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Final Version Minutes of the Finance and General Purposes Committee Meeting

Held at 11.15am on Friday 29 May 2026

Via MS Teams

Quorum: 3 members must be present

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

Apologies: N/A

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

No	Item	Action
26.2.01	**Welcome and apologies for absence** LN welcomed everyone to the meeting as the new Chair. LN noted her apologies for the forthcoming Board meeting and asked BB to report back to the Board on her behalf.	
26.2.02	**Declarations of interest & to identify any items deemed confidential** There were no declarations of interest or items deemed confidential.	
26.2.03	**Minutes of previous F&GP Committee meeting held on 27 February 2026** The minutes were approved as an accurate record of the meeting. Board Secretary to publish. MT highlighted the potential use of reserves to support development activity, such as curriculum development. The Committee requested that the SMT prepare a paper outlining options for the strategic use of reserves for the November/December cycle. The Committee also highlighted the need for a Reserves Policy, which sets out the target level of reserves, and provides a framework for investment decisions, including areas where reserves may be utilised. SMT to draft.	AB SMT SMT
26.2.04	**Outstanding Actions** All actions from the previous meeting are now complete.	
26.2.05	**i) Summary of accounts and forecasts** **ii) Management Accounts to 30 Apr 2026**	

	The Committee were presented with two layouts of the accounts, including the new format used for the annual meeting with the UHI Principal and Finance Director. AEC spoke to the paper, noting that income is currently £575,000 above the original budget. This is due to a range of factors including Microram, increased credit funding, the transfer of capital grants into maintenance/revenue, and other items such as clawback release, secondment income, SFC NI, and higher than anticipated bank interest. Reforecast expenditure is £130,000 above the original budget, driven mainly by maintenance costs associated with the college's backlog maintenance programme, as well as professional fees relating to legal work, surveys, Board effectiveness, and the local Job Evaluation project. It was noted that the future forecast figures were set during the February/March cycle. The Committee welcomed the new financial layout but noted they would have had follow-up questions if presented as a standalone paper. AEC confirmed she is content to continue providing both formats. The Board will be asked whether the wish to receive both layouts going forwards. Both papers will be submitted to the Board for this cycle.	
26.2.06	**Revised Draft Budget for year to 31 July 2026 and projections for period to 31 July 2029** The Committee discussed the significant uncertainties affecting the budget position. Teaching staff pay awards for the coming year remain unknown. UHI has yet to confirm whether a clawback arrangement will be applied this year. Several grant streams for specific teaching projects continue to fluctuate, creating further variability in projected income. The Job Evaluation provision has not yet been finalised, and the figure included reflects an assumed cost only. Capital funding arrangements for next year are also uncertain. LN noted that, when reporting to the Board, it will be important to emphasise the level of uncertainty and the detail behind these assumptions. The Committee noted that the Financial Forecast Returns (FFRs), submitted annually to the SFC, are of limited value given the current level of uncertainty.	
26.2.07	**Review of F&GP Committee Risks** The Committee reviewed the current risk register. It was agreed that risk 03/F, relating to rising salary costs requires amendment. AEC to regrade the risk as red.	AEC

	LN proposed that the financial implications of Transformation should feature on the F&GP risk register. AEC to incorporate.	AEC
26.2.08	**AOCB** i) Treasury management – update The Board had previously agreed to place funds into the Charities Aid Foundation Bank. Upon serving notice with Bank of Scotland, the college received a counteroffer, with rates above 3%, prompting AEC to review this option with MT, LN and JW. The decision was made to stay with Bank of Scotland. AEC noted that a formal complaint has been raised, having not been alerted to these accounts sooner. ii) Rural Growth Deal project – update AEC highlighted that work is required at CERC, which will be funded through the Rural Growth Deal. The college needs to seek prices from contractors and progress a formal tender process for the work. iii) SFC Infrastructure Baseline SFC have introduced a comprehensive estates database that all colleges are required to complete. Current completion deadline is 12 June 2026, however SFC are still changing the information requirements. The intention is to use this information to produce a sector-wide infrastructure plan. From 2026/27 onwards, annual capital allocations will be based on the data submitted. The Committee enquired about the college's capital needs. AEC suggested a detailed review of each centre would be required to work towards net zero. iv) No-One Left Behind Project (NOLB) agreement The initiative was viewed very positively by the Committee. As the funding period runs from April 2026 to March 2027, LN suggested exploring alternative staffing models. Options discussed included structuring the roles as two nine-month posts, and one six-month post, to provide greater flexibility within the funding window. The Committee also suggested targeting the social work lead at the local authority, as they will likely have a referral list. AEC will source a list of other institutions who have applied for this funding.	AEC

26.2.09	**Date of Next Meetings** Board – Friday 12 June 2026 Committees – Friday 28 August 2026	
	Signed by **…… Date ……** **Chair of F & GP Committee**	

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Outstanding Actions

Item	Action	Responsibility	Deadline	Outcome
26.2.03	Board Secretary to publish minutes	AB	Jun 26	Complete
26.2.03	Develop paper with suggestions on how to spend reserves	SMT	Nov 26	Ongoing
26.2.03	Develop a reserves policy	SMT	Nov 26	Ongoing
26.2.07	Update risk 03/F to be graded as red	AEC	Jun 26	Complete
26.2.07	Incorporate new risk relating to financial implications of Transformation	AEC	Jun 26	Complete
26.2.08 iv)	Source list of other institutions who have applied for the NOLB funding	AEC	Aug 26	Complete