

**MINUTES of the MEETING of the FINANCE AND GENERAL PURPOSES COMMITTEE held via Microsoft Team Video Conferencing on Thursday 23 April 2020**

**PRESENT:** Andy Gray, Kelly Mackenzie, Chris O'Neil, Gavin Ross, Tom Speirs, Gillian Galloway, Donald MacKenzie  
**CHAIR:** Gavin Ross  
**APOLOGIES:** Leanne MacKenzie & Roddy Ferrier  
**ATTENDING:** Depute Principal Planning & Student Experience  
Depute Principal Academic Development  
Interim Director of Finance  
Director of Organisational Development  
Director of External Relations  
Board Secretary

**1. MINUTES**

The Minutes of the meeting of the Finance and General Purposes Committee held on 5 December 2019 were **ACCEPTED** as a correct record and it was **RECOMMENDED** that they be approved and signed by the Chair.

**2. OUTSTANDING ACTIONS**

The Interim Director of Finance advised that a number of these Outstanding Actions had been moved on due to the Financial Recovery Plan:

- Finance Monitoring Report: The Finance Team have begun developing the budgets for next year and these will in time be phased down to the relevant managers.
- Debt Write Off: The Interim Director of Finance noted that a Debt Write Off Report had been circulated with the papers and was due to be discussed later within the Agenda.
- CITB: the Director of External Relations advised that all actions related to CITB have been completed.

*The Director of Organisational Development joined the meeting at this point.*

The Committee **AGREED** those actions which have been completed could be removed from the list.

**3. FINANCIAL RECOVERY PLAN - CONFIDENTIAL**

Chris O'Neil advised the Committee that the Financial Recovery Plan had been a significant and complex piece of work which had been undertaken by all members of the SMT. Following the Extraordinary Board of Management meeting held on 12<sup>th</sup> March 2020, the Chair of the Board of Management in accordance with paragraph 2.7 of the Standing Orders put in place a process

of seeking Board approval for the Financial Recovery Plan. This Financial Recovery Plan is due to go before the Board of Management on 30 April 2020 for ratification.

An in-depth confidential discussion ensued.

#### **4. UPDATE FROM BOARD AWAY DAY - CONFIDENTIAL**

Chris O'Neil advised that within the Board Away Day held on 31<sup>st</sup> January 2020, the Board had outlined their position and concern with regards strategic development and it had been agreed that there was a need for an updated Strategic Plan. It had been our aim to align our Strategic Plan with that of UHI within the next 18 months to 2 years. Following that decision the SMT held discussions where the general view of managers was that our existing Strategic Plan was still fundamentally correct but some updating to it was required. However due to Covid-19 the Strategic Plan is on hold as it is felt we require a fresh approach for a changing period.

Discussion took place within the Committee with regards working online, flexibility of service, blended learning and the importance of maintaining dialogue with employers. The Director of Organisational Development advised that there was no guarantee of any additional funding being available due to Covid-19 and there were significant risks that budgets could worsen.

It was therefore **AGREED** that the strategy could not be updated until we have a better understanding of what the economy will be post Covid-19.

#### **5. BUSINESS DEVELOPMENT UPDATE - CONFIDENTIAL**

The Director of External Relations spoke to her report. This has been written pre-Covid-19 and she gave a verbal update post-Covid-19 to the Committee.

#### **6. FINANCE**

Financial Forecast Return Report: The Interim Director of Finance advised that the Forecast Return Report which covers January had been included in the papers and that she would give a verbal update for March 2020. As highlighted at the Board Away Day the Finance Team were not producing budget reports. This has been rectified and reports are regularly being issued. The Finance Team have almost completed finalising the March position.

