

Board of Management

MINUTES of the MEETING of the FINANCE AND GENERAL PURPOSES COMMITTEE held via Microsoft Teams on Thursday 28 October 2021

PRESENT:	Kelly Mackenzie, Chris O'Neil, Donald MacKenzie, Russell Edwards, Ruth McFadyen
CHAIR:	Donald MacKenzie
APOLOGIES:	Arvinder Kainth
ATTENDING:	Assistant Principal – Finance & Audit Assistant Principal – Operations & External Relations Operations and Commercial Manager Information Development Manager Board Secretary

The Chair welcomed everyone to the meeting and advised that Ruth McFadyen would be joining the Committee on an interim basis.

There were no declarations of interest noted.

1. MINUTES

a. Meeting of the Finance and General Purposes Committee held on 10 June 2021

The minutes of the meeting of the Finance and General Purposes Committee held on 10 June 2021 were **ACCEPTED** as a correct record and it was **RECOMMENDED** that they be approved and signed by the Chair.

b. Meeting of the Finance and General Purposes Committee held on 01 July 2021

The minutes of the meeting of the Finance and General Purposes Committee held on 01 July 2021 were **ACCEPTED** as a correct record and it was **RECOMMENDED** that they be approved and signed by the Chair.

2. OUTSTANDING ACTIONS

Revenue Budget - ALF: The Assistant Principal – Finance and Audit advised the Committee that an update will be brought to the January 2022 meeting.

STEM Bid: The Board Secretary highlighted that Leanne MacKenzie had resigned from the Board of Management but advised that she would liaise with her and see if she could meet or suggest a member of her team to meet with us to discuss our secured bid to encourage more women into STEM careers.

3. TERMS OF REFERENCE

The Board Secretary advised that the F&GP Committee Terms of Reference were reviewed during the recent Committee Review Meetings and highlighted to the Committee the amendments which have been suggested.

Action: The Committee discussed the proposed changes highlighting that these should be further amended so that they are consistent with the changes made to other Committees Terms of Reference and use the pro-active terms which have been adopted by other Committees.

Decision: The Committee **RECOMMENDED** the Terms of Reference for approval to the Board of Management once the suggested consistency amendments have been made.

4. CAPITAL MONITORING REPORT

a.) Capital Budget Monitoring – 31 July 2021

The Assistant Principal – Finance and Audit spoke to his report on capital funding and spend for the year ending 31 July 2021 providing an explanation to the Committee on the details of the spend which has been sent to UHI as part of the year-end return.

b.) Capital Budget Monitoring – 30 September 2021

The Assistant Principal – Finance and Audit advised the Committee that this report provided them with the capital funding and proposed spends to 30 September 2021 and that it should be considered in light of the 2021-22 capital budget. The Assistant Principal – Finance and Audit provided a background to the Committee with regards capital allocation.

5. REVENUE BUDGET MONITORING

a.) Revenue Budget Monitoring – 31 July 2021

The Assistant Principal – Finance and Audit spoke to his report noting that this should also be considered in light of the 2020-21 Revenue Budget, College Financial Forecast Return and the Colleges financial sustainability. The Assistant Principal – Finance and Audit advised the Committee that the Financial Statements attached as part of this paper contained some errors and gave his apologies and provided the Committee with an explanation for these errors. The Assistant Principal – Finance and Audit took the Committee through the Financial Statements providing clarification with regards any variances.

A lengthy discussion took place around the MircoRAM: in particular how we forecast and receive notice of our portion of monies and how the new KPI Matrix will be used to assist with forecasting. The Committee was provided with an explanation of when and how funding is received.

b.) Revenue Budget Monitoring – 30 September 2021

The Assistant Principal – Finance and Audit spoke to his report noting that this report should also be considered in light of the 2021-22 Revenue Budget. The Assistant Principal – Finance and Audit reiterated that again the Financial Statements attached as part of this paper contained some errors.

The Committee noted that provisional work had taken place with regards payroll trend analysis and that dependant on whether there are any surplus monies within 2021-22 then approval may be sought from the Scottish Funding Council to transfer funds into the ALF in March 2022.

The Assistant Principal – Finance and Audit advised the Committee that within the budgets there had been some areas where staff costs had been double budgeted. The Committee noted that our payroll system has recently been upgraded and we are now looking at an integrated system for Finance and HR.

The Committee discussed the current position with regards the curriculum for FE and HE FTE along with deferred learning and noted that guidance is still awaited from the SFC.

