



MINUTES of the MEETING of the FINANCE AND GENERAL PURPOSES COMMITTEE held via Microsoft Teams on Thursday 07 March 2024.

- PRESENT:** Donald MacKenzie, Jane Davidson, Chris O’Neil, Pauline Tuthill & Rojan Kumar Subramani
- APOLOGIES:** Stephen Sheridan, Russell Edwards
- CHAIR:** Donald MacKenzie
- ATTENDING:** Vice Principal – Curriculum, Operations and External Relations
Director of Finance and Estates
Operations and Commercial Manager
Estates & Campus Services Manager
Information Systems Manager
Information Development Manager
Health, Safety and Sustainability Manager
Governance Officer

The Chair welcomed everyone to the meeting and introductions were made.

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 07 September 2023

Decision: The Minutes of the Meeting of the Finance and General Purposes Committee held on 07 September 2023 were **AGREED** as a correct record and were **APPROVED**.

b. Confidential Note of Meeting CN-01-092023 of the Finance and General Purposes Committee held on 07 September 2023

Decision: The Confidential Note (CN-01-092023) of the Finance and General Purposes Committee held on 07 September 2023 was **AGREED** as a correct record and was **APPROVED**.

2. OUTSTANDING ACTIONS

Review of Sub-Strategies – **ONGOING** - A link to the sub strategy monitoring document is to be provided to Board Members.

3. POLICIES FOR APPROVAL

a. Anti-Fraud and Corruption Policy

Director of Finance and Estates spoke to his report on Anti-Fraud & Corruption Policy, which was approved by the Board of Management on 19 December 2023 and to highlight the key sections included in the policy, as well as propose a further amendment to the policy.

The Chair thanked the Director of Finance and Estates for his detailed report.

Decision: The Committee **RECOMMENDED** the Anti-Fraud and Corruption Policy to the Board of Management for final approval.

4. CAPITAL & REVENUE BUDGET MONITORING

Director of Finance and Estates spoke to his report to provide an update to the Committee on the current forecast position at January 2024, in terms of the revenue and capital finance monitoring for the 12 months ended 31 July 2024.

Overall, the management accounts position is currently forecasting a draft operational deficit of £1.044 million, (assuming pay inflation at 5% for 2022/23 and 3% for 2023/24), compared to the original budget deficit of £418,000.

The College is forecasting that it will meet the FE Credit target for 2023/24, with the actual number of credits at 10 January 2024 currently being 23,443, compared to the target of 26,657. In terms of the HE UGT fte number for 2023/24, the current actual, at 30 January 2024 is 1,263 fte, compared to the target of 1,411 fte.

Main issues affecting the financial performance for the College in 2023/24 are noted below:

- Income
 - Research grant funding - below target
 - UHI HE grant funding - below target
 - Tuition Fees - below target
 - Refectory and Restaurant - below target planned income
 - Commercial Income - above the income target
 - Miscellaneous income - above the income target
- Expenditure
 - Staff Costs – above budget
 - Premises Cost – above budget
 - Other Operating Costs – below the budget

Given the current forecast deficit for 2023/24 and the initial indications from Scottish Government on the FE and HE budget for 2024/25, once the SFC indicative FE and HE grant allocations for 2024/25 are announced at the end of March/ beginning of April 2024, the college will begin to construct a plan to address the underlying deficit in future years.

Estates & Campus Services Manager joined the meeting.

Discussion took place in regard to long term plans in place on how to address and mitigate the budget deficit, i.e. meetings with budget holders have been taking place; but also to investigate credit overperformance in FE and rising energy costs.

The Committee Members expressed their concerns in regard to the increase in teachers' pensions and Research deficit.

The Committee members also requested an adjustment to the future report structure to reflect expenses outwith college control and for a new table to be added to sum up the expenditure outwith and within our control.

The Chair thanked the Director of Finance and Estates for his detailed report.

5. FINANCE TEAM STRUCTURE UPDATE

The Committee were provided with a confidential update in respect of a Finance Team structure report (CN-FGP-01-032024).

6. ANNUAL PROCUREMENT REPORT 2022/23

Director of Finance and Estates presented the Annual Procurement Report for 2022/23 to Committee for approval and to highlight the key sections of the report.

The Annual Procurement Report for 2022/23 covers the period of 01 August 2022 through to 31 July 2023 and highlights performance and achievements in delivering the UHI Inverness procurement activities. It has been produced by APUC and reviewed by UHI Inverness. Procurement services at the College are provided via the APUC Shared Service Model, consisting of two FTEs based at the Inverness Campus. In addition, collaborative opportunities are delivered via a Shared Service Collaborative resource, which is jointly paid for by UHI Academic Partners. Strategic support is provided by the Shared Service Head of Procurement.

