

FINANCE AND GENERAL PURPOSES COMMITTEE
Draft Minutes of meeting held on
Thursday 10 October 2024
At 1.30pm in the Boardroom and via MS Teams

Present:

David Patterson
 Grenville Johnston
 Ralph Luck

Caroline Webster (MS Teams – joined at 2.40pm)

In Attendance:

Alex Hastings (Minutes)
 Derek Duncan
 Murray Easton

Item		Action	Date
F.24.03.01	(i) Resignations		
1.1	There were no resignations.		
	(ii) Appointments		
1.2	There were no appointments.		
F.24.03.02	Apologies for Absence		
2.1	There were no apologies for absence.		
F.24.03.03	Any Additional Declarations of Interest including specific items on this Agenda		
3.1	There were no additional declarations of interest.		
F.24.03.04	Draft minutes of Finance and General Purposes Committee meeting held on 6 June 2024		
4.1	The minutes of the Finance and General Purposes meeting held on 6 June 2024 were accepted as a true and accurate record: Proposed: Caroline Webster Seconded: David Patterson		
F.24.03.05	Matters Arising/Actions from Finance and General Purposes Committee held 6 June 2024		
5.1	There were no actions recorded from the meeting held on 6 June 2024.		
F.24.03.06	Financial Position		
	(i) Management Accounts to 31 July 2024		

	<p>Murray supported the paper submitted to the Committee, confirming that work is still ongoing to finalise the accounts for 2023-24 in advance of the audit. The draft version of the accounts would not have been informative enough to present at today's meeting. Murray reported that conversations with Deloitte are going well, and audit field work is due to start next week. Nicola from Deloitte is committed to having the audit completed on time. It was noted that the 2 more complex areas relating to pensions and estate valuation require additional review by specialist teams within Deloitte; it was hoped this would not give rise to any delay. Murray contacted Shepherds, the property valuers, yesterday and received confirmation that they are hopeful to have a full response to Deloitte's questions within the next week. Ralph asked for further information on how the property valuation was being conducted, Murray advised that he will share Shepherds' report with the Committee.</p>		
ACTION	Murray to share property valuation report with the Committee.	ME	Immediate
	(ii) 2024-25 Update		
	<p>Murray summarised the paper providing a forecast for 2024-25.</p> <p>A positive cash flow position has been achieved for the year although £250k is still required as per the FRP in order to achieve sustainable income. Murray informed the Committee that although it is not clear where it will come from, this remains a priority, and all aspects of income and expenditure will be looked at.</p> <p>Ralph queried whether the ratio of 189 FTE staff to 560 HE students was normal compared to the rest of the sector. It was clarified that the staff FTE number includes support staff. Ways of measuring the ratio were discussed, considering that FE is calculated by credits which differs to HE reporting. Derek advised that a report can be run to investigate the numbers, however, there is not a benchmark for FTE staff to student ratios. David added that running financial reports on ratios would show a relatively high staff cost compared to income and expenditure, but the top slice evens out the numbers across the sector. Murray emphasised that work had been done to refresh the curriculum as part of the FRP, with measures taken to optimise the number of students per staff, for example.</p> <p>This update was noted by the Committee and Murray advised that if there were any major changes, he will share this offline.</p>		
	(iii) 2025-26 Lookahead		

	<p>Murray advised that, other than what was included in the paper, management is not aware of any factors affecting next year's financial position.</p> <p>This update was noted by the Committee.</p>		
F.24.03.07	Estates Update		
	(i) Estates Update		
	<p>Derek supported the paper provided, advising that members are asked to note the recent report sent to the Board on 5 September 2024.</p> <p>Derek informed the Committee that the Estates consultancy procurement framework has been launched. Two projects are being followed up, including an options appraisal on the Speyside Wing roof. There have been various commercial pricings on a roof replacement, estimated at around £500k. There is an ongoing cost with regards to RAAC, as a surveyor is required to attend every 6 weeks to investigate any changes to the roof. In order to save costs from this, the only option would be to close and mothball the entire building.</p> <p>Derek reminded the Committee of the work scheduled over the October holidays, including the Culbin Wing lift upgrade.</p> <p>It was agreed that Derek would arrange a date in November to meet with Ralph and the Facilities Manager for further background on the estate.</p> <p>The Committee was asked to approve Derek's proposal of using available capital funding for a new revolving door which is power assisted and electrically speed controlled. This is required due to a number of issues with the current main door, which has had to be taken out of service following the failure of the main restrictor unit. There are a number of other issues with regards to the door such as health and safety incidents. Derek advised that although alternative solutions were available, such as a standard set of doors, this would require design work and a building warrant due to the external change. There is a 12-week lead time for installation, meaning that this would take place in January 2025.</p> <p>Following discussions regarding the revolving door, Derek's proposal was approved by the Committee, noting the lead time and additional complexities a design change would incur.</p>		
ACTION	Derek to arrange a date in November to meet with Ralph and the Facilities Manager for further background on the estate.	DD	Immediate