6. FINANCIAL FORECAST RETURN

The Assistant Principal – Finance and Audit advised that he had provided to the Committee two versions of the Financial Forecast Return highlighting that the these returns are the same apart from the projections of SFC income – which were based on the SFC narrative and guidance.

The Assistant Principal – Finance and Audit highlighted to the Committee the variance surrounding depreciation within the forecast for the year 2020-21 compared to the year prior and the year's projected from 21-24. The Committee noted that the Finance Team will look at the fixed assets to clarify the reasons behind this anomaly.

The Committee discussed the returns highlighting the credit targets, increases to staff costs, cash flow, capital and NPD.

7. OPERATIONS AND EXTERNAL RELATIONS REPORT

The Assistant Principal – Operations and External Relations spoke to her report and provided the Committee with an update on the figures highlighting the increase of Modern Apprenticeship income for the fifth year and the expectation that this will continue to increase this year. The Committee noted that FE core credits for 2020-21 is at 73% of their target. With regards HE FTE the Committee noted that although it appeared on target this year for overall HE FTE we had under recruited by approximately 200. The Assistant Principal – Operations and External Relations advised that when the HE FTE is incorporated into the FTF PPF measure we are significantly down which impacts negatively on our income. However the Committee noted that there are still module attachments to process and we continue to recruit for January HE starts.

The Operations and Commercial Manager provided the Committee with a presentation on the KPI Matrix explaining how this will be used to measure our profile against the year and any benchmarking years.

The Committee welcomed the KPI Matrix advising that it was a useful and indicative view of where we are and noted how this would be linked to the Strategic Plan. The Committee gave their thanks to the Operations and Commercial Manager on this vital piece of work.

The Committee was advised that the draft version of the KPI Matrix has been shared with the Partnership Council.

The Committee suggested that the KPI Matrix formatting was adjusted in order to show the split between funds (£) and numbers of students etc. and noted that the matrix would be updated monthly by Managers to allow us to have the most up-to-date information to base decisions.

8. RISK REGISTER

The Assistant Principal – Finance and Audit provided the Committee with an update on the risk register highlighting the following points:

- That we had increased the risk with regards infection control.
- That a review of the finance risks will be carried out in January 22 following completion of our External Audit.
- The effect of the cyber incident on the Finance Team.

9. HEALTH AND SAFETY UPDATE

The Principal took the Committee through the Health and Safety update which had been prepared by the Health and Safety Manager highlighting:

- That there were no serious issues, incidents or RIDDOR reportable incidents for the period to 28 October 2021.
- That a request had been approved by the Staffing Resource Panel for a Health and Safety Officer.
- The updates which have been made with regards the Health and Safety Management System and system software.

The Committee welcomed this update.

10. GDPR – 6 MONTHLY UPDATE

The Information Development Manager joined the meeting.

The Information Development Manager spoke to her report advising the Committee of the actions taken to ensure we continue to be compliant with the UK Data Protection Act 2018 and the UK GDPR. The Information Development Manager provided the Committee with an update with regards procurement and GDPR, personal data registers, system compliance, data

breaches and the ICO Accountability Framework.

A lengthy confidential discussion then took place with regards a governance information risk. The Information Development Manager provided the Committee with a brief background with regards this risk highlighting the need for learning from this process which she suggested was carried out through a Board Case Study which would allow for the opportunity to discuss and scrutinise actions taken.

Decision: It was **AGREED** that this issue would be discussed further at the Chairs Committee meeting being held on 04 November 2021.

The Information Development Manager left the meeting.

The Principal left the meeting.

11. COMMITTEE EVALUATION FEEDBACK

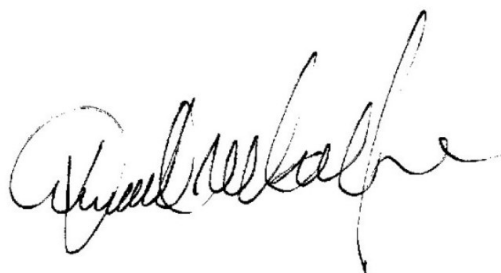
The Board Secretary provided to the Committee feedback on the F&GP Chair and Committee Evaluation which was carried out during the meeting held on 10 June 2021.

12. AOCB

The Committee gave their thanks to the Inverness College Executive Management Team for the scale and scope of the papers that had been produced for this meeting.

13. DATE OF NEXT MEETING

20 January 2022 at 3.00 p.m. – starting with the Joint Audit and F&GP Committee Meeting.



Signed by the Chair:

Date: 17 March 2022