

# Shetland UHI: Finance and General Purposes Committee

*Wed 2 March 2022, 16:30 - 18:30 Held via Teams*

## Attendees

### Board members

- Graeme Howell (Chair of Finance and General Purposes Committee)
- Angela Sutherland (Non-Teaching Staff Director)
  
- Absent: Rory Gillies (Independent Director)

### Ex-Officio Members

- David Sandison (Chair of the Board of Management)
- Jane Lewis (Principal - Shetland UHI)

### Also In Attendance

- Glenn Gilfillan
- Isobel Johnson
- Elaine Laurenson
- Matt Sierocinski King (Board Secretary)

## Meeting minutes

### 1. Welcome, Apologies, and Announcements

Mr Howell (Chair) welcomed everyone to the meeting.

### 2. Declarations of Interest

Mr Howell (Chair) called upon members to declare if they held any conflict of interest with any item on today's meeting agenda. No declarations were received.

### 3. Minutes of Previous Meeting

Mr Howell (Chair) asked all members of the committee to review the minutes for matters of accuracy.

Ms Johnson, requested a grammatical amendment: To add a full stop after the word "spend" in agenda item 6.1. Furthermore, Ms Johnson requested an amendment the second paragraph of the same agenda item to include the word "clawback" to reflect the technical financial matter being discussed.

**Decision:** The Committee agreed with Ms Johnson's amendment recommendations

**Action:** Mx Sierocinski King (Board Secretary) is tasked with amending the minutes of the previous meeting in line with Ms Johnson's recommendations.

**Decision:** The minutes of the previous meeting, inclusive of the suggested amendments, were agreed as a true and accurate record of the previous meeting. The move was proposed by Ms Sutherland and seconded by Professor Lewis (Principal).

## 4. Matters Arising

Mr Howell (Chair) clarified with members of the committee if there were any matters arising. No matters beyond the matters on the agenda, were raised.

## 5. Terms of Reference

Mr Howell (Chair) introduced the agenda item, and asked Mx Sierocinski King (Board Secretary) to clarify what the committee needed to consider in the finalised terms of reference. The Secretary informed the committee that the amendments to the terms of reference were made in lines with their requested amendments from the previous meeting, and that should the committee accept the finalised version of the terms of reference, the committee was asked to recommend the terms of reference to the board of management for approval.

The committee discussed finalised version of the Terms of Reference.

**Decision:** The committee recommended the terms of reference to go to Board for approval, and to only implement the amendments, should the terms of reference be approved by the board of management, after the board of management grants their approval to the terms of reference.

**Action:** The Board Secretary is tasked with adding the finalised version of the terms of reference on the agenda for the next Board of Management meeting.

## 6. Financial Monitoring

Mr Howell (Chair) introduced the agenda item, and asked Mr Gilfillan to speak to the Financial Monitoring sub-items on the agenda.

### 6.1. Five Year Forecast Narrative

Mr Gilfillan gave the committee a verbal update on the Five-Year Forecast.

### 6.2. Finance Policies

Mr Gilfillan introduced the Financial Good Practice section of the Financial Handbook to the committee. Mr Gilfillan specifically highlighted the inconsistency of job titles in the document which was in need of updating, after the senior staff restructure was approved by Human Resources and Remuneration Committee.

The committee discussed the necessity to release policies in the handbook to staff for use.

**Noted:** The Committee recognised the need to review policies on a regular basis, and the need to issue the policies individually rather than as a single handbook.

**Decision:** The committee approved the use of the handbook as it stood.

**Action:** The Committee delegated senior staff the freedom to make minor tweaks to the document without seeking prior approval from the committee.

**Decision:** The Committee agreed that all material changes could return to the committee, based on the recommendation of staff.

The committee also discussed the need to appoint an auditor.

### **6.3. Historic Pay Award**

Professor Lewis (Principal) introduced the Historic Pay Award paper to the committee. The Principal drew the committee's attention specifically to the change in Distance Islands Allowance, the Real Living Wage and the Shetland UHI's progress in becoming an accredited employer, the Cost of living award, the £33,000 salary pay award difference compared to what was budgeted for, the liability of SIC to pay the salary pay award difference up until 1st August 2021 to the appropriate staff.

The Principal explained to the committee that a letter would be going to staff explaining the changes to pay, which was reviewed by lawyers in advance.

**Decision:** The Committee endorsed the paper.

**Action:** Senior staff are to enact the paper

## **7. Estates and Assets**

Professor Lewis (Principal) gave a verbal update on Campus Redevelopment under the Estates and Assets heading

### **7.1. Campus Redevelopment**

Professor Lewis (Principal) verbally updated the committee on campus redevelopment. The Principal specifically drew the attention of the committee to student numbers in relation to the development of the OBC for Islands Deal, profiling of the spend, with nervousness against the timeframe left of year 1, balancing up against similar projects and procurement of the design phase.

The Principal also highlighted to the committee that discussions with UHI projects and support team have gone well.

**Decision:** The committee requested to view the finalised OBC in the form that it was submitted in.

**Action:** The Principal shall send the finalised OBC to Mx Sierocinski King (Board Secretary) for circulation to the committee.

**Action:** The Board Secretary shall circulate the finalised OBC to the Committee.

## 8. Growth and Development of Shetland UHI

Mr Howell (Chair) raised a query as to whether the TFU had been issued as yet. Professor Lewis (Principal) reported to the Committee that it remains a work in progress.

## 9. Financial Risk Management

Professor Lewis (Principal) updated the committee on Financial Risk Management with a presentation on Risk Management Monitoring

### 9.1. Risk Management Monitoring

Professor Lewis (Principal) gave a presentation on the risks that the committee oversees highlighting an action plan for the first risk. The action plan involved: budget setting, budget control, pension fund, new funding streams and establishing restructuring/recovery plans.

The committee were asked for comments as this stage. The committee discussed employment costs.

The Principal then spoke about the second risk that the committee oversaw, namely College Estates. The Principal highlighted that the action plan covered: Engagement with islands deal, Capital planning group, Development of new and updated list of needs/wants, Maintaining planned and reactive repairs, Student accommodation and New funding streams.

The committee were asked for comments as this stage. The committee had no further discussion points.

**Decision:** The committee endorsed the action plan for the risks as presented to the meeting.

**Decision:** The committee agreed to take oversight of the risks in the OBC.

## 10. Any Other Business

No additional business was raised.

## 11. Date of Next Meeting - Wednesday 20th April

Mr Howell (Chair) confirmed the date of the next meeting.

<b>Agenda Item</b>	<b>Action</b>	<b>Responsible</b>	<b>Progress</b>
3	Amend the minutes of the previous meeting in line with Ms Johnson's recommendations.	Board Secretary	Complete
5	Add the finalised version of the terms of reference on the agenda for the next Board of Management meeting.	Board Secretary	Complete
6.2	The Committee delegated senior staff the freedom to make minor tweaks to the document without seeking prior approval from the committee.	Senior Staff	Ongoing
6.3	Senior staff are to enact the Historic Pay Award Paper	Senior Staff	Ongoing
7.1	Send the finalised OBC to Board Secretary for circulation to the committee.	Principal	Complete
7.1	Circulate the finalised OBC to the Committee.	Board Secretary	Complete