

Board of Management

Meeting	Finance and General Purposes Committee
Date and time	Thursday 1 October 2020 at 9.00 a.m.
Location	Boardroom, 1 Inverness Campus

The timings on this agenda are indicative only and the meeting may extend beyond the anticipated finish time

Board Secretary
24 September 2020

AGENDA

Welcome and Apologies Declarations of Interest

ITEMS FOR DECISION

1. MINUTES

- a) Meeting of the Finance and General Purposes Committee held on 11 June 2020
- b) Note of Extraordinary Finance and General Purposes Committee held on 30 June 2020 [05 – 09.00 – 09.05 a.m.]

2. OUTSTANDING ACTIONS

Action List [05 – 09.05 – 09.10a.m.]

ITEMS FOR DISCUSSION

- 3. CAPITAL PLAN 2019-20 & 2020-21 [15 – 09.10 – 09.25 a.m.]
- 4. REVENUE BUDGET MONITORING REPORTS [15 – 09.25 – 09.40 a.m.]
 - a) Monitoring Report to 31 July 2020
 - b) Monitoring Report to 30 September 2020
- 5. FINANCIAL RECOVERY PLAN – CONFIDENTIAL [30 – 09.40 – 10.10 a.m.]
Update Report by Director of Finance & Principal
- 6. INTERNAL AUDIT FOLLOW UP – CONFIDENTIAL [15 – 10.10 – 10.25 a.m.]
Report by Director of Finance

- 7. BUSINESS DEVELOPMENT REPORT – CONFIDENTIAL**
Report by Director of External Relations [10 – 10.25 – 10.35 a.m.]
 - 8. RISK REGISTER ANNUAL REVIEW**
Report by Principal [10 – 10.35 – 10.45 a.m.]
 - 9. FEEDBACK ON COMMITTEE EVALUATION**
Report by Board Secretary [05 – 10.45 – 10.50 a.m.]
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ITEMS FOR NOTING

- 10. GTFM REPORT (Confidential)** [05 – 10.50 – 10.55 a.m.]
Report by Estates & Campus Services Manager
- 11. ESTATES AND CAMPUS SERVICES REPORT** [05 – 10.55 – 11.00 a.m.]
Report by Director of External Relations
- 12. AOCB**
- 13. DATE OF NEXT MEETING**

If any member wishes to add an item of business to the Agenda, please inform the Chair and the Board Secretary as soon as possible. Additional items of business will only be considered for inclusion in the agenda in advance of the start of the meeting.

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

PRESENT:	Andy Gray, Kelly Mackenzie, Chris O'Neil, Tom Speirs, Gillian Galloway, Donald MacKenzie, Sarah Burton, Leanne MacKenzie
CHAIR:	Sarah Burton
APOLOGIES:	None
ATTENDING:	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.

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.

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:

Date: 01.10.20

Board of Management

MINUTES of the MEETING of the EXTRAORDINARY FINANCE AND GENERAL PURPOSES COMMITTEE held via Microsoft Teams on Tuesday 30 June 2020

PRESENT: Andy Gray, Kelly Mackenzie, Chris O'Neil, Tom Speirs, Donald MacKenzie, Sarah Burton and Leanne MacKenzie

CHAIR: Sarah Burton

APOLOGIES: Gillian Galloway and Depute Principal Planning & Student Experience

ATTENDING: Depute Principal Academic Development
Director of Finance
Director of External Relations
Interim Project Accountant
Board Secretary

1. REVENUE BUDGET 2020/21

The Director of Finance took the Committee through the confidential proposed revenue budget for 2020/21.

The Director of Finance apologised to the Committee for the lateness of the budget and explained that this was due to the upgrading of software within both Inverness and North Highland College. Although this had slowed the process down a robust process was maintained with views having been sought from all those with a responsibility for budgets. The Committee thanked the Finance Team for their hard work and focus on preparing the budget.

The Director of Finance advised that Committee that the position with regards inflation remains uncertain due to Covid-19 however the budget had contingencies for this factored in.

A lengthy discussion around funding, student numbers and staff took place. This focused on:

- SDS and Modern Apprenticeships.
- SFC
- Possible sharing of HR Services with North Highland College.
- Job Evaluations
- ALF - the funds available within it and the bids which are currently on hold.
- MicroRAM
- Curriculum Review.

Following all discussions, the Committee were content to **RECOMMEND** the revenue budget for 20/21 to the Board of Management for approval.

2. CAPITAL EXPENDITURE PLAN 2020/21

The Director of Finance advised the Committee that they had been provided with as much information as possible with regards Capital Expenditure. The Committee noted that some areas will continue to be updated as equipment is refreshed throughout the year. The Committee noted that major investment is required in some areas and this will be looked at closely at the beginning of the new Academic Year.

The Committee were content to **RECOMMEND** the capital expenditure plan for 20/21 to the Board of Management for approval.

3. PROPOSED FEES 2020/21

A paper which is being prepared by the Interim Director of Finance will be circulated to all members outwith this meeting for review and recommendation to the Board of Management for approval.

4. AOB

Financial Forecast

The Director of Finance advised the Committee that a paper on Financial Forecasting had been sent out to all members today and that it was felt that this ties in with the budget. The Director of Finance felt it would be prudent to review what we are forecasting.

The Committee noted that there is now a process in place for chasing debt and that this remains a high priority for the Finance Team and that further engagement with the SMT over who to invoice and timely passing of information would also be beneficial to the system.

5. DATE OF NEXT MEETING

Thursday 1 October 2020 at 9.00 a.m.

Signed by the Chair:

Date: 01.10.20

Outstanding Actions from Finance and General Purposes Committee

Item	Action	Responsibility	Time Line	Actioned
23rd April 2020				
ALF	The amount available within the ALF to be confirmed.	Director of Finance	June 2020	DOF to email confirmation of the amount available to all Committee Members following the June 2020 meeting.
11 June 2020				
Bad Debt Write Off	A report on parameters of approval to be taken to the January 2021 F&GP Meeting.	Director of Finance	Jan 2021	
Committee & Chair Evaluations	Board Secretary will update the form based on the Committees discussion and bring a final report on this to the next meeting.	Board Secretary	Sept 2020	
Internal Audit Report Recommendations	Dates for implementing all recommendations to be added and a report brought to the next meeting for discussion.	Director of Finance	Sept 2020	

Finance and General Purposes Committee

Subject/Title:	Capital Plan 2019-20 and 2020-21
Author: [Name and Job title]	Roderick M Ferrier, Director of Finance (Shared)
Meeting:	Finance and General Purposes Committee
Meeting Date:	1 October 2020
Date Paper prepared:	24 September 2020
Brief Summary of the paper:	To provide the committee with information on planned expenditure and commitments on capital funding allocation for 2020-21 and 2019-20 position
Action requested: [Approval, recommendation, discussion, noting]	Consideration and discussion
Link to Strategy: Please highlight how the paper links to, or assists with:: <ul style="list-style-type: none"> • compliance • partnership services • risk management • strategic plan • new opportunity/change 	
Resource implications:	Yes If yes, please specify: Must ensure funds are fully utilised in year and on budget.
Risk implications:	Yes If yes, please specify: Operational: to support the institution in the delivery of its operational objectives. Organisational: if funds not utilised or overspend could lead to reduction in future years allocations
Equality and Diversity implications:	No If yes, please specify:
Consultation: [staff, students, UHI & Partners, External] and provide detail	

Item 03

Status – [Confidential/Non confidential]	Non-confidential		
Freedom of Information Can this paper be included in “open” business* [Yes/No]	No		
*If a paper should not be included within “open” business, please highlight below the reason.			
Its disclosure would substantially prejudice a programme of research (S27)		Its disclosure would substantially prejudice the effective conduct of public affairs (S30)	
Its disclosure would substantially prejudice the commercial interests of any person or organisation (S33)	x	Its disclosure would constitute a breach of confidence actionable in court (S36)	
Its disclosure would constitute a breach of the Data Protection Act (S38)		Other (please give further details)	
For how long must the paper be withheld? (express either as the time which needs to pass or a condition which needs to be met.)			

Further guidance on application of the exclusions from Freedom of Information legislation is available via

<http://www.itspublicknowledge.info/ScottishPublicAuthorities/ScottishPublicAuthorities.asp> and

http://www.itspublicknowledge.info/web/FILES/Public_Interest_Test.pdf

Recommendation

That members note the terms of the report.