The Chair thanked the Director of Finance and Estates for his detailed report.

Decision: The Committee **APPROVED** the Annual Procurement Report 2022/23.

7. FE & HE FEES 2024/25

Director of Finance and Estates spoke to his report in which he presented the FE and HE fees for the year 1 August 2024 to 31 July 2025 and asked the Finance & General Purposes Committee to approve the FE fees and to note the HE fees, which are set by UHI.

Health, Safety and Sustainability Manager joined the meeting.

FE Fees

In terms of the proposed FE tuition fees for 2024/25, at present, the current inflation rate is 4%, with the inflation rate forecast to fall to 2% by the end of 2025. Therefore, the proposal is to increase FE fees by 3%, the mid-point of the current level of inflation and the forecast rate at the end of 2025.

HE Fees

In terms of HE tuition fees, as stated above, these are set and approved by UHI on an annual basis. However, one of the major issues regarding HE tuition fees is that HE fees for Undergraduate Degrees and HNs are set by SFC/ SG, and have not changed since 2009/10, 15 years ago. Assuming an average increase of 2% pa over the last 15 years, and the current number of HE student fte's for 2024/25, the college is losing out on almost £700,000 of tuition fee funding from SAAS/ SFC.

The Chair thanked the Director of Finance and Estates for his detailed report.

Decision: The F&GP Committee **APPROVED** the FE & HE Fees 2024/25 report and 3% increase in FE fees.

8. HEALTH AND SAFETY UPDATE

The Committee were provided with a confidential update in respect of a Health & Safety report (CN-FGP-02-032024).

Health, Safety and Sustainability Manager left the meeting.

9. INVESTMENT IN RESEARCH (CONFIDENTIAL)

The Committee were provided with a confidential update in respect of Investment in Research report (CN-FGP-03-032024).

The Information Systems Manager joined the meeting.

10. STUDENT RECRUITMENT

The Information Systems Manager spoke to her report which provided the Committee with an update on student activity for 2023/24, advise of the targets set, and the status of current recruitment for 2024/25.

The 2023/24 FE Credits target for UHI Inverness is 26,657, we have currently achieved 98.6% of target. The UHI Academic Partnership target for HE fundable undergraduate students for 2023/24 is 1,412, we have achieved 88% of target.

Following the curriculum planning review process targets have been set for 2024/25. Recruitment for 2024/25 is ongoing for FE and HE students. At the time of writing both FE and HE applications are greater than previous years.

Student enrolments against targets 2023/24

FE

The core credit target for 2023/24 is 26,657 we have currently achieved 98.6% of target. It is fully anticipated that we will exceed our credit target by the year end as delivery is ahead of profile within the KPI matrix.

HE

The 2023/24 APC target for Undergraduate students who are fundable is 1,418fte including Graduate Apprentices.

Targets for 2024/25

The curriculum planning and review process for 2024/25 has been completed and approved at EMT Forum on 10 January 2024. The SFC have yet to announce the credit allocation for 2024/25, however it is anticipated that there will be no additional funding and a potential cut of 4.5%. Whilst the current target indicates growth we have still to negotiate our FE allocation with UHI EO. If no additional credits are available, we will have to reduce curriculum offering and lever out efficiencies in delivery.

Withdrawal's summary

Early withdrawals have decreased for full time students, however there is a rise in the number of part time students withdrawing. At the time of writing further withdrawals are, as expected, below year end totals. For comparison at 2nd March 2023 FE further withdrawals were higher at 12.8% for full time and 3.5% for part time. For HE students the comparative figures are higher at 4.2% for full time, but lower for part time at 3.9%

Recruitment 2024/25

Active Applications for FE courses are currently greater than the previous 3 years. HE active applications are currently greater than the previous 7 years, with the greatest increase in HN provision.

The Committee thanked the Information Systems Manager for this update.

The Information Systems Manager left the meeting.

11. OPERATIONS AND EXTERNAL RELATIONS REPORT

Vice Principal – Curriculum, Operations and External Relations spoke to her report in which an extract of the KPI framework relating to Business Solutions performance to date had been provided, showing that all measures are at or ahead of profile.

Modern Apprenticeships

There are currently 672 Modern Apprentices in learning on our own contract, with 234 new starts this year. Modern Apprenticeship Income (ex. travel and accommodation) is slightly ahead of profile at February 2024, £682K against a

profile of £677K and we expect to meet the full year budget. Payment of March activity will be delayed until April 2024, as UHI has exceeded its contract value, and no further payments will be received until SDS new financial year.

