

Board of Management

Meeting of the Finance Committee

MINUTE OF THE 3rd MEETING HELD ON WEDNESDAY 12 MARCH 2025 AT 1600 HRS
(FC3) ON CITY CAMPUS, ROOM C.06.106

Present	
Ronnie Quinn (Convener)	Paul Little
Douglas Baillie	Polly Vaker
Laura Heggie	
In attendance	
Ciara McCarthy	Laura Shields
Andrew Dickson	Abbie Todd (Interpreter)
Ruth Donaldson (Interpreter)	
Drew McGowan	Ann Butcher (Minute)
Apologies for absence	

Item FC3-1	Apologies for Absence	
Paper No: Verbal	Lead: Convener	Action requested: Note
Decision/Noted	There were no apologies of absence.	

Item FC3-2	Declarations of Interest	
Paper No: Verbal	Lead: Convener	Action requested: Note
Decision/Noted	None.	

Item FC3-3.1	Minute of Previous Meeting held on 11 September 2024	
Paper No: FC3-A	Lead: Convener	Action requested: Approve
Decision/Noted	The Committee approved the minute.	
	Matters Arising Treasury Management Report D Baillie highlighted the addition of accounting ratios and suggested that target rates and RAG status should be included. Noting this was an evolving report, it was agreed that this would be considered.	

Item FC3-3.2	Capital Expenditure Draft Budget 2025-26	
Paper No: FC3-B	Lead: L Shields	Action requested: Approve

Discussion	<p>L Shields reported that as part of the capital budget process, Faculties and Directorates were consulted. The anticipated capital expenditure requirements had been identified and business critical capital spend was prioritised. The proposed capital funding requirements and high-level expenditure summary details (phased over a 3-year period) were provided. It was noted that some of the spend may occur before August 2025 to allow for the award of contracts.</p> <p>The Committee noted the anticipated Scottish Funding Council (SFC) capital and maintenance grant allocation for 2025-26 which was based on the previous allocation with an indicative increase. A Dickson informed that an application to drawdown additional funding from the arm's length foundation split over the next 3 years, would also be submitted to cover expenditure costs.</p> <p>L Shields provided a brief overview of some capital expenditure items and projects and the amount requested for 2025-26 was reviewed. She also explained the planning and discussion process for agreeing capital expenditure starting with initial wish list meetings followed by further scrutiny to refine priorities and determine what is business critical. While recognising this funding is limited, he mentioned ongoing engagement with the SFC to highlight the insufficiency of current capital funding.</p> <p>Discussion took place on the capital grant being carried forward, including queries raised by D Baillie about its long-term sustainability. L Shields highlighted that this was a timing and profiling matter; however, she also highlighted the need to ensure that project progress accurately aligns with the allocated spend. L Heggie suggested that greater insight into the performance of capital delivery against budget should be considered.</p> <p>P Little informed that the Project Management Office (PMO) manages all projects and monitors progress to ensure they remain on track. He also informed that an Asset & Investment Strategy is being developed and the College plans to explore other funding options. Benchmarking universities to consider best practices would also be undertaken. He advised that the Asset Strategy will be presented a future meeting.</p> <p>R Quinn asked about the implications if funding from the foundation is not secured. A Dickson explained that in this case, the list of priorities would be restricted to only the most critical items. It was also noted that the timeline for receiving approval on this funding is expected to take 2 to 3 months.</p> <p>Further discussion regarding capital expenditure for the network refresh business case was deferred until item 5.1.</p>
Decision/Noted	That the capital expenditure budget for 2025-26 was approved.

Item FC3-4.1	Q2 Year End 2024-25 Financial Position	
Paper No: FC3-C	Lead: A Dickson	Action requested: Discuss
Discussion	A Dickson provided an overview of the Q2 financial forecast for the year ended 31 July 2025. The updated forecast as at 31 January 2025 shows an improved year-end position and a reduced deficit compared to Q1. This improvement is due to a net improvement in income.	

	<p>The key sensitivities were considered, particularly the indication that the Scottish Government will cover 60% of the National Insurance (NI) increase. The Scottish Government continue to lobby Westminster for the remaining 40%. A Dickson informed that the recovery period is expected to be during the academic year 2025-26. Noting this is still under discussion, he outlined the impact of not receiving this funding. He also confirmed that the pension grant has been received.</p> <p>R Quinn thanked A Dickson, L Shields and the team for their efforts and welcomed the positive progress against budget.</p>
Decision/Noted	To discuss the Q2 Year End 2024-25 Financial Position.

Item FC3-4.2	Strategic Risk Review	
Paper No: FC3-D	Lead: D McGowan	Action requested: Discuss
Discussion Matters Arising	<p>D McGowan submitted the outcome of the quarterly review of the Strategic Risk Register and Management Action Plans (MAPs) reported to the Committee. No risk score changes were proposed during this quarter.</p> <p>The Strategic Risks were reviewed and no further amendments to risk scores were proposed. L Heggie suggested that the MAP narrative for SR21, failure to obtain funds from the foundation for the College's priorities, should now reflect earlier discussion ie that an Asset & Investment Strategy is being developed and alternatives are being considered. This was agreed.</p>	
Decision/Noted	To approve the Strategic Risk Register for risks reported to the Committee. To update SR21 MAP as agreed.	