Purpose of Report

This report is to provide members with information on planned capital funding and spend for 2020-21.

Background

The College receives capital funding for the period 1 April – 31 March each year and prepares plans to spend it. This should tie into a longer-term estates' strategy.

Capital Funding Allocations 2020-21

Funding allocations are given on sheet Capital Funding which have been revised upwards due to additional FE and HE funding related to Covid 19.

FE Capital

For 2020-21 Backlog Maintenance of £7,382 is due to be received. This ought to be spent on items that were identified in the MAMG Report prepared about four years ago.

HE Capital

The HE capital funding allocated to UHI comprises two elements of capital maintenance grant, and Research capital from the Department of Business Innovation and Skills (BIS).

The main HE capital allocation of £169,111 can only be applied to buildings works and cannot be used, for example, to purchase equipment. It can also be used to meet building loan capital repayments.

The BIS element can be used on either buildings or equipment provided it is connected to research.

Proposed Spend - HE Capital Maintenance

On 29 September 20 I am due to meet the Director of External Relations; Estates Manager; Interim Project Accountant and APUC Procurement Officer to discuss and agree how to spend these monies. We have to land this quickly and then get the appropriate procurement in place. I and the Director of External Relations are concerned at the delay on agreeing what to spend the monies on, and we want this whole process speeded up.

Some spend has been taken into 2020-21, thus meaning the 2019-20 position has been reduced. The close-down procedures for the year-end have dictated this. You can see the underspend and this is an issue we want to grasp. The shortfall can meet unitary charge capital spend. BIS monies have not hit qualifying spend, so these monies will likely to be handed back.

Capital Plan 2019-20

Item 03

INVERNESS COLLEGE UHI

24-Sep-20

YEAR ENDED 31 MARCH 20

HE Capital

	FE Lifecycle Maintenance £	FE Backlog £	Total £	HE Capital £	BIS Research £
2019-20					
To 31 March 20	<u>68,906</u>	<u>4,299</u>	<u>73,205</u>	<u>170,919</u>	<u>12,378</u>

INVERNESS COLLEGE UHI

24-Sep-20

YEAR ENDED 31 MARCH 20

HE Capital

Location		Date	Reason	Net £	VAT £	Gross £	Status	
Main Campus	GTFM	21/06/2019	Safety Film installation on glass stairways	4,786.70	957.34	5,744.04	Complete	18-19
Main Campus	GTFM	03/09/2019	Modification to wokshop sinks	13,363.39	2,672.68	16,036.07	Complete	19-20
Main Campus	GTFM	03/09/2019	Disabled Toilet second floor by sports Hall Room 2115	5,832.68	1,166.54	6,999.22	Complete	19-20
Main Campus	GTFM	20/04/2020	Pan Mill Extraction	1,340.45	268.09	1,608.54	Complete	19-20
Main Campus	GTFM	20/04/2020	Modification of dust extraction system	955.31	191.06	1,146.37	Complete	19-20
Main Campus	GTFM	29/11/2019	Installation of BT Line - Comms Room 21	8,618.16	1,723.63	10,341.79	Complete	19-20
				34,896.69	6,979.34	41,876.03		
Main Campus	Mitie	12/11/2019	Autumn/Summer Campus painting	8,630.14	0.00	8,630.14	Complete	19-20
Main Campus	GTFM	04/12/2019	Panic alarm adjustments in line with disability audit	7,696.44	1,539.29	9,235.73	In progress	19-20
Main Campus	GTFM	28/02/2020	Additional sensor in G33, noting WAHU supply share with G32.	4,493.38	898.68	5,392.06	Work not yet commenced	19-20
				12,189.83	2,437.97	14,627.79		
School of Forestry	GTFM	31/03/2020	Tractor Shed Welfare Facilities	0.00	0.00	0.00		
				0.00	0.00	0.00		
				55,716.66	9,417.31	65,133.96		
Research	Loan Capital - Unitary Charge			105,785.04		105,785.04		
				161,501.70	9,417.31	170,919.00		
HE Capital Allocation						170,919.00		

Capital Plan 2020-21

Item 03

INVERNESS COLLEGE UHI

23-Sep-20

YEAR ENDED 31 MARCH 21

HE Capital

	FE Lifecycle Maintenance £	Total £	HE Capital £	Covid Additional Capital HE £	Covid Additional Capital FE £	FE Backlog £	Sub Total £	BIS Research £
2020-21	107,551	107,551	169,111	42,821	137,106	7,382	356,420	11,371

The figure for 2020-21 are draft indicative and have still to be approved through the UHI committee channels

Capital Summary 45,000

IT

INVERNESS COLLEGE UHI

25-Sep-20

YEAR ENDED 31 MARCH 21

HE Capital - Planned Spend

Location	Date	Reason	Net £	VAT £	Gross £		
Main Campus	GTFM	Modification of ground floor disabled facilities	10,097	2,019	12,116	In progress	20-21
Main Campus	GTFM	Motorised door openers around the college	20,565	4,113	24,678	Work not yet commenced	20-21
Main Campus	GTFM	Provide power to the goods yard + lighting + frost protection to storage containers	15,706	3,141	18,847	Work not yet commenced	20-21
School of Forestry	GTFM	Install fire and intruder alarms in all buildings at Balloch. Additional alarms are required for the 2 adjacent building next to the Tractor Shed.	4,829	966	5,795	Complete	20-21
			51,197	10,239	61,436		
Total Funding					169,111		
					42,821		
					137,106		
					7,382		
					356,420		

Finance and General Purposes Committee

Subject/Title:	Budget Monitoring and Draft Year End 31 July 20
Author: [Name and Job title]	Roderick M Ferrier, Director of Finance (Shared)
Meeting:	Finance and General Purposes Committee
Meeting Date:	1 October 20
Date Paper prepared:	22 September 20
Brief Summary of the paper:	To provide the committee with financial monitoring for the year ended 31 July 20
Action requested: [Approval, recommendation, discussion, noting]	Consideration and discussion
Link to Strategy: Please highlight how the paper links to, or assists with:: <ul style="list-style-type: none"> • compliance • partnership services • risk management • strategic plan • new opportunity/change 	
Resource implications:	Yes If yes, please specify: Must ensure funds are fully utilised in year and on budget.
Risk implications:	Yes If yes, please specify: Operational: to support the institution in the delivery of its operational objectives. Organisational: if funds not utilised or overspend could lead to reduction in future years allocations
Equality and Diversity implications:	No If yes, please specify:
Consultation: [staff, students, UHI & Partners, External] and provide detail	

Item 04a

Status – [Confidential/Non confidential]	Non-confidential		
Freedom of Information Can this paper be included in “open” business* [Yes/No]	No		
*If a paper should not be included within “open” business, please highlight below the reason.			
Its disclosure would substantially prejudice a programme of research (S27)		Its disclosure would substantially prejudice the effective conduct of public affairs (S30)	
Its disclosure would substantially prejudice the commercial interests of any person or organisation (S33)	x	Its disclosure would constitute a breach of confidence actionable in court (S36)	
Its disclosure would constitute a breach of the Data Protection Act (S38)		Other (please give further details)	
For how long must the paper be withheld? (express either as the time which needs to pass or a condition which needs to be met.)			

Further guidance on application of the exclusions from Freedom of Information legislation is available via

<http://www.itspublicknowledge.info/ScottishPublicAuthorities/ScottishPublicAuthorities.asp> and

http://www.itspublicknowledge.info/web/FILES/Public_Interest_Test.pdf

Recommendation

That members note the terms of the report.

Purpose of Report

This report is to provide members with information on revenue spend as compared to budget; previous estimated outturns and the anticipated RDEL (Resource Department Expenditure Limit) position for the year ended 31 July 20.

Current Position – Management Accounting

The year-end procedures for Income and Expenditure are almost complete. There may be some tinkering beyond this report, but I hope it is not material. There may also be a small change in the statutory position.

Members will be aware that for the budget exercise I presented information in a slightly different way than previously. For monitoring going forward I hope to have Estimated Outturns for previous quarters so that members can see change over the year. Also the report is presented so that the focus is on RDEL (Resource Department Expenditure Limit).

You will note from the presentation that RDEL prior to loan capital repayment for the unitary charge is in a healthy surplus. However, in monitoring RDEL, then the capital element of the repayments have to be included thus lowering the surplus position. If the college was monitoring to the former only, then it would run out of cash.