Mid-Year Review: The Interim Director of Finance advised that the FFR return had been sent off on Monday as required and that she had been unable to have this available for the Committee prior to submission. The key point to take from this is that returns should be available 3 months after the audit of accounts and annual accounts have been finalised. As such it is expected that this year's audit will take place in October/early November and will not extend into December. We have now received confirmation from the Funding Council to confirm that the accounts will be going before the Scottish Government which means that we can now upload them onto our website.

March Update: The Interim Director of Finance advised that we have had reduced expenditure within transportation, utilities and postage. Some of this will have been impacted by Covid-19. The Finance Team will continue to update their forecast on an ongoing basis.

Thanks were extended to the Interim Director of Finance by the Chair for her leadership over the last few months.

Proposed Fees 2020-21 - Confidential: The Interim Director of Finance advised that this information had only just been received from UHI but that the approach remains the same as last year. As part of a benchmarking exercise carried out by the Interim Director of Finance and Roddy Ferrier it has been highlighted that some of the proposed fees were higher for North Highland College. Whilst some of the reasons behind this is expected there is room to look at this further and the SMT will be encouraged to review this prior to discussion at next week's Board of Management meeting.

## **7. CAPITAL MONITORING REPORT**

The Interim Director of Finance advised that our capital commitments have been impacted by Covid-19 which mean that not all works have been completed as planned. We have yet to hear from UHI as to the outcome if we cannot complete this work by July 2020 and whether funds will have to be repaid.

## **8. UPDATE ON APPLICATIONS TO THE SCOTTISH COLLEGES FOUNDATION**

The Interim Director of Finance advised that this report was to enable to the Committee to review the current status of approved bids to the Scottish Colleges Foundation. The Interim Director of Finance has been liaising with the senior solicitor at the foundation as it is felt that the numbers provided are vague. We have therefore gone back to them for further confirmation of these numbers. There is also the matter of a number of bids which although have been approved, parts of the funding has still not been released. A key aim will be to identify how much is currently available in the funding with the ICT Equipment Investment and Lecture Theatre AV/VC Replacement resolved. Kelly MacKenzie reported that the ICT funding for the change of room layout was no longer a requirement and would not require funding.

## **9. SPORTS PITCH - CONFIDENTIAL**

The Depute Principal - Planning and Student Experience advised that the review of the business case for the sports pitch has been updated with regards our financial position and Covid-19. Following discussion among the SMT it had been agreed that we would continue with the case and bring it to the Board of Management for them to review and agree whether to proceed or not.

After discussion it was **AGREED** that the Finance and General Purposes Committee would recommend to the Board of Management that we go ahead and fund this with the caveat that any announcement would be delayed until later in the year. Gavin Ross advised he would feed this back to the Chair of the Board of Management.

## **10. GTFM REPORT – CONFIDENTIAL**

The Director of Operational Development advised that the only issue of note is the dispute of the group 1 / group 2 asset classification and ownership and responsibility for the specialist gas manifold systems. Currently we are going through an internal resolution process.

## **11. DEBT WRITE OFF REPORT**

The Interim Director of Finance sought agreement from the Finance and General Purposes Committee to give permission to write off the debts contained within the debt write off report. The motion to do this was **AGREED**.

*Gillian Galloway left the meeting.*

## **12. ESTATE AND CAMPUS SERVICE REPORT**

The Director of Organisational Development advised that the Carbon Management Plan was utilised and that we are seeing significant benefits due to Covid-19.

Gavin Ross highlighted the importance of bi-annual checks with regards emergency lighting and that it should be mandatory that this is carried out.

## **13. AOB**

Lease Agreement – Car Park 3: The Director of Organisational Development advised that we are currently finalising a lease agreement whereby car park 3 can be used for COVID-19 testing. This lease agreement will be available for the Board to peruse at next week's Board of Management however it is expected that testing will begin at the end of this week.

*The meeting closed at 11.20 a.m.*

## **14. DATE OF NEXT MEETING**

Thursday 11 June 2020 at 9.00 a.m.

**Signed on behalf of the Chair:**



**Date:** 11/06/2020