

Disclosable in edited form.

Finance Committee Meeting Minutes

The 44th meeting of the Finance Committee of the Scottish Funding Council was held on 24 January 2023 via Microsoft Teams.

Present:

- Lorna Jack (Chair)
- Professor Ewart Keep
- Professor John Wallace
- Mhairi Harrington OBE
- Dr Veena O'Halloran

Officers:

- Richard Maconachie (Secretary)
- Andrew Millar
- Gavin Bruce
- Gordon Craig
- Gordon McBride
- Karen Watt
- Liz Welch
- Paula Haynes
- Sybille Rush (Clerk)
- Tiffany Ritchie
- Ursula Lodge

Observers: Alyssa Newman (SFC)

Scottish Government: Owen McKinstry

Apologies: Martin Boyle

23/01 Welcome

The Chair welcomed members, officers and visitors to the meeting.

23/02 Chair's business: Papers for discussion and declarations of interest

The Chair reminded members and those in attendance of their responsibility to indicate if they have, or may be perceived to have, a conflict of interest under any item.

The following members declared an interest:

- **Professor Ewart Keep** – in relation to his role as Associate Fellow at a research centre at the University of Strathclyde, and in his role with the City of Glasgow College Board of Management.
- **Professor John Wallace** – in relation to his role at the University of St Andrews.
- **Dr Veena O'Halloran** – in relation to her role as Special Adviser to the Principal of the University of Strathclyde, and her role in supporting the Committee of Scottish Chairs in its review of the Scottish Code of Higher Education Governance.

23/03 Minutes of the previous meeting: 6 December 2022 (FC/22/Min07)

The minute of the meeting on 6 December 2022 was **agreed** as a true record of the meeting.

23/04 Matters arising (FC/23/01)

The Committee **noted** the paper and actions taken since the last meeting.

This paper will be published on the Council website in edited format, as it contains information which will be withheld under the Freedom of Information (Scotland) Act 2002, Section 30: Prejudicial to the effective conduct of public affairs.

Members **noted** that the Council Board would consider at its meeting on 3 February whether the Risk Register should be added to the Council agenda as a standing item.

23/05 Strategic finance overview and budget update

The Committee **received** an oral report with an overview on strategic finance issues and **noted** the key points.

{13 x paragraphs}

23/06 Scottish Government budget and principles for 2023-24 college and university indicative funding allocations (FC/23/02)

The Committee **received** a paper presenting:

- i. the draft Scottish Budget for Financial Year (FY) 2023-24 for college and university funding, following the Scottish Government's announcement on 15 December 2022, and the funds consequently available for the sectors in Academic Year (AY) 2023-24.
- ii. the principles to which SFC should adhere and recommended approaches to guide the allocations along with a timeline for publishing indicative and final funding allocations.

This paper will be withheld from publication on SFC's website under the Freedom of Information (Scotland) Act 2002; Section 27: Information intended for future publication, Section 30: Prejudicial to the effective conduct of public affairs.

{10 x paragraphs}

The Committee **was supportive** of the approach set out in the paper in relation to top-slicing.

{20 x paragraphs}

23/07 Available funds reconciled to latest Grant-in-Aid letter (FC/23/03)

The Committee **received** a paper providing an update on the Financial Year (FY) 2022-23 grant-in-aid allocation to SFC ahead of the Spring Budget Revision (SBR).

This paper is withheld from publication under the Freedom of Information (Scotland) Act 2002, Section 30: Prejudicial to the effective conduct of public.

The Committee **noted** the key messages.

{3 x paragraphs}

23/08 Resource Return (FC/23/04)

The Committee **received** a paper providing a summary of the January resource return to SG, based on financial information to 31 December 2022.

This paper will be withheld from publication on the SFC website as it includes information which, if disclosed, would be prejudicial to the effective conduct of affairs (Freedom of Information (Scotland) Act 2002, Section 30).

The Committee **noted** the paper.

{1 x paragraph}

23/09 Year-to-date spend and forecast outturn (FC/23/05)

The Committee **received** a paper reporting on (i) the financial monitoring information for Financial Year 2022-23 (ii) the forecast outturn figures as detailed in the Resource Return.

This paper will be withheld from publication on SFC's website under the Freedom of Information (Scotland) Act 2002, Section 30: Prejudicial to the effective conduct of public affairs.

The Committee **noted** the update provided.

{1 x paragraph}

23/10 Update on systems, annual report and controls (FC/23/06)

The Committee **received** a paper providing an update on:

- Finance systems change
- Annual Report and Accounts (ARA) FY 2022-23 and
- Results from recent internal audit reports.

This paper will be withheld from publication on the SFC's website under the Freedom of Information (Scotland) Act 2002, Section 30, prejudicial to the effective conduct of public affairs.

The Committee **noted** the update provided and **noted** that the external audit timetable may need to be adjusted in conjunction with the work by SFC's new external auditor Mazars.

{2 x paragraphs}

Action: SFC to present draft copy of Annual Report and Accounts to the Committee at its May meeting.

23/11 Capital Decision Point Committee update (FC/23/07)

The Committee **received** a paper with the minute from the last meeting of the Capital Decision Point Committee.

This paper will be withheld from publication on the SFC's website under the Freedom of Information (Scotland) Act 2002, Section 30, prejudicial to the effective conduct of public affairs.

The Committee **noted** the update provided.

{4 x paragraphs}

23/12 Long-term agenda (FC/23/08)

The Committee **noted** the long-term agenda.

Committee members **agreed** that the Committee's meeting in October should take place in person and the meeting time extended.

Action: SFC to extend time for October meeting and change to in-person meeting.

23/13 Date of next meeting

Members **noted** that the next meeting of the Committee would take place on Tuesday, 28 February 2023 at Scottish Enterprise, Apex 1, 99 Haymarket Terrace, Edinburgh.