In preparing the accounts Inverness College includes year-end movements for the Local Government Pension scheme through the ledger. In North Highland I do not do this thus meaning a cleaner ledger re RDEL. Thus I have to put some entries in stripping out this, and then putting them in the Reconciliation Sheet where I reconcile RDEL to Statutory. The whole area of presentation is something I am still working on and is taking me longer to sort out than I would like. I am also conscious that this affects the presentation of Unitary Charge information, and this also affects the presentation of last year's budget and outturn. The outturn for 31 July 19 is higher for RDEL here than it actually was, and I have not spent time looking for this, and am conscious that this is an area that would probably need more work on, and I do not have the time. They are there simply to help re comparators in some form.

I am conscious of the financial position being materially better than previously advised to members. There may therefore a loss of confidence in the Finance Service and its new Director being able to monitor all this, and also questioning if the Finance Recovery measures were necessary. I will respond to the former issue below, but in my view Finance Recovery measures have been required and from the 2020-21 budget exercise and looking forward, even with financial recovery measures being delivered, Inverness College is projected to generate a small surplus in 2021-22; and in Covid 19 world for 2020-21 is budgeting a sizeable deficit (see separate report on projecting for 2020-21)

The year-end position is better than previously advised and estimated, and this is primarily due to the following:

- In the projections at 30 April 20 there was assumed to be a MicroRam hit of £630,000. This was because in the year ended 31 July 19 there was a MicroRam outflow of £631,065. This higher outflow was not budgeted at this level, and in April

monitoring there was assumed a £250,000 - £300,000 further hit on the MicroRam. However senior Inverness Curriculum staff did good work over the year reviewing this area, and the MicroRam hit for the year ended 31 July 20 was £382,204. Thus, the year-end UHI-type income has ended up better than previously projected by approximately £250,000.

- Included in Other Costs at 30 April 20 projections was a provision of £300,000 for potential Water Claim costs from five years ago. Given the arbitration judgement which was issued in early July 2020 which found that the College had delayed in linking up the water connection, but also found it was not liable for any costs, then this provision has been removed, thus improving the position.
- Additional FE funding of £166,286 was received for pension costs in the period April – July 2020. This was not included in funding parameters from the SFC till late in the year.
- Furlough monies of £176,577 have helped the College's bottom line
- Other Income has bettered Budget and Estimated April 2020 Outturn
- Savings on Premises costs have been higher than estimated partly due to lock-down
- Holiday Pay was calculated for lecturing staff based on 9 days, not 15 as in the previous year. This has improved the bottom line by £215,000. The auditors may ask for the previous year to be adjusted and thus remove this movement, but the movement is included in 2019-20 at the moment. (If this was not done, then pay costs would be £215,000 higher)

Members should refer to sheet Reconcile showing an effort to model the above. It also gives draft Statutory Outturn position which will be a lot worse due to the Pension deficit for the College's share in Highland Council's Pension scheme rising so much. No doubt Covid 19 has chewed up company valuations. The reality is that Incorporated Colleges make deficits when they have to deliver a balanced RDEL position.

A number of the UHI Colleges have delivered a position better than previously projected. Generally, this is because income drivers were so far advanced in the year that most (not all) were maintained. Cost savings have probably been better than anticipated.

Notes

1. Higher funding for supporting pension costs received April – July compared to April's outturn
2. HE FTE were less than target; but MicroRam was better than anticipated as noted above.
3. HE fees were down due to lower than budgeted student numbers
4. The April outturn assumed 2019-20 ESIF funding, and the credit number target for the partnership was not achieved. 2019-20 monies will therefore not be secured.
5. Refectory type income down compared to the previous year due to Covid 19
6. Income drivers here are significantly better than 2018-19 despite Covid 19. This augurs well for the future.
7. Commercial Income has taken a hit compared to 2018-19 due to Covid 19
8. Furlough income and Other income better than projected
9. Payroll is down compared to projected at April, but this includes a reduction in pay re the £215,000 holiday pay adjustment. The outturn includes £167,609 in redundancy costs.

10. I have been unable to get outturns to the individual cost level as previous modelling was different. Overall though Covid 19 will have helped in reducing the cost profile as compared to April's estimate
11. Generally most cost drivers are a bit better than last year, Covid 19 will be having some effect. I have targeted support to IT because of the pressures of home working and laptops provision. Also water claim at April but not at July.

Student Support

This area of funding was underspent by £127,000. I will provide more detail on this area separately in the future.

Statutory Accounts

Most of the work has been done, and the working papers complete. The working papers have been led by the Interim Project Accountant. There is some top-level tweaking still going on. I have sent a draft of the Principal's Statement for the Principal to review. This leaves some of the narrative at the start of the document to complete, and I will be trying to assist in producing this over the next week or so with the help of other Inverness Senior staff. We should have a completed document by mid-October.

INVERNESS COLLEGE

BUDGET MONITORING YEAR ENDED 31 JULY 20

INCOME AND EXPENDITURE ACCOUNT

	Note	To Date £	Estimated Outturn 30-Apr-20 £	RDEL Estimated Outturn 31-Jul-20 £	Variance since 30-Apr-20 £	Budget 31-Jul-19 £	Actual 31-Jul-19 £
Income							
Scottish Funding Council Grants		9,587,545	9,297,562	9,587,545	289,983	9,546,963	9,377,984
UHI		5,494,221	5,300,416	5,494,221	193,805	5,140,000	5,238,090
		15,081,766	14,597,978	15,081,766	483,788	14,686,963	14,616,074
Tuition Fees		2,975,143	2,936,815	2,975,143	38,329	3,416,097	2,997,884
Other Grants		500,840	873,000	500,840	(372,160)	400,000	580,561
Refectory and Training Restaurant		552,594	548,327	552,594	4,267	812,000	787,434
SDS		1,955,512	1,974,000	1,955,512	(18,488)	1,507,714	1,580,092
Commercial		347,130	379,807	347,130	(32,677)	576,000	515,387
Miscellaneous		755,826	421,420	755,826	334,406	459,253	1,862,110
		22,168,811	21,731,346	22,168,811	437,465	21,858,027	22,939,542
Expenditure							
Staff Costs		17,480,487	17,677,000	17,480,487	(196,513)	16,794,361	16,314,638
Premises		1,045,045	1,162,000	1,045,045	(116,955)	1,179,113	1,036,106
Other Operating Costs		7,078,374	7,478,892	7,078,374	(400,518)	3,394,927	7,848,774
		25,603,905	26,317,892	25,603,905	(713,987)	21,368,401	25,199,518
		(3,435,094)	(4,586,546)	(3,435,094)	1,151,452	489,625	(2,259,976)
Unitary Charge							
Funding		4,751,307	4,751,307	4,751,307	0	4,811,000	4,731,944
Costs		581,587	581,588	581,587	(1)	5,309,508	610,672
		4,169,720	4,169,719	4,169,720	1	(498,508)	4,121,272
College Position - RDEL		734,626	(416,827)	734,626	1,151,452	(8,883)	
RDEL prior to Capital Repayment		734,626	(416,827)	734,626	1,151,452	(8,883)	
Repayment of Unitary Charge - Capital		(685,520)	(685,520)	(685,520)	0	0	
RDEL Position - Final		49,106	(1,102,347)	49,106	1,151,452	(8,883)	