Item FC3-4.3	College Funding Allocations 2025-26	
Paper No: FC3-E	Lead: A Dickson	Action requested: Discuss
Discussion	<p>A Dickson provided the Committee with an update on the SFC's proposed approach to College funding allocations for 2025-26. The background and challenges of the current approach and existing inequalities were highlighted. The Committee noted that the College currently has the lowest price per credit. Details of the staged plan of funding methodology were outlined. P Little advised that the College has written to the SFC to seek clarification on several issues.</p> <p>While the exact details have not yet been shared by the SFC, the potential implications for the College were discussed. A Dickson informed that the SFC will meet with individual Colleges impacted by reduced funding during March. Indicative allocations, including impact of the full implementation of the new model and the mitigated allocations for 2025-26, will be published on 27 March.</p>	
Decision/Noted	To discuss the College funding allocations for 2025-26.	

Item FC3-5.1	IT Network Refresh Business Case Update
--------------	---

Paper No: FC3-F	Lead: A Dickson/S Renton	Action requested: Note
Discussion	<p>An update on the status of the IT Network Refresh project was submitted. The savings against budget were noted.</p> <p>Referring to the previous discussion on capital spending under item 3.2, L Shields confirmed that IT are considering lease of network spend. While the capital spend report outlines spend over a 3-year period, the actual network refresh expenditure will be spread over 5 years. This reflects the total funding required to support this project.</p>	
Decision/Noted	To note the update.	

Item FC3-5.2	Q2 Non-Compliant Spend Report 2024-25	
Paper No: FC3-G	Lead: A Dickson/D Fagan	Action requested: Note
Discussion	The Committee noted that all Q2 spend was compliant. R Quinn thanked D Fagan and the procurement team for this achievement.	
Decision/Noted	To note the report.	

Item FC3-5.3	Treasury Management Report – Q1 2024-25	
Paper No: FC3-H	Lead: L Shields	Action requested: Discuss
Discussion	The update on the College's investment strategy and performance in Q2 was noted.	
Decision/Noted	To note the report.	

Item FC3-5.4	Credit Delivery Update	
Paper No: FC3-I	Lead: A Dickson/M Green	Action requested: Note
Discussion	The Committee noted that the credit delivery projection for 2024-25 is 100% of the SFC credit allocation. The Committee thanked all staff for their efforts in achieving this.	
Decision/Noted	To note the report.	

Item FC3-6	Any other Notified Business	
Paper No: Verbal	Lead: Convener	Action requested: Note
Decision/Noted	<p>Joint Audit and Finance Committee – outstanding action</p> <p>D McGowan reported that a letter of concern was sent to the SFC in January. A response is still awaited and will be followed up.</p>	

Item FC3-7	Review of Meeting	
Paper No: Verbal	Lead: Convener/D McGowan	Action requested: Note

Decision/Noted	The Committee agreed to highlight the approved capital expenditure budget and the potential evolution of the SFC funding formula in the Governance Report prepared by D McGowan for the full Board.
-----------------------	---

Item FC3-8	Disclosability of Papers	
Paper No: Verbal	Lead: D McGowan	Action requested: Note
Decision/Noted	That the disclosability status of papers be retained.	

Item FC3-9	Date of Next Meeting	
Paper No: Verbal	Lead: Convenor	Action requested: Note
Decision/Noted	The next meeting will be held on Wednesday 4 June 2025.	

The meeting closed at 1710 hours.

ANNEX TO THE MINUTE

ACTION POINTS ARISING FROM THE MEETING

Item	Description	Owner	Target Date
FC3-3.1 12 03 25	Matters Arising, Treasury Management Report: Update as agreed.	AD/LS	04 06 25
FC3-4.2 12 03 25	Strategic Risk Review: Update SR21 MAP as agreed.	DM	ASAP Complete

ACTION POINTS ARISING FROM THE PREVIOUS MEETING

Item	Description	Owner	Target Date
FC2-3.1 27 11 24	MA - Network Refresh Business Case An update will be provided at the next meeting including decision gates.	AD/SR	12 03 25 Complete
FC2-3.2 27 11 24	Annual Procurement Report 23-24: Update as agreed for Board approval.	AD/DF	11 12 24 Complete
FC2-3.4 27 11 24	Asset Management Policy: Update as agreed.	AD/DF	ASAP Complete
FC2-4.2 27 11 24	Financial Projection- 5 Year View: Update as agreed.	AD	ASAP Complete
FC2-4.3 27 11 24	Treasury Management Report: Update as agreed and submit quarterly.	LS	12 03 25 Complete
FC1-3.4 11 09 24	College Course Fees 25-26: Provide benchmark figures from comparable institutions as agreed.	AD/LS	Ongoing Complete
FC3-5.3 06 03 24	Network Refresh Business Case: Include decision gates.	SR/AD	Provide update at FC Mtg on 12 03 25 Complete