	(ii) Capital and Backlog Maintenance Plan		
	<p>Derek supported the paper outlining the planned projects for 2024-25 along with the initial budgetary allocations. Derek highlighted the upgrade of ICT equipment from Windows version 10 to 11, where 700 PCs will be incompatible with Windows 11. Further procurement will be required in 2025 to complete this project. The most significant project was identified as upgrades to LED lighting. This will contribute to sustainability measures, although the figures for energy saving from this are yet to be worked out.</p> <p>Derek requested approval from the Committee for the spend plan. The Committee agreed to approve this, noting the volume of work to be carried out.</p>		
F.24.03.08	Policies Due for Review		
	(i) CCTV		
	<p>Derek supported the paper provided, it was noted that additional changes had been made since writing the paper, so a note of these changes was also provided.</p> <p>The Committee discussed the use of body worn cameras and how this will have to be operated differently to police use, for example, due to varying levels in statutory cover. This means that use of body worn cameras will only be permitted in the event of an incident, rather than 24/7 usage.</p> <p>This policy was approved by the Committee.</p>		
	(ii) Course Fees		
	<p>Derek highlighted the minor changes to the policy document, detailing that in section 9.2, a statement had been added to confirm that the Director of Finance would approve any extensions regarding payback periods.</p> <p>Ralph queried whether the Committee or Board should approve of this instead. David explained that the Finance Director had delegated authority to approve of this but agreed that this should be investigated.</p>		
	(iii) Procurement		
	<p>Derek presented the changes to this policy, illustrating that the procurement strategy has been aligned with the College Strategic Plan. An updated action plan is also provided in the new policy. This strategy was presented to APUC, who have reviewed and given feedback. Derek highlighted that the College is looking to find efficiencies alongside cost saving operations.</p> <p>Ralph queried the statements denoting compliance with the principles of the European Union, asking whether there is</p>		

	legislation that could be unnecessary to the College now. Derek stated that he would review this with APUC.		
ACTION	Derek to review alignment with European Union's principles with APUC.	DD	
	(iv) Travel, Subsistence and Accommodation		
	<p>Derek explained the changes to this policy, such as restricting the use of hire cars within Elgin and changes to subsistence rates.</p> <p>Derek highlighted that there has been an increased requirement for hire cars, giving the example of assessors from the Technology Centre departments having to complete assessments in a workplace setting on building sites. Derek advised that leasing a third car will be considered, adding that it was worth investigating whether this would be cheaper than hires.</p> <p>Grenville advised that it would be worth looking at the subsistence rates of the NHS, Moray Council and UHI partners to compare with Derek's proposal. Derek confirmed that he would look into this and send an updated proposal for approval by the Committee.</p>		
ACTION	Derek to review subsistence rates and report back his findings to the Committee via email for approval.	DD	
	(v) Information Security		
	<p>Derek highlighted the changes made to the policy, detailing that the IT Unit Manager position was being removed, and responsibilities will be shared amongst the ITU Team Members.</p> <p>The Committee noted the changes and approved the policy.</p>		
F.24.03.09	Risk Register Review - Verbal		
	<p>Murray provided a brief update, in order to not repeat discussions held with the Audit Committee last week.</p> <p>Murray highlighted the change management risks that will appear following the reduction of staffing across the College. Adding that staff cannot be expected to complete the same amount of work as previous, there is going to be a focus on what process efficiencies can be made. Ralph added that the changes to employment legislation will need to be reviewed.</p> <p>The Committee noted this update.</p>		
F.24.03.10	Moray Growth Deal Update		
	David informed the Committee that the BE Hub final business case had been discussed at the UHI Finance Committee and will now be presented to UHI Court		

	<p>members for approval. David advised that the HIE deadline for approval was 7 October 2024, however, Vicki Nairn is on leave until 21 October 2024. David advised that the paper will now have to go to UHI Court via circulation and he will meet Alex Paterson today to gather further information on this. David emphasised that there was no reason to think that the paper would not be approved but does not know where it sits in terms of process.</p> <p>A second meeting of the Community Partnership Team took place to discuss the options available from the £21m funding for MAATIC. David advised that the third meeting takes place next week and he will be in attendance for this.</p> <p>The Committee noted this update.</p>		
F.24.03.11	Emerging Issues		
	<p>David informed the Committee that UHI Principals have met with a view to discount three of the options proposed in the Target Operating Model and focus on the other three.</p> <p>David also advised that Executive Office want to monitor progress of the FRP, adding that Vicki Nairn has indicated that a more robust process will be in place to review the College's financial sustainability. A meeting will take place in November involving Vicki Nairn, Mike Baxter, and the heads of Court Audit and Finance Committees.</p> <p>This update was noted by the Committee.</p>		
F.24.03.12	Date of next meeting – 05 December 2024 (Joint Audit/FGP)		
RESERVED ITEMS			
F.24.03.13	Draft Reserved Minutes of Finance and General Purposes Committee Meeting held on 6 June 2024		
	This item is reserved, and the minute held in confidence.		
	<i>Meeting closed at 15.30</i>		