INVERNESS COLLEGE

BUDGET MONITORING YEAR ENDED 31 JULY 20

INCOME AND EXPENDITURE ACCOUNT

Income Details	Note	To Date £	Estimated Outturn 30-Apr-20 £	Estimated Outturn 31-Jul-20 £	Variance since 30-Apr-20 £	Budget £	Actual 31-Jul-19 £
SFC Grants							
Recurrent Grant		9,580,402	8,827,494	9,580,402	752,908	9,076,895	9,241,196
Infrastructure and Estates		7,143	0	7,143	7,143	470,068	136,788
Other Grants		0	470,068	0	(470,068)	0	0
	1	<u>9,587,545</u>	<u>9,297,562</u>	<u>9,587,545</u>	<u>289,983</u>	<u>9,546,963</u>	<u>9,377,984</u>
UHI							
Ram/MicroRam		4,308,533	4,657,007	4,308,533	(348,474)	4,475,600	4,131,381
Other Funding		1,067,047	643,409	1,067,047	423,638	602,400	1,048,167
Research		(4,142)	0	(4,142)	(4,142)	62,000	51,780
UHI Income		122,784	0	122,784	122,784	0	6,762
	2	<u>5,494,221</u>	<u>5,300,416</u>	<u>5,494,221</u>	<u>193,805</u>	<u>5,140,000</u>	<u>5,238,090</u>
		<u>15,081,766</u>	<u>14,597,978</u>	<u>15,081,766</u>	<u>483,788</u>	<u>14,686,963</u>	<u>14,616,074</u>
Tuition Fees							
FE		113,792	108,847	113,792	4,945	274,500	155,198
HE		2,766,120	2,715,372	2,766,120	50,748	3,061,597	2,717,098
Overseas Fees FE		36,647	36,647	36,647	0	0	57,575
Overseas Fees HE		55,170	68,729	55,170	(13,560)	59,000	52,105
Evening and Vocational		3,416	7,220	3,416	(3,804)	21,000	15,908
	3	<u>2,975,143</u>	<u>2,936,815</u>	<u>2,975,143</u>	<u>38,329</u>	<u>3,416,097</u>	<u>2,997,884</u>
Other Grant Funding							
ESF		286,439	0	286,439	286,439	0	121,261
Other Grants		214,401	873,000	214,401	(658,599)	400,000	459,300
	4	<u>500,840</u>	<u>873,000</u>	<u>500,840</u>	<u>(372,160)</u>	<u>400,000</u>	<u>580,561</u>
Refectory and Training Restaurant							
Catering Income		465,412	462,132	465,412	3,280	672,000	659,700

Shop/Training Restaurant	85,252	84,557	85,252	695	140,000	125,929
Vending Machine	1,930	1,638	1,930	292	0	1,805
5	552,594	548,327	552,594	4,267	812,000	787,434
SDS and Similar						
Modern Apprenticeships	915,912	920,000	915,912	(4,088)	749,600	491,342
Foundation Apprentices	253,824	255,000	253,824	(1,176)	159,614	186,267
Graduate Apprenticeships	132,587	135,000	132,587	(2,413)	187,000	187,122
Other Apprentice Income	224,226	225,000	224,226	(774)	0	0
CITB	0	0	0	0	0	604,519
FWDF Income	423,903	439,000	423,903	(15,097)	400,000	109,571
Training For Work	2,450	0	2,450	2,450	0	(3,822)
Work Based Assessment Fees	2,610	0	2,610	2,610	11,500	5,092
6	1,955,512	1,974,000	1,955,512	(18,488)	1,507,714	1,580,092
Commercial						
Nursery Fees	154,747	161,990	154,747	(7,243)	220,000	212,378
HC Pre-School Funding	70,012	59,694	70,012	10,317	50,000	53,786
Research	0	0	0	0	0	0
Consultancy	0	0	0	0	0	0
Short Course Income	123,820	158,123	123,820	(34,303)	306,000	256,445
Commercial	(1,448)	0	(1,448)	(1,448)	0	(7,222)
7	347,130	379,807	347,130	(32,677)	576,000	515,387
Unitary Charge - funding	4,751,307	4,751,307	4,751,307	0	4,811,000	4,731,944
Miscellaneous	755,826	421,420	755,826	334,406	459,253	1,862,110
Deferred Grant Release	451,883	600,000	451,883	(148,117)	0	481,555
	27,372,001	27,082,653	22,620,694	289,348	21,858,027	23,421,097

INVERNESS COLLEGE

BUDGET MONITORING YEAR ENDED 31 JULY 20

INCOME AND EXPENDITURE ACCOUNT

	To Date £	Estimated Outturn 30-Apr-20 £	Estimated Outturn 31-Jul-20 £	Variance since 30-Apr-20 £	Budget £	Actual 31-Jul-19 £
Micellaneous						
Hire of Accommodation	10,372	9,805	10,372	567	28,500	15,043
Photocopying Charges	8,132	8,132	8,132	0	8,500	12,369
Sale of Materials	2,237	2,237	2,237	0	8,000	10,283
Sale of Equipment	0	0	0	0	0	0
Hire of Equipment	0	(3,215)	0	3,215	0	(498)
Salon Income	26,663	31,000	26,663	(4,337)	45,000	45,529
Exam Fee Income	1,811	3,851	1,811	(2,040)	10,000	7,501
Deposits	6,851	8,736	6,851	(1,885)	870	11,495
Student Residential Fees	7,717	8,552	7,717	(836)	10,000	6,528
External Examiner Fees	206	206	206	0	0	1,845
Other Income	465,302	301,984	465,302	163,318	324,884	372,623
Foundation Support	38,944	38,944	38,944	0	0	1,364,229
Bank Interest	9,890	10,339	9,890	(449)	20,000	10,943
Library Charges	731	849	731	(118)	3,500	2,307
Discount Recived	393	0	393	393	0	1,913
Covid 19 Furlough Monies	176,577	0	176,577	176,577	0	0
8	755,826	421,420	755,826	334,406	459,253	1,862,110

INVERNESS COLLEGE

BUDGET MONITORING YEAR ENDED 31 JULY 20

INCOME AND EXPENDITURE ACCOUNT

Expenditure Details	To Date £	Estimated Outturn 30-Apr-20 £	Estimated Outturn 31-Jul-20 £	Variance since 30-Apr-20 £	Budget £	Actual 31-Jul-19 £
Staff Costs						
	17,369,352	17,475,000	17,369,352	(105,648)	15,385,699	15,936,022
Teaching	0		0	0	0	0
Teaching Support	0		0	0	0	0
Premises	0		0	0	0	0
Hospitality	376,361		376,361	376,361	378,805	333,156
Early Learning Centre	365,092		365,092	365,092	384,823	360,437
Research	708,787		708,787	708,787	645,034	655,363
	18,819,591	17,475,000	18,819,591	1,344,591	16,794,361	17,284,978
Local Government Pension	(1,506,714)		(1,506,714)	(1,506,714)		(1,110,000)
	17,312,877	17,475,000	17,312,877	(162,123)	16,794,361	16,174,978
Redundancy Costs	167,609		167,609	167,609		
Other Staff Costs		202,000		(202,000)	0	139,660
9	17,480,487	17,677,000	17,480,487	(196,513)	16,794,361	16,314,638
Premises:						
Maintenance and Repairs	59,781		59,781	59,781	113,301	30,692
Equipment	8,200		8,200	8,200	0	0
Energy Costs	445,653		445,653	445,653	511,166	443,656
Rents	48,911		48,911	48,911	37,854	43,933
Rates and Water	62,553		62,553	62,553	79,540	22,519
Cleaning and Domestic	192,546		192,546	192,546	251,982	284,619

Insurance	141,354		141,354	141,354	118,340	106,394
Premises Other Costs	86,046		86,046	86,046	66,930	104,293
Wider Groundwork Agreement	0		0	0	0	0
		1,162,000	0	(1,162,000)		
10	1,045,045	1,162,000	1,045,045	(116,955)	1,179,113	1,036,106
Unitary Charges	484,656	484,656	484,656	(0)	4,424,590	508,894
	1,529,700	1,646,656	1,529,700	(116,956)	5,603,703	1,544,999

Operating Costs

Equipment/Materials	467,870		467,870	467,870	585,007	580,817
Refectory and Food supplies	275,569		275,569	275,569	491,943	401,062
Other Student Costs	383,036		383,036	383,036	263,218	316,310
Telephones & Postages	28,991		28,991	28,991	60,591	54,418
IT Costs	366,317		366,317	366,317	246,955	286,792
LIS Costs	362,450		362,450	362,450	286,150	311,749
Transport Costs	91,947	116,000	91,947	(24,053)	97,773	146,193
Print, Photocopying and Stationery	59,663		59,663	59,663	108,099	78,989
Consultancy and Legal	376,124		376,124	376,124	68,511	309,478
Financial Services	149,570		149,570	149,570	183,255	368,541
Other Services	(57)		(57)	(57)	0	(90)
Exam and Registration	293,034		293,034	293,034	335,475	342,391
Student Awards	0		0	0	0	0
Miscellaneous	0		0	0	0	0
Board of Management	1,023		1,023	1,023	970	407
Advertising and Marketing	46,383		46,383	46,383	57,490	58,691
Hospitality	48,748		48,748	48,748	49,592	100,515
Bad Debts	(125,521)		(125,521)	(125,521)	0	0
HISA Costs	88,949		88,949	88,949	12,610	14,181
VAT	1,159,017		1,159,017	1,159,017	547,287	1,287,233
Bank and Loan Interest	3,241,262	3,005,262	3,005,262	0	0	3,191,095
Local Government Pension	(236,000)					
		4,357,630	0	(4,357,630)		
11	7,078,374	7,478,892	7,078,374	(400,518)	3,394,927	7,848,774

