

UHI | INVERNESS

MINUTES of the MEETING of the FINANCE AND GENERAL PURPOSES COMMITTEE held via Microsoft Teams on Thursday 08 June 2023

PRESENT: Donald MacKenzie, Russell Edwards & Rojan Kumar Subramani

CHAIR: Donald MacKenzie

ATTENDING: Joint Finance and Audit Director
Vice Principal – Operations and External Relations
Operations and Commercial Manager
Information Systems Manager
Governance Officer

OBSERVER: Jane Davidson

APOLOGIES: Chris O'Neil, Stephen Sheridan & Pauline Tuthill

The Chair welcomed everyone to the meeting and introduced Jane Davidson who will be joining the Committee, as a Co-opted Member, following Board ratification.

The Governance Officer advised the Committee that Pauline Tuthill has been elected as Professional Services Representative and will sit on this Committee.

The Governance Officer confirmed that this meeting was quorate.

There were no declarations of interests, statements of connections or transparency statements noted.

1. MINUTES FOR APPROVAL

a. Minutes of the Meeting of the Finance and General Purposes Committee held on 27 April 2023

Decision: The Minutes of the Meeting of the Finance and General Purposes Committee held on 27 April 2023 were **AGREED** as a correct record and were **APPROVED**.

b. Confidential Note of Meeting CN-01-042023 of the Finance and General Purposes Committee held on 27 April 2023

Decision: The Confidential Note (CN-01-042023) of the Finance and General Purposes Committee held on 27 April 2023 was **AGREED** as a correct record and was **APPROVED**.

c. Confidential Note of Meeting CN-02-042023 of the Finance and General Purposes Committee held on 27 April 2023

Decision: The Confidential Note (CN-02-042023) of the Finance and General Purposes Committee held on 27 April 2023 was **AGREED** as a correct record and was **APPROVED**.

2. OUTSTANDING ACTIONS

- ALF Monies – the Vice Principal – Operations and External Relations advised the Committee that whilst the ALF have requested some additional information, our bids have been accepted in principle and are expected to be approved. The Vice Principal – Operations and External Relations will provide the Committee with a further update in September 2023.
- Procurement Strategy – the Joint Finance and Audit Director advised that he has received a copy of the updated procurement strategy and will review and bring this to the next meeting for comment. The Committee was advised that our financial regulations will also be updated to reflect any changes made.

3. REVENUE BUDGET FOR AY 23-24

The Joint Finance and Audit Director spoke to his report, apologising to the Committee for its lateness and advised that the delay had been due to various updates that were required to be included within the budget. The committee undertook a confidential discussion (CN-01-062023) in respect of the revenue budget for the upcoming financial year.

Decision: The Committee **RECOMMENDED** the Revenue Budget for AY 23-24 to the Board of Management for final approval.

4. CAPITAL BUDGET FOR AY 23-24

The Joint Finance and Audit Director spoke to his report on the Capital Budget for the upcoming financial year advising that this budget runs from 01 April 2023 – 31 March 2024.

The Joint Finance and Audit Director provided the Committee with an explanation of the 4 main streams of capital finance and advised:

- That HE Capital funding would reduce by 77%.
- That an estimate has been provided in respect of BIS Funding as we are still awaiting confirmation of this from the SFC.

The Committee discussed the reduction in HE Capital and was advised that as the Campus is a relatively new build, we have less maintenance requirements. The Committee was advised that capital funding can only be spent on adaptations to the building. The Committee noted that we also expect to receive final monies from the ALF which will be used to make adaptations within the building.

The Committee was advised that our external contractors GTFM undertake ongoing maintenance and that any work over £5,000 is capitalised.

Decision: The Committee **RECOMMENDED** the Capital Budget for AY 23-24 to the Board of Management for final approval.

5. **STUDENT FEES – AY 23-24**

The Joint Finance and Audit Director spoke to his report which provided the Committee with the proposed fees for the upcoming academic year, advising that we are proposing that our fees remain the same.

The Committee discussed the limits and standardisation of fee setting across the partnership and the sector in respect of both HE, FE and commercial short course fees.

Decision: The Committee **RECOMMENDED** the Student Fees for AY 23-24 to the Board of Management for final approval.

