

MINUTES of the MEETING of the EXTRAORDINARY FINANCE AND GENERAL PURPOSES COMMITTEE held via Microsoft Teams on Thursday 1st October 2020

PRESENT: Andy Gray, Kelly Mackenzie, Chris O'Neil, Donald MacKenzie, Gillian Galloway
CHAIR: Donald MacKenzie
APOLOGIES: Leanne MacKenzie
ATTENDING: Depute Principal – Planning and Student Experience
Depute Principal Academic Development
Director of Finance
Director of External Relations
Interim Project Accountant
Board Secretary

1. MINUTES

a. Meeting of the Finance and General Purposes Committee held on 11 June 2020

The minutes of the meeting of the Finance and General Purposes Committee held on 11 June 2020 were **ACCEPTED** as a correct record and it was **RECOMMENDED** that they be approved and signed by the Chair.

b. Note of the Extraordinary Finance and General Purposes Committee held on 30 June 2020

The note of the extraordinary meeting of the Finance and General Purposes Committee held on 30 June 2020 was **ACCEPTED** as a correct record and it was **RECOMMENDED** that it was approved and signed by the Chair.

2. OUTSTANDING ACTIONS

- **ALF Funds:** The Director of Finance advised the Committee that he had emailed the foundation seeking clarification on the amount available within the ALF. Once this is known an email will be circulated to the Committee.
- **Bad Debt Write Off:** A report on this will be available for the January 2021 meeting.
- **Committee and Chair Evaluations:** This will be discussed within the Agenda.
- **Internal Audit Report Recommendations:** This will be discussed within the Agenda.

3. CAPITAL PLAN 2019-20 & 2020-21

The Director of Finance took the Committee through his report with the following being highlighted:

- Underspends
- Approval of Capital Projects – the Committee noted that this process required improvements in order for decisions to be made more timeously.
- Proposed Spend – HE Capital Maintenance - the Committee noted that meetings are taking place between the Director of Finance and others to discuss and agree how to spend these monies.

4. REVENUE BUDGET MONITORING REPORTS

The Committee noted the year end improvement which the Director of Finance advised was due in part to improvements through the MicroRAM and the arbitration judgement with regards the water claim. The Committee commended the improved situation during a difficult financial year. The Committee was advised that the format of the report had been updated to include a greater focus on the RDEL.

A discussion took place around the RAM and MicroRAM with the Committee noting the differences between them and how research and grants are shown within the budget.

For the Year Ended 31 July 2020 the Committee noted that the RDEL had a surplus of £49K.

With regards the statutory accounts the Director of Finance advised the Committee that the narrative still requires finalising but that the majority of the work has been completed.

5. FINANCIAL RECOVERY PLAN

The Principal took the Committee through the confidential report which had been prepared for the Chairs Committee Meeting on 08 October 2020. The Committee was advised that since the report was written there has been further movement.

A discussion took place with regards staffing and Covid-19 with the Committee noting that the majority of staff will continue to work remotely for at least the next semester. The Committee discussed how students are engaging with regards both the Financial Recovery Plan and Covid-19. The Principal advised that a number of surveys have gone out including the Early Student Experience Survey. Students are being reminded of the available routes of communication and HISA reps are ensuring a presence both on campus and virtually. The Committee was advised that both staff and students are receiving ongoing communications with regards the FRP.

The Committee also discussed the following issues:

- The Finance Team have projected payroll for the year ahead based on our current pay trends.
- The Curriculum Review for the partnership is beginning with the HE review. The Committee noted that this will be an ongoing process.
- The Committee noted that interviews for the UHI Vice-Chancellor are being held on 02 October 2020.

The Depute Principal – Academic Development joined the meeting.

6. INTERNAL AUDIT FOLLOW UP – CONFIDENTIAL

The Director of Finance took the Committee through his report with regards to the Internal Audit recommendations and evidence required. The Committee noted that top level work is being carried out to ensure that monitoring is made easier. The Director of Finance took the Committee through the progress to date with regards the following:

- Budget Preparation
- VAT Return
- Statutory Account Preparation
- Debtors – particularly with regards SITS where this does not tie into the Control Account. However we have been cautioned against writing this off.
- HE
- PECOS
- National Fraud Initiative
- Key areas that the Committee noted included supporting research and ensuring that the curriculum was embedded into our finance systems.

Andy Gray left the meeting at this point.

The Director of Finance advised the Committee that in his view he feels that some of the recommendations or evidence requested by the Internal Auditors is impractical. The Committee discussed this and agreed that in relation to budget monitoring; budgets had been consulted on and agreed. It was therefore **AGREED** that the Director of Finance would meet with both the Chair of the F&GP Committee and the Chair of the Audit Committee to discuss how these recommendations could be closed down.

7. BUSINESS DEVELOPMENT REPORT – CONFIDENTIAL

The Director of External Relations took the Committee through her confidential report the contents of which the Committee noted.

8. RISK REGISTER ANNUAL REVIEW

The Director of Finance advised the Committee that there had been no significant amendments to the Risk Register since March 2020. It was **AGREED** that the Risk Register would be further reviewed in January 2021 when there will be a clearer idea of where we are with regards the Financial Recovery Plan and the design of the Finance Team.

9. FEEDBACK ON COMMITTEE EVALUATION

The Board Secretary took the Committee through the evaluation feedback and advised that from this feedback an implementation plan had been developed. The Committee noted the need for additional members to ensure that we remain quorate.

10. GTFM REPORT – CONFIDENTIAL

The Committee discussed the confidential GTFM report.

Andy Gray joined the meeting.

11. ESTATES AND CAMPUS SERVICES REPORT

The Committee noted the contents of this report.

12. AOCB

The Committee advised that due to the joint Audit and F&GP being postponed until January 2021 that it was felt that the next meeting of the F&GP Committee should also be postponed until January 2021. It was **AGREED** that the Board Secretary would liaise with both the Chair of the Audit Committee and the Chair of the F&GP Committee and agree the date and times for these meetings and circulate the details to all.

13. DATE OF NEXT MEETING

Joint Audit & F&GP Meeting – 9.00 a.m. Wednesday 27 January 2021
F&GP Meeting – 11.00 a.m. Wednesday 27 January 2021

Signed by the Chair:



Date: 27-01-21