Central Costs

Depreciation	1,393,595	1,536,000	1,393,595	(142,405)	0	1,534,708
Revaluation Reserve	0				0	0
	1,393,595	1,536,000	1,393,595	(142,405)	0	1,534,708
	27,482,156	28,338,548	27,482,156	650,322	25,792,991	27,243,120

Finance and General Purposes Committee

Subject/Title:	Budget Monitoring 30 September 20
Author: [Name and Job title]	Roderick M Ferrier, Director of Finance (Shared)
Meeting:	Finance and General Purposes Committee
Meeting Date:	1 October 20
Date Paper prepared:	25 September 20
Brief Summary of the paper:	To provide the committee with financial monitoring for the two months ended 30 September 20
Action requested: [Approval, recommendation, discussion, noting]	Consideration and discussion
Link to Strategy: Please highlight how the paper links to, or assists with:: <ul style="list-style-type: none"> • compliance • partnership services • risk management • strategic plan • new opportunity/change 	
Resource implications:	Yes If yes, please specify: Must ensure funds are fully utilised in year and on budget.
Risk implications:	Yes If yes, please specify: Operational: to support the institution in the delivery of its operational objectives. Organisational: if funds not utilised or overspend could lead to reduction in future years allocations
Equality and Diversity implications:	No If yes, please specify:
Consultation: [staff, students, UHI & Partners, External] and provide detail	

Item 04b

Status – [Confidential/Non confidential]	Non-confidential		
Freedom of Information Can this paper be included in “open” business* [Yes/No]	No		
*If a paper should not be included within “open” business, please highlight below the reason.			
Its disclosure would substantially prejudice a programme of research (S27)		Its disclosure would substantially prejudice the effective conduct of public affairs (S30)	
Its disclosure would substantially prejudice the commercial interests of any person or organisation (S33)	x	Its disclosure would constitute a breach of confidence actionable in court (S36)	
Its disclosure would constitute a breach of the Data Protection Act (S38)		Other (please give further details)	
For how long must the paper be withheld? (express either as the time which needs to pass or a condition which needs to be met.)			

Further guidance on application of the exclusions from Freedom of Information legislation is available via

<http://www.itspublicknowledge.info/ScottishPublicAuthorities/ScottishPublicAuthorities.asp> and

http://www.itspublicknowledge.info/web/FILES/Public_Interest_Test.pdf

Recommendation

That members note the terms of the report.

Purpose of Report

This report is to provide members with information on revenue spend as compared to budget; and to consider the Estimated Outturn position for the year ended 31 July 21.

Current Position

Members will note a truncated form of reporting, and I can only apologise. Quite simply with delivering all the other work in the department (refer to my separate report), then getting some aspects of top-level monitoring produced speedily and effectively is taking more time than expected. It is simply that senior staff especially are pulled in different directions with the priority being to get the year-end Statutory Accounts out of the way.

In terms of actual information for two months, there is usually not an awful lot in the ledger.

However there are two areas that I have reviewed in some detail of this two month monitoring period.

- I top-sliced the FE Main Teaching Grant too much in the budget exercise and this is likely to see income exceeding budget by £73,198.
- Staff costs have been subjected to a detailed review, and the sheet accompanying this are attached, including projections. My thanks to Kelly Mackenzie for a fair bit of effort in collating this. We agree that we will have to do some work recoding some subjectives under staff costs to make monitoring production much easier. However, this is work for the future. This is not for the Committee to get bogged down on, but simply to show the type of effort going into projecting staff costs. Also, there is further modelling down to cost centres on another model. The main concern is projecting Administration Basic pay which is heading at higher costs than last year, and at present I do not have an answer, but we are looking into why it is rising in trend compared to last year. It should not be!

The projected estimated RDEL outturn is £567,328 deficit as compared to a Covid 19 RDEL budget deficit of £940,000. In my view this is satisfactory progress. In a non-Covid world the budget deficit was £272,550. This difference between the Covid budget is £667,449. Thus looking ahead, assuming redundancies get completed, the position would be as follows:

	£
RDEL deficit	(567,328)
Add back to non Covid trend	<u>667,449</u>
	100,121
Assume Redundancy costs cease	<u>180,000</u>
Trend Surplus	<u>280,121</u>

The Board, SMT and staff have been through a difficult time the last eight months. I do not deny that it has been stressful at times. In my view the financial risk profile and concern level can be reduced. While Covid 19 is still having an effect, then this will add to financial challenges. However the urgency on Finance Recovery measures can be reduced in some

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measure; I do not deny that inefficient areas of the college that still are being carried are addressed, but perhaps with a but more time for thinking and planning.

The only caveat - previous year's outturn figures may change slightly once this position is fully presented; I am still fine-tuning the report but want to get this paper to Committee.

INVERNESS COLLEGE

BUDGET MONITORING YEAR ENDED 31 JULY 21

INCOME AND EXPENDITURE ACCOUNT

	Note	Actual 30-Sep-20	Estimated Outturn 30-Sep-20 £	Budget 31-Jul-21 £	Variance £	RDEL Estimated Outturn 31-Jul-20 £
Income						
Scottish Funding Council Grants	1	1,760,000	9,952,834	9,879,636	73,198	9,587,545
UHI			4,898,398	4,898,398	0	5,494,221
			14,851,232	14,778,034	73,198	15,081,766
Tuition Fees			3,154,664	3,154,664	0	2,975,143
Other Grants			846,049	846,049	0	500,840
Refectory and Training Restaurant			373,260	373,260	0	552,594
SDS			1,319,408	1,319,408	0	1,955,512
Commercial			546,372	546,372	0	347,130
Miscellaneous			715,360	715,360	0	755,826
			21,806,343	21,733,145	73,198	22,168,811
Expenditure						
Staff Costs	2	2,604,121	16,923,526	17,748,000	824,474	17,480,487
Savings re Recovery Plan				(975,000)	(975,000)	
			16,923,526	16,773,000	(150,526)	17,480,487
Redundancy Costs				450,000	450,000	
			16,923,526	17,223,000	299,474	17,480,487
Premises			1,248,550	1,248,550	0	1,045,045
Other Operating Costs			7,695,556	7,695,556	0	7,078,374
			25,867,632	26,167,106	299,474	25,603,905
			(4,061,290)	(4,433,961)	372,672	(3,435,094)
Unitary Charge						
Funding			4,837,824	4,837,824	0	4,751,307
Costs			593,219	593,219	0	581,587
			4,244,605	4,244,605	0	4,169,720
College Position - RDEL			183,316	(189,356)	372,672	734,626
RDEL prior to Capital Repayment			183,316	(189,356)	372,672	734,626
Repayment of Unitary Charge - Capital			(750,644)	(750,644)	0	(685,520)
RDEL Position - Final			(567,328)	(940,000)	372,672	49,106
			Adverse	Adverse	Favourable	Favourable
Deferred Grant Release			600,000	600,000	0	451,883
Depreciation			(1,536,000)	(1,536,000)	0	(1,393,595)
			(936,000)	(936,000)	0	(941,712)

Finance and General Purposes Committee

Subject/Title:	Financial Recovery Plan – Update
Author: [Name and Job title]	Professor Chris O'Neil, Principal & Chief Executive
Meeting:	Finance and General Purposes Committee
Meeting Date:	1 October 20
Date Paper prepared:	24 September 2020
Brief Summary of the paper:	To provide the F&GP Committee with an update on the progress of the FRP.
Action requested: [Approval, recommendation, discussion, noting]	Discussion
Link to Strategy: Please highlight how the paper links to, or assists with:: <ul style="list-style-type: none"> • compliance • partnership services • risk management • strategic plan • new opportunity/change 	
Resource implications:	Yes / No If yes, please specify:
Risk implications:	Yes / No If yes, please specify: Operational: Organisational:
Equality and Diversity implications:	Yes/No If yes, please specify:
Consultation: [staff, students, UHI & Partners, External] and provide detail	

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Status – [Confidential/Non confidential]	Confidential		
Freedom of Information Can this paper be included in “open” business* [Yes/No]	No		
*If a paper should not be included within “open” business, please highlight below the reason.			
Its disclosure would substantially prejudice a programme of research (S27)		Its disclosure would substantially prejudice the effective conduct of public affairs (S30)	X
Its disclosure would substantially prejudice the commercial interests of <u>any person or organisation</u> (S33)	X	Its disclosure would constitute a breach of confidence actionable in court (S36)	
Its disclosure would constitute a breach of the Data Protection Act (S38)		Other (please give further details)	
For how long must the paper be withheld? (express either as the time which needs to pass or a condition which needs to be met.)			