6. **CAPITAL BUDGET MONITORING**

The Joint Finance and Audit Director spoke to his report which provided the Committee with an update on the Capital Budget Monitoring for the period ended 31 July 2023.

The Committee noted that we have fully utilised all grants for this year and are awaiting final invoices to be received. Following this a final report will be submitted to UHI Executive Office.

7. **REVENUE BUDGET MONITORING**

The Joint Finance and Audit Director spoke to his report which presented the Committee with the revenue budget monitoring and projected outturn at 30 April 2023.

The Committee was advised that the forecast shows our bank position with inflation at both 3% and 5%.

The Committee noted the following:

- We will exceed our FE Credit target but are not expected to achieve our HE Credit target.
- It is projected that our staff costs will be over budget; however it is thought that our premises costs will come in close to budget.
- We have experienced higher refectory costs, due to the re-opening of the Campus.
- We have incurred additional consultancy costs which are to be reclaimed and offset by our RSB.
- EO have identified some outstanding European and ELCC funding which is expected to be paid to partners before the end of July 2023.

The Committee thanked the Joint Audit and Finance Director for this update.

8. CONFIDENTIAL DISCUSSION – IMPACT FROM FUNDING ANNOUNCEMENTS

The committee undertook a confidential discussion (CN-02-062023) in respect of the impact from recent funding announcements.

9. SHARED FINANCE SERVICE

The Committee noted that in the absence of the Principal, an update on the Shared Finance Service would be provided at the September 2023 Committee meeting.

10. STUDENT RECRUITMENT

The Information Systems Manager joined the meeting.

The Information Systems Manager provided the Committee with a verbal update noting that the Committee had already been provided with our current FE and HE recruitment numbers.

The Information Systems Manager advised that:

- We have exceeded our FE credit target for this year.
- The SFC have recently rebased the credit targets for 21/22 and 22/23 and that whilst we had previously reported that we had reached 93.2% of our target for 21/22 this will now be classed as reaching 89% of our target. However the Committee noted that as the rebase has been implemented so late, our annual accounts have already been produced and will publicly report the figure of 93.2%.
- The Committee noted that this year's rebased target is expected to be between 102%-103%.
- Work is being undertaken to determine our credit targets for 23/24.
- The Committee was provided with an update in respect of both Early and Further Withdrawals noting that:
 - FE Early Withdrawals have seen a decrease from 10.3 to 7.2
 - HE FT Early Withdrawals have seen a marginal increase which will continue to be monitored.
 - In respect of Further Withdrawals both FE and HE have seen a decline over the past two years.

The Committee welcomed this update and noted that it is hoped that we will continue to see students progressing through courses and that our HE numbers will continue to increase post Covid-19.

The Information Systems Manager left the meeting.

11. OPERATIONS AND EXTERNAL RELATIONS REPORT

The Vice Principal – Operations and External Relations spoke to her confidential report which provided the Committee with an update on Modern

Apprenticeships, FWDF and Commercial Short Course Performance and Income and reiterated some of the discussions which had been undertaken earlier as part of the Confidential Note (CN-01-062023).

The Commercial Services Manager provided the Committee with an update and advised that we are continuing to track the costs associated with providing students with free meals and highlighted that in terms of income we have seen a slight increase in average spend within the Campus. The Committee noted that the budget for the upcoming Academic Year will ensure that we continue to provide these free meals to students.

The Committee was provided with an extract of our KPI matrix and noted our performance in respect of FE credits, Forecast Outturn, Apprenticeships, PPEF, survey responses, mental health support and learning support and the funding that is available in respect of this. The Committee was advised that in relation to waste recycling we have appointed a Health, Safety and Sustainability Manager who will engage both staff and students around this area.

12. COMMITTEE EVALUATION

The Governance Officer advised that a new online system for the completion of Committee and Chair Evaluations are being undertaken this year. The Committee noted that an invitation has been sent to all eligible members asking them to complete the survey. The Committee noted that any outcomes or actions from these evaluations will be brought to the Board of Management in October 2023 and feedback will be provided to the Chair as part of their annual self-evaluation process.

13. DATE OF NEXT MEETING

Thursday 07 September 2023 at 9.00 a.m.

A handwritten signature in black ink, appearing to read "G. M. K. P.", is centered within a rectangular box.

Signed by the Chair:

Date: 07 September 2023