UHI | ARGYLL

Final Version Minutes of the Finance and General Purposes Committee Meeting

Held at 11.15am on Friday 27 February 2026

Via MS Teams

Quorum: 3 members must be present

Present: B Buchanan-Smith (BB), J Wright (JW), L Neilson (LN), M Tierney (MT) Chair, N Tyler (NT), P Wylie (PW)

Apologies:

In Attendance: A Blakey (AB), A Close (AEC)

No	Item	Action
26.1.01	**Welcome and apologies for absence** MT welcomed everyone to the meeting. Brief introductions followed to welcome new members BB & NT.	
26.1.02	**Declarations of interest & to identify any items deemed confidential** There were no declarations of interest or items deemed confidential.	
26.1.03	**Minutes of previous joint Audit and F&GP Committee meeting held on 28 November 2025** The minutes were approved as an accurate record of the meeting. Board Secretary to publish.	AB
26.1.04	**Outstanding Actions** • AEC to progress proposal from Charities Aid Foundation Bank – covered in 26.1.08 iii). • AEC to review RAG ratings on Risk Assurance Framework – complete	
26.1.05	**Management Accounts to 31 Jan 2026** AEC spoke to the paper. The forecast is currently showing a breakeven, an improvement on the originally budgeted deficit. The improved position is due to an increase in income and reduced costs. It was noted that the position requires the college to meet HE and FE targets. HE targets have been achieved and FE is at approximately 85–90% of credit target. The Committee queried whether financial savings might indicate pressures within the curriculum. AEC advised that the savings primarily	

	result from the secondment arrangement and careful management of staffing resources.	
26.1.06	**Draft Budget for year to 31 July 2027 and projections for period to 31 July 2029** AEC noted that the initial sector funding indication is of a 10% uplift, though feedback from the FD network suggests this is more likely to be around 3%. The draft budget assumes that all targets are met, no clawback has been factored in at this stage. Staffing and cost assumptions – sick leave can be covered for support staff side, however £40,000 has been allocated for teaching cover. Job evaluation – an initial provision of £250,000 had been set aside. The college is now undertaking a local job evaluation, but SFC has confirmed that the provision must still be maintained, in addition to the cost of the local process. AEC will adjust figures accordingly. LN emphasised that reserves exist to ensure the college can continue to provide education and was comfortable with their use for this purpose. PW queried whether staffing levels are expected to change over the coming years. JW noted a desire to see reserves used to support curriculum development and highlighted the need for a clear strategy for the use of reserves.	AEC
26.1.07	**Review of F&GP Committee Risks** The Committee reviewed each risk individually. **01/F College buildings not fit for purpose** The current estate cannot fully accommodate the number of school pupils. The new school's strategy proposes that more schools link courses are delivered within college buildings, but the buildings were not originally acquired for this purpose. One centre has been identified as a viable option to progress the strategy. The change aims to improve the student experience and strengthen pathways into college. **02/F Maintaining physical presence** The Committee reaffirmed the importance of place-based learning, and the need to support, protect and further develop this. **03/F Rising salary costs** The Committee was satisfied that the risk level remains appropriate. **04/F Level of student support** The Committee agreed that the current grading of the risk is appropriate. **05/F Pension contributions**	

	No concerns raised, the Committee was content with the current assessment. **06/F Failure to achieve a balanced budget** The college is expected to be close to breakeven this year, and not at a risk of insolvency. **07/F Insufficient funding** The college intends to use reserves strategically following the outcomes of the curriculum review. **08/F Job evaluation funding** No mitigating actions are available to the college. The working assumption is that external funding will not be provided.	
26.1.08	**AOCB** i) SFC Mid Year Return The Committee noted that the Mid-Year Return is an annual requirement. The figures have been reforecast based on the latest management accounts and entered into the SFC template. The Committee approved the return to be submitted to SFC via UHI. JW will sign and AEC will submit. ii) Dunoon portakabin The Committee received an update on the Dunoon portakabin project. Procurement was undertaken through APUC, with local contractors engaged for the works. The project ran to schedule and has resulted in six small teaching rooms. The college secured £78,000 from the Emergency Capital Fund to support the development. iii) Treasury Management Proposal The Committee received an update on the college's treasury management approach. An account has been opened with the Charities Aid Foundation Bank, and AEC has served notice on the previous investment accounts. The proposal set out the following investment allocations from April 2026: • £3m into a two-year fixed rate account • £1m into a one-year fixed rate account • £1m into a high-interest instant-access and/or 32 day account The Committee reviewed each element of the proposal and were supportive of recommending it to the full Board. LN will obtain a copy of a housing association treasury management policy to support the development of a future treasury management framework for AEC.	JW & AEC LN

	BB suggested preparing supporting figures to accompany the proposal when presented to the full Board. AEC to action. iv) Rural Growth Deal project & Appendix I The Committee received an update on the RGD. The MITC proposal is no longer viable, and attention has shifted to potential improvements at CERC. As the college lacks technical expertise to scope requirements, it was recommended that consultants are engaged to provide options. SMT has concerns about whether the current CERC location remains appropriate, noting challenges with the school relationship, the small local population, and long-term viability. Reputational considerations with the council were also acknowledged. MT noted that, depending on consultant advice, it may be more responsible to accept reputational impact than proceed with a project that does not represent good use of public funds. JW highlighted that student numbers at the start of next year will be a key factor. BB suggested pausing for six months until there is a clear indication of numbers. AEC will explore whether the FBC deadline can be extended. The Committee agreed that more data and time are required before a final decision.	AEC
26.1.09	**Date of Next Meetings** Board – Friday 13 March 2026 Committees – Friday 29 May 2026	
	Signed by **………………………………………… Date ……………………** **Chair of F & GP Committee**	

Outstanding Actions

Item	Action	Responsibility	Deadline	Outcome
26.1.03	Board Secretary to publish minutes	AB	May 26	Complete
26.1.06	AEC to adjust figures to account for job evaluation provision	AEC	Mar 26	Complete
26.1.08 i)	Sign and return SFC Mid Year Return	JW & AEC	Mar 26	Complete
26.1.08 iii)	LN to provide AEC with copy of housing association treasury management policy	LN	May 26	Complete
26.1.08 iii)	Provide sample figures for treasury management paper for the Board	AEC	Mar 26	Complete