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http://www.itspublicknowledge.info/web/FILES/Public_Interest_Test.pdf

Finance and General Purposes Committee

Subject/Title:	Internal Audit Follow Up
Author: [Name and Job title]	Roderick M Ferrier Director of Finance (Shared)
Meeting:	Finance and General Purposes Committee
Meeting Date:	1 October 20
Date Paper prepared:	24 September 20
Brief Summary of the paper:	Address issues on Internal Audit Follow Up and updates the Committee on a number of issues we are working on in the Finance Department
Action requested: [Approval, recommendation, discussion, noting]	Approval
Link to Strategy: Please highlight how the paper links to, or assists with:: <ul style="list-style-type: none"> • compliance • partnership services • risk management • strategic plan • new opportunity/change 	Compliance / Risk Management
Resource implications:	Alluded to, but none additional requested
Risk implications:	Yes / No If yes, please specify: Operational: None Organisational: None
Equality and Diversity implications:	No
Consultation: [staff, students, UHI & Partners, External] and provide detail	
Status – [Confidential/Non confidential]	Confidential

Freedom of Information Can this paper be included in “open” business* [Yes/No]	No		
*If a paper should not be included within “open” business, please highlight below the reason.			
Its disclosure would substantially prejudice a programme of research (S27)		Its disclosure would substantially prejudice the effective conduct of public affairs (S30)	
Its disclosure would substantially prejudice the commercial interests of any person or organisation (S33)		Its disclosure would constitute a breach of confidence actionable in court (S36)	
Its disclosure would constitute a breach of the Data Protection Act (S38)		Other (please give further details)	
For how long must the paper be withheld? (express either as the time which needs to pass or a condition which needs to be met.)			

Further guidance on application of the exclusions from Freedom of Information legislation is available via

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http://www.itspublicknowledge.info/web/FILES/Public_Interest_Test.pdf

Board of Management

Subject/Title:	External Relations Update
Author:	Georgina Parker, Director of External Relations
Meeting:	Finance & General Purposes Committee
Meeting Date:	1 October 2020
Date Paper prepared:	23 September 2020
Brief Summary of the paper:	<ul style="list-style-type: none"> • The number of Modern Apprenticeships is 502 and 176 starts are in progress for semester 1. • 2019/20 full financial year income for Modern Apprenticeships was £915K, compared to £491K in 2018/19 and exceeding the original budget of £525K. • 2020/21 contract income for MAs is £282K to August (period 5). • FWDF income was £424K against a budget of £400K. • Commercial short course income was £123K against a forecast £156K (and a non-agreed budget of £306K). • Commercial food service and events returned a deficit of £41K, due to closure re. Covid-19. • ELCC moved to External Relations Directorate from August 2020. ELCC produced a reduced deficit of £97K against a budget deficit of £137K. • Plans are underway to transfer the activity of the ELCC, whilst limiting the cost to the College. • A summary of bids and KT/Innovation related projects is provided.
Action requested: [Approval, recommendation, discussion, noting]	That the committee notes the year-to-date performance in relation to the External Relations Directorate.
Link to Strategy: Please highlight how the paper links to, or assists with:: <ul style="list-style-type: none"> • compliance • partnership services • risk management • strategic plan • new opportunity/change 	Compliance: <ul style="list-style-type: none"> • SDS audit • ESF audit • SFC audit New opportunity: <ul style="list-style-type: none"> • Further growth in Modern Apprenticeship contract • New Government funded provision • Additional bid opportunities Risk Management: <ul style="list-style-type: none"> • Apprenticeship funding from SDS post-Brexit • Discontinuation of Apprenticeship Levy
Resource implications:	Yes / No If yes, please specify:
Risk implications:	Yes / No

	If yes, please specify: Operational: • Organisational: • Financial: • Covid-19		
Equality and Diversity implications:	Yes/No If yes, please specify:		
Consultation: [staff, students, UHI & Partners, External] and provide detail	n/a		
Status – [Confidential/Non confidential]	Commercially confidential		
Freedom of Information Can this paper be included in “open” business* [Yes/No]	Yes		
*If a paper should not be included within “open” business, please highlight below the reason.			
Its disclosure would substantially prejudice a programme of research (S27)		Its disclosure would substantially prejudice the effective conduct of public affairs (S30)	
Its disclosure would substantially prejudice the commercial interests of any person or organisation (S33)		Its disclosure would constitute a breach of confidence actionable in court (S36)	
Its disclosure would constitute a breach of the Data Protection Act (S38)		Other (please give further details)	
For how long must the paper be withheld? (express either as the time which needs to pass or a condition which needs to be met.)			

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Board of Management

Subject/Title:	F&GP Committee Evaluation Feedback and Implementation Plan
Author: [Name and Job title]	Lisa Ross, Board Secretary
Meeting:	HR Committee
Meeting Date:	01 October 2020
Date Paper prepared:	25 September 2020
Brief Summary of the paper:	Feedback on the F&GP Committee Evaluation along with an implementation plan which has been developed following this evaluation.
Action requested: [Approval, recommendation, discussion, noting]	It is recommended that the committee discuss the suggested actions and timescales set out in the implementation plan.
Link to Strategy: Please highlight how the paper links to, or assists with: <ul style="list-style-type: none"> • compliance • partnership services • risk management • strategic plan • new opportunity/change 	<p>Compliance with Code of Good Governance for Scotland's Colleges.</p> <p>Providing assurance to the Board on the effectiveness of the F&GP committee's key responsibilities and thus mitigating risk.</p>
Resource implications:	Cost of Internal Audit services
Risk implications:	Yes/No Operational: to ensure that the internal audit function is appropriate and effective
Equality and Diversity implications:	N/A
Consultation: [staff, students, UHI & Partners, External] and provide detail	

Status – [Confidential/Non confidential]	Non-Confidential		
Freedom of Information Can this paper be included in “open” business* [Yes/No]	Yes		
*If a paper should not be included within “open” business, please highlight below the reason.			
Its disclosure would substantially prejudice a programme of research (S27)		Its disclosure would substantially prejudice the effective conduct of public affairs (S30)	
Its disclosure would substantially prejudice the commercial interests of any person or organisation (S33)		Its disclosure would constitute a breach of confidence actionable in court (S36)	
Its disclosure would constitute a breach of the Data Protection Act (S38)		Other (please give further details)	
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Background

The F&GP Committee Evaluations were carried out offline during June-August 2020. Of the 6 Board of Management Members who were requested to complete these evaluations 2 members completed them and from their responses an aggregated evaluation form was completed by the Board Secretary.

A copy of the aggregated feedback from the Committee is attached as Appendix 1.

Implementation Plan

Following the feedback received from Committee members an implementation plan has been drawn up – see Appendix 2.

Recommendations

It is recommended that the Committee note the contents of the Implementation Plan.

Appendix 1

Finance and General Purposes Committee Evaluation (to be completed by the F&GP committee collectively).

