

## Board of Management

### MINUTES of the MEETING of the FINANCE AND GENERAL PURPOSES COMMITTEE held via Microsoft Team Video Conferencing on Thursday 11 June 2020

<b>PRESENT:</b>	Andy Gray, Kelly Mackenzie, Chris O'Neil, Tom Speirs, Gillian Galloway, Donald MacKenzie, Sarah Burton, Leanne Mackenzie
<b>CHAIR:</b>	Sarah Burton
<b>APOLOGIES:</b>	None
<b>ATTENDING:</b>	Depute Principal Planning & Student Experience Depute Principal Academic Development Director of Finance Director of Organisational Development Director of External Relations Interim Project Accountant Board Secretary

The Chair of the Board of Management welcomed everyone to the meeting and advised that the Chair of the F&GP Committee, Gavin Ross had stood down at the end of his term. The Committee gave their thanks to Gavin for all his work on this Committee and the Board of Management over the past 4 years. The Committee were advised that the process for selecting a new Chair for F&GP had begun.

#### 1. MINUTES

The Minutes of the meeting of the Finance and General Purposes Committee held on 23 April 2020 were **ACCEPTED** as a correct record and it was **RECOMMENDED** that they be approved and signed by the Chair.

#### 2. OUTSTANDING ACTIONS

Only one action remains on the outstanding actions list namely sourcing the amount available within the ALF. The Director of Finance advised that he would email confirmation of the amount available to all Committee Members once clarification had been sought.

#### 3. POLICIES

- **Sustainable Procurement Policy** – The Committee were advised that this was a new common UHI policy which mirrors our own previous policy. The Committee **APPROVED** the policy.
- **Student Support Funds Policy** – The Committee were advised that this again was a new common UHI policy which ties in with SFC legislation. The Committee **APPROVED** the policy.

## 4. REVENUE BUDGET 20/21 - CONFIDENTIAL

The Committee were updated with regards the new Sun System which was described as working well and it was noted that reports are now being produced straight from the system. An additional 5 days were purchased to enable us to ensure that all systems were running at their optimum level.

Due to various delays with the upgrade the Committee noted that this had resulted in the Finance Team postponing the input of budgets into the system. However work is continuing on all budgets and they remain a priority for the Finance Team.

The Committee had a lengthy confidential discussion around budgets and how reports would be cascaded down to the appropriate budget holders.

The Committee noted that the Finance Team had begun entering the budgets into the new system in early May and noted that generally most budgets are now in the system. The Director of Finance advised the Committee that he was hopeful to be able to have the budgets ready by the middle of next week for SMT approval and that they will hopefully be ready for Board Approval at the Board meeting scheduled for the end of the month. Following discussion it was **AGREED** that a short F&GP meeting will be required before the Board of Management convene in order for F&GP to scrutinise and approve the budgets. It was highlighted to the Committee that they will most likely be approving a deficit budget.

Discussion turned to Covid-19 and budgets and the Committee noted that scenarios were in place which will be base led with 1%, 2% and 3% price rises incorporated.

With regards financial forecasting the Committee were advised that this was a requirement from the SFC and work on this has begun and will continue to be reviewed.

The Director of Finance gave thanks to members of the Finance Team for all their hard work and effort over the past few months which the F&GP Committee echoed.

## 5. CAPITAL EXPENDITURE PLAN 2020/21 - CONFIDENTIAL

The Director of Finance advised the Committee that the capital project had not yet been completed. Issues surrounding the unitary charge and terms of funding are still to be ratified by the EO. However the Committee were assured that the process should be delivered soon.

## 6. FINANCIAL RECOVERY ACTION PLAN – CONFIDENTIAL

## Item 01a

The Principal took the Committee through the steps of the VSS and confidential discussions took place with regards the FRP.

*The Interim Project Accountant joined the meeting at this point.*

### 7. FINANCE MONITORING REPORT

The Director of Finance again gave thanks to the Finance Team for all their work.

The accounts up to 30 April were received. The Committee discussed the following:

- Improvements with the MicroRAM which is performing £260K better than last year.
- Receipt of furlough monies which is improving our bottom line.
- Grants now being shown separately within the accounts.
- Unitary Charge.
- The water claim and ongoing costs associated with this.
- Improved debtors.
- Depreciation.
- Any increase in student debt.

### 8. CAPITAL MONITORING REPORT

It was noted that all items had been covered in earlier discussions within the agenda.

*Andy Gray left the meeting at this point.*

### 9. BUSINESS DEVELOPMENT REPORT – CONFIDENTIAL

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

*The Interim Project Accountant left the meeting at this point.*

The Committee were advised that we are continuing to prioritise how we will deliver training in the new Academic Year with this also being discussed at the LT&R Committee. The Committee noted that a September start is looking increasingly more likely and that there would be additional scope for class based learning if the 2m limit was relaxed to 1m. The SMT are continuing to look at various scenarios along with contingency planning so that any teaching which was not delivered this year is moved into next year.

### 10. RISK REGISTER ANNUAL REVIEW

The Committee noted the contents of the update to risks report. The Committee discussed who would be best to maintain the risk register with it being noted that the ownership of the task would be discussed within the SMT. The risk register will go to the Board of Management meeting at the end June for final approval.

## Item 01a

### 11. DEBT WRITE OFF REPORT

The Director of Finance advised that he would like the Committee to look at the parameters of approval that are required for writing off bad debt. A report will be prepared and will be taken to the next meeting for consideration and discussion.

### 12. COMMITTEE EVALUATION

The Committee completed this evaluation. The Board Secretary will update the form based on the Committees discussion and bring a final report on this to the next meeting.

### 13. GTFM REPORT – CONFIDENTIAL

The Director of Organisational Development presented this report to the Committee. It was noted that the sub lease for car park 3 has been finalised and a 12 day notice period agreed.

### 14. ICT REPORT

The Principal highlighted the significant reduction in costs relating to printing due to the agreed removal of almost half of the photocopiers within the College.

The Committee highlighted the exceptional work which the ICT team had undertaken over the past few months to ensure that where appropriate all staff were able to work from home.

The Committee noted that a discretionary fund would be applied to with regards funding laptops for students and that a possible purchase of laptops with a NHC underspend for ourselves, NHC and Argyll College was being looked into.

### 15. ESTATES AND CAMPUS SERVICES REPORT

The Committee noted that staff are being permitted very controlled access to the building to allow them to collect materials which will assist their work. Apart from that only GTFM and Estates have had access to the building and this is for essential duties only. All cleaning contracts have been renegotiated to include Covid-19.

### 16. INTERNAL AUDIT REPORT RECOMMENDATIONS

The Director of Finance advised that events have overridden these recommendations with some already having been completed and some still to be reviewed. The Committee **AGREED** that it would be worth implementing dates for all recommendations to be carried out and a report on this will be brought to the next meeting for discussion.

## Item 01a

### 17. AOCB

**Audit Fee – EY** – The Director of Finance requested that the Committee approve an additional audit fee for EY. This is due to us not being fully and properly prepared for the audit and as a result EY had to spend additional time on this. The Committee **APPROVED** the payment of this additional fee.

*All SMT staff left the meeting at this point.*

**Chair Evaluation** – The Committee completed this evaluation in respect of Gavin Ross. Feedback from this will be passed onto him via the Chair of the Board of Management.

### 18 DATE OF NEXT MEETING:

Thursday 1 October 2020 at 9.00 a.m.

**Signed by the Chair:**

*Sarah Burton*

**Date:** 01.10.20