The contract application for 2024/25 was submitted to SDS in December 2023 but we are still to receive confirmation as to the level of contract we will be allocated.

Graduate Apprenticeships

Although Graduate Apprenticeships are now HE/SAAS funded, Business Solutions is now responsible for the employer engagement, recruiting and monitoring for GAs. Since this responsibility was moved from EO to Business Solutions late in the 23/24 academic year, applications have grown exponentially. It is expected that this growth trend will continue in 2024/25, with a much better run up to the main recruitment period.

Short summary was provided in regard to other income sources, commercial services planned and completed sale of Longman site.

The Committee thanked Vice Principal – Curriculum, Operations and External Relations for her detailed report.

12. KPI MATRIX

Operations and Commercial Manager spoke to his report in which he provided the Committee with an overview of the performance against KPI measures in scope YTD 2023-24.

This report provided the Committee with summary information of our performance against the agreed key performance measures that are in scope year to date. The data and RAG rating for each measure in scope is provided as at the end of period 6 January 24. All data is current, except for HR measures, Finance measures and Estates measures, for which January actual data is awaited.

The Committee expressed concerns in regard to high number of workplace related injuries. It has been clarified that also students incidents are involved in that data. The Committee suggested title change to staff and students injuries to minimise confusion caused by future reports.

The Committee welcomed the KPI's and discussed the systems in place to ensure that these are maintained.

The Chair thanked Operations and Commercial Manager for his detailed report.

13. CAMPUS REPORT

Estates & Campus Services Manager spoke to his report which provided the Committee with updates on college carbon management plan, waste management and capital projects, together with reporting on aspects of soft FM and hard FM performance.

Following items had been highlighted:

- Campus Occupancy - following a number of room audits, occupancy levels of classrooms and staffrooms show opportunity for further flexibility. The estates team have been working closely with ICT and the staffroom working group to look at further adjustments to optimise room usage. Work is almost complete.
- Carbon Management Plan - management plan has been developed by the Estates team and GTFM our FM contractor. The group has been undertaking low to no cost options to reduce gas and electricity consumption. GTFM produces a monthly utility report for scrutiny at the IC GTFM Monthly Operations Meeting chaired by the Estates Manager.
- Waste Management - Northern Recycling continues to provide excellent support to IC. We are currently looking at a 2-year extension to current contract to ensure costs and service levels.
- Soft FM Contracts - The estates and Percurrent team have launched a number of high value contract reviews. The main being campus cleaning contract and waste management contract reviews. Both of these contracts have run well over the last 3 to 5 years with high standard of quality of work as well as a number of cost savings and sustainability directives implemented.

Estates & Campus Services Manager also provided an update on a number of ongoing projects.

The Chair thanked Estates & Campus Services Manager for his detailed report.

Information Development Manager joined the meeting.

14. 6 MONTHLY GDPR REPORT

Information Development Manager spoke to her report which provided the Committee with a general update on operational activity in relation to the UK GDPR.

The purpose of this report is to raise awareness of current activities that have legal implications under data protection law and/or or carry a potential risk (either data security and/or information risk). Also, to demonstrate the breadth of impact of data protection legislation across the organisation.

Following items had been highlighted:

- Number of data breaches in last 6 months – 8 in total
- Number of subject access requests during the period Jan-Dec 2023 – 73 in total
- Timescale for responding – majority were processed in less than 5 days.
- Compliance Monitoring – in place to monitor data compliance within 5 departments
- Procurement – HR & Payroll System – ongoing, a UHI Governance Group has been set up to oversee all shared services projects emerging from the UHI 24 strategy

The Chair thanked Information Development Manager for her detailed report.

Information Development Manager left the meeting.

15. FREEDOM OF INFORMATION ANNUAL REPORT

The Governance Officer spoke to her report which provided the Committee with an update in regard to all FOI requests received during the period March 2023-February 2024.

As a public authority, UHI Inverness is required to comply with the Freedom of Information (Scotland) Act 2002 which gives everyone the right to ask for any information which we hold.

Following items had been highlighted:

- Information requests – 47 requests received, highest number in last 4 years
- Format of requests – in email format
- Source of request – trade unions, political parties and journalists being the top three
- Type of requests – financial information, student issues and staff issues being the top three
- Response time – average response time for 2023 being 12 days.
- Responses – included full and partial disclosures; in 6 instances the information was fully withheld based on exemptions applied
- Reviews by Information Commissioner – none in 2023
- Environmental Requests – none in 2023

The Chair thanked Governance Officer for her detailed report.

16. AOCB

17. DATE OF NEXT MEETING – Thursday 13 June at 9am.

Signed by the Chair:



Date: 13/06/2024