Date: August 2020

Good Practice	Yes	No	N/A	Comments/Action
<i>Composition, Establishment and Duties of the Committee</i>				
Does the Committee meet regularly in accordance with the Board Standing Orders?	Y			
Does the Committee consistently have a quorum?	Y			
Do all Committee members attend meetings regularly?	Y			
Does the Committee have enough members?	Y			
Does at least one of the Committee members have a background relevant to the remit of the Committee?	Y			
Have new Committee members received all necessary training?	Y			
Does the Committee report regularly to the Board?	Y			

Good Practice	Yes	No	N/A	Comments/Action
<i>Terms of reference</i>				
Does the Committee have written terms of reference?	Y			
Do the terms of reference include all aspects of the Committee's role?	Y			
Does the membership of the	Y			

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Committee need to be changed?				
Are the terms of reference adopted by the full Board and reviewed annually?	Y			

Good Practice	Yes	No	N/A	Comments/Action
<i>Compliance with the Law and Regulations</i>				
Does the Committee have a mechanism to keep it aware of topical legal and regulatory issues?	Y			

Good Practice	Yes	No	N/A	Comments/Action
<i>Internal Control</i>				
Does the Committee monitor to ensure that risk is controlled?	Y			
Does the Committee regularly review relevant strategic plans?	Y			
Does the Committee consider the level of detail and information it receives appropriate?	Y			
Are appropriate internal performance measures monitored by the Committee?	Y			
Is the Committee addressing all matters delegated to it by the Board and under its terms of reference?	Y			

Good Practice	Yes	No	N/A	Comments/Action
<i>Administrative arrangements</i>				
Does the Committee have an	Y			

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independent secretary?				
Are Committee papers distributed in sufficient time for members to give them due consideration?		N		The Committee advised that historically this has not been the case. Papers are sometimes last meeting or presented during the meeting. All papers are to be distributed one week prior to the meeting with last minute updates kept to a minimum.
Are Committee meetings scheduled prior to important decisions on specific matters being made?	Y			
Is the timing of Committee meetings discussed with all involved?	Y			

APPENDIX 2



F&GP COMMITTEE SELF- EVALUATION – ACTION PLAN

	Issue	Action required	Responsible person	Timescale/ Comments
1.	Are Committee papers distributed in sufficient time for members to give them due consideration?	All papers will be circulated one week prior to the meeting. The Board Secretary is currently getting AdminControl set up for all Committee Meetings and papers will appear within AdminControl as they are received. This way members will be able to read the papers as they are received and there will be no delay in receiving the papers.	Board Secretary	Admin Control to be in place by November 2020 F&GP Committee Meeting.

Board of Management

Subject/Title:	GTFM Report
Author: [Name and Job title]	Martin Kerr, Heather Firth & John Newsom
Meeting:	F&GP
Meeting Date:	01 October 2020
Date Paper prepared:	21 September 2020
Brief Summary of the paper:	To provide the F&GP Committee with an update on the upcoming works maintenance programme.
Action requested: [Approval, recommendation, discussion, noting]	Discussion
Link to Strategy: Please highlight how the paper links to, or assists with:: <ul style="list-style-type: none"> • compliance • partnership services • risk management • strategic plan • new opportunity/change 	
Resource implications:	Yes / No If yes, please specify:
Risk implications:	Yes / No If yes, please specify: Operational: Organisational:
Equality and Diversity implications:	Yes/No If yes, please specify:
Consultation: [staff, students, UHI & Partners, External] and provide detail	

Status – [Confidential/Non confidential]	Confidential		
Freedom of Information Can this paper be included in “open” business* [Yes/No]	No		
*If a paper should not be included within “open” business, please highlight below the reason.			
Its disclosure would substantially prejudice a programme of research (S27)		Its disclosure would substantially prejudice the effective conduct of public affairs (S30)	
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Board of Management

Subject/Title:	Campus Services Report
Author: [Name and Job title]	Georgie Parker, Director of Organisational Development
Meeting:	Finance and General Purposes Committee
Meeting Date:	01 October 2020
Date Paper prepared:	21 September 2020
Brief Summary of the paper:	Developments over the last quarter in relation to campus matters.
Action requested: [Approval, recommendation, discussion, noting]	Noting
Link to Strategy: Please highlight how the paper links to, or assists with: <ul style="list-style-type: none"> • compliance • partnership services • risk management • strategic plan • new opportunity/change 	
Resource implications:	Yes / No If yes, please specify:
Risk implications:	Yes / No If yes, please specify: Operational: Organisational:
Equality and Diversity implications:	Yes/No If yes, please specify:
Consultation: [staff, students, UHI & Partners, External] and provide detail	

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Status – [Confidential/Non confidential]	Non confidential		
Freedom of Information Can this paper be included in “open” business* [Yes/No]	Yes		
*If a paper should not be included within “open” business, please highlight below the reason.			
Its disclosure would substantially prejudice a programme of research (S27)		Its disclosure would substantially prejudice the effective conduct of public affairs (S30)	
Its disclosure would substantially prejudice the commercial interests of any person or organisation (S33)		Its disclosure would constitute a breach of confidence actionable in court (S36)	
Its disclosure would constitute a breach of the Data Protection Act (S38)		Other (please give further details)	
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Campus Services Report

Key developments:

Covid-19 Pandemic

College Campus went into Lockdown on 23rd of March. The estates team have been key players in the preparation of the college facilities and services. Estates / GTFM continue with the College statutory PPM requirement through the lockdown period.

Based on The Scottish Government's phased lifting of the lockdown the College's path will follow something similar.

- Phase 1, starting 28th May: A restart to any construction works in the college and university sector.
- Phase 2: On-campus university laboratory research to restart, subject to physical distancing.
- Phase 3: A phased return for the next academic year, with a blended model of remote learning and, where a priority, limited on-campus learning. Public health measures, including physical distancing, will remain in place.
- Phase 4: College and university campuses will be fully open, including key student services, with any necessary public health precautions.

The estates team are continuing to support COVID-19 Management group in establishing best to utilise our Campuses while keeping our Students and staff safe.

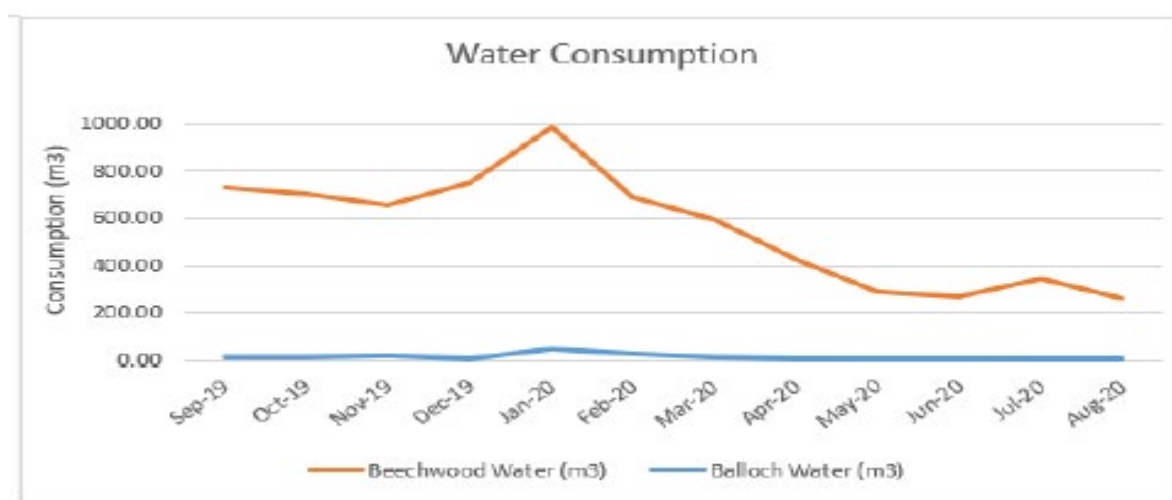
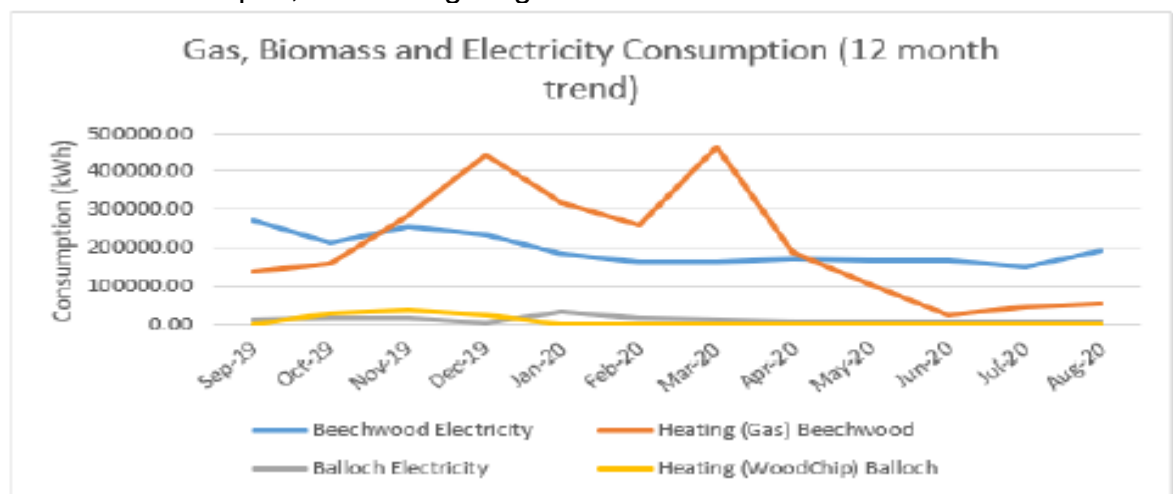
Carbon Management Plan

The Inverness College Carbon Management plan has been developed by the Estates team and GTFM our FM contractor with assistance from external resources such as The Carbon Trust.

