how we can communicate as effectively as possible with Finance Colleagues. We have come up with a number of ideas and would like to discuss these with you at the next Community of Practice Event.

Community of Practice Events/ Conference

The next event will be held on Wednesday, 29 September at Scotland's Colleges, Argyll Court, Stirling. Full details of the event are available via the link below:

<http://www.sfeu.ac.uk/events/programme/3317?print=1>

You will see from the programme that we have tried to include a number of current 'hot topics' and we hope to see you at the event.

As soon as one conference is over, we start planning the next. If you do have ideas or suggestions for future events we'd really like to hear from you.

Lead Group

The minutes of the Lead Group Meetings and contact details of all the members of the Lead Group are available from the SFEU website. The link is provided below:

http://www.sfeu.ac.uk/communities_of_practice/finance

Jim Godfrey

On behalf of the Lead Group