Inverness College - Utility Consumption		Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
Electricity (kWh)	Beechwood Electricity	171,840.0	166,860.0	167,690.0	148,030.0	191,060.0							
	Balloch Electricity	7,585.0	7,207.0	6,995.0	6,068.0	8,036.0							
Heat (kWh)	Heating (Gas) Beechwood	186,120.5	104,604.1	23,209.7	44,137.1	51,172.1							
	Heating (Woodchip) Balloch	0.00	-	-	-	-							
Water (m3)	Beechwood Water (m3)	426.0	287.0	269.0	340.0	264.0							
	Balloch Water (m3)	2.0	4.0	4.0	2.0	2.0							

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During the lockdown period energy use has dropped. Biomass boiler at SSF was switched off as an energy saving action. Compressed air compressor switched off at main campus, external lighting switched off.



GTfM produce a monthly utility report for scrutiny at the IC GTfM Monthly Operation Meeting chaired by Director of Organisational Development. This gives both parties to review current facility performance and update on current energy saving plans.

The Campus and Estates Manager and FM provider undertake a weekly site audit to monitor compliance and other opportunities. All actions are added to Estates/FM HelpDesk. Currently on hold due to current restrictions.

As the college campus reopens, we are reviewing energy consumption to see where further gains can be made.

Waste Management

In July 2018, a new waste reduction initiative was launched to improve waste management. Our target by 2020, is to reduce personal waste by 10% for every student and staff member and achieving 95% waste recycling.

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From the end of March all waste contracts were mutually put on hold to reduce unnecessary movement of persons and obtain cost savings. As the college re-opens, we are restricting waste management uplifts to call out only to reduce carbon footprint. All waste segregation measures are still in-place, but we have had to introduce paper towels in to all rest areas as a Covid-19 prevention measure. Monthly remote Contractor meetings are still ongoing.

Capital Project and Campus Management

Longman demolition

All buildings demolition complete and site secure. Electrical meter installed 22nd Sept 2020 this will allow completion certificate to be issued. IC estates staff still undertaking security / boundary checks.

2019/20 Projects

ABC Garden/ Healthy Campus - Funding request ongoing to deliver full project plan. Full architect drawings complete pre-planning request ongoing.

Cycle

Bike storage facilities planning has stalled again – ACN raised and approved

Removal of dangerous tree complete.

Estimated cost: £1,000,000

Source of Funding: External funding being sought

Classroom capacity

Feasibility study completed to look at Room capacity flexibility to allow campus to improve staff to student ratio and flexibility of estates. Modification study complete. Rooms 141/142 have been identified for detailed costings. Project currently on hold due to Covid social distancing rules and long-term plans on online delivery of courses.

Estimated cost: £31,000.00

Source of Funding: HE Capex budget

An Lochran Research Lab

Internal area / facility deemed not practical for lab specification. New proposal to obtain a self-contained external lab to be located within new compound. Project on hold awaiting new business case.

Estimated cost: £79,002.00

Source of Funding: HE Capex budget – **On Hold**

Small projects

A total of 8 small projects have been progressed through the year to improve facilities and student experience. Ranging from modifications to water supply to repositioning of disabled welfare facilities to meet current student requirements.

Estimated cost: £28,618.00

Source of Funding: HE Capex budget

2020/21 Projects

The main project for 2021 will be the development of the ground floor workrooms to create a more flexible work area that can accommodate changes to curriculum demands. Allowing class sizes to grow with demand. Key areas are: -

Modification of 3 existing joinery workshops to create 2 larger workshops.

Existing project space to be converted to a joinery workshop.
Existing stores area to be turn into project area.
SSF Tractor store to be develop as a permanent project area.
Estimated cost: To be established.
Source of Funding: HE Capex budget

Electric Car Charging Units

Further meetings have been held to establish the most cost effective locations for chargers in carpark 1, SSF and goods yard. ACN has been updated. Awaiting costings.
Funding request for chargers and install being persuade from Energy Saving Trust.

Estimated cost: £20,000.00
Source of Funding: Being sought from Energy saving trust.

Carpark safety and security

Review of different options to introduce control measures within all 4 college car parks.
Project on Hold.

Leasing Agreements

WASPS now occupied. Temporary furniture sourced from Aviemore. Cleaning requirement identified and progressed by Contract Officer and procurement.
Car Park 3 has been leased out to the Scottish government as a drive in Covid-19 test centre Lease has been extended to end of March 2021.

Pool Car replacement and Management

Pool cars 4 off Ford Focus has been reduced to one on 6-month lease.
Minibuses 3 off Ford Transit reduced to 2 now on 6-month lease.
Estates Van 1 off Ford Transit on monthly hire at present.
Transfer of management of college vehicle from finance to estates. New online booking system on trial and asset management procedures are being put in place.

Campus Travel Plan

Inverness Campus travel steering group has been established to review how the full campus moved forwards. Funding and placement of a Campus travel officer has been ongoing. Agreement has been made for the individual to be employed by HIE An Lochan. Funding has been secured by Campus travel steering group members for 2 years. **On Hold**

College cycling interns has fully serviced all college lease bikes and working remotely to support students undertake active travel options.

Contract Management Hard FM- GTFM

On review of current performance of GTFM our Hard FM provider several opportunities for improvement were identified. The college has been working closely with GTFM and there has been a noticeable improvement in day to day response and rectification of reactive

maintenance. To move the overall service forward we have been focusing on the following areas: -

- Helpdesk protocol now running successfully for one year.
- Monthly payment meetings have agreed zero deductions for 4 consecutive months. This is a major step forward as the College was having to deduct in excess of £20,000 per month due to poor performance and inaccurate recording by the contractor.
- Clarification on water risk assessment has been confirmed with SFT and a review meeting was held. SFT have develop a guidance document. Now out for approval. An interim control system is in place to ensure compliance with L8 water regulations. Supported by both parties.
- PPM audits has been undertaken to satisfy the college that GTFM are undertaken all Statuary requirements and performing appropriately.

Contract Management – Soft FM

Soft FM contracts are issued and managed by the estate's campus team. The estates team have worked closely with the procurement team to align ongoing contractors to the national framework agreements. This has given a much more consistent approach: -

- Cleaning contractor Pristine Ltd has been working very closely with the college to introduce new protocols in line with current pandemic. Pristine staff where during furlough lockdown period. To reduce financial burden on College.
- Painting contracts scope of work has been issued to Mite for summer 2020 was put on hold. Working with supplier to undertake work during October reading week.
- Catering and hair & beauty Group 2 equipment PPM contract has been in place for two years. A contract review with procurement was undertaken. Contract cost have been fixed for one further year.
- Winter Gritting and Snow clearing contract in place since October 2017. Review completed and extended for a further year based on fixed prices.
- Waste management Contractor has been working well and has been a key member of the colleges waste reduction campaign. Northern Recycling contrasts where reduced during lockdown period.
- New Landscaping contract agreement. Estates officer team have undertaken all landscaping duties to reduce cost during lockdown period. Initial training complete, with support of SSF at no cost to college.
- PAT testing complete.

College HelpDesk Development

The estates service desk - new UHI developed helpdesk system launched on 17th June 2019. Number of issues have been identified and a top 5 has been issued to UHI. System running better and has been a key asset in managing curriculum requirements entering and post lockdown. Assisting with equipment issuing to support home working and introduction on safeguards prior to reopening of the college in September.