BOARD OF MANAGEMENT

Finance & Infrastructure Committee

Tuesday 26 May at 5.00pm **Room K-TO-624, Kingsway Campus** (MS Teams option available)

Minute of the Finance & Infrastructure Committee meeting held on Tuesday 26 May 2026 at 17:00pm in Room K-TO-624 Kingsway Campus and via Microsoft Teams (the "Meeting").

PRESENT:	Brian Lawrie (Chair)	Robert Young
	Stephen Oakley	Simon Hewitt
	Ged Bell	
	Laurie O'Donnell	Kirstin Marsh
	Colin Smith	Julie Grace
	Derek Smith Muir	Donna Fordyce
	Jenna Lawrence	Derek Stewart

IN ATTENDANCE: Steve Taylor (Vice Principal Support Services and Operations)
Julie Grace (Vice Principal Curriculum and Partnerships)
Andy Ross (Director of Infrastructure)
Nicky Anderson (Director of Finance)
Rachel Wall (Board Secretary)
Ian Simpson (Director of Infrastructure Project)

1. WELCOME

B Lawrie welcomed everyone to the Finance & Infrastructure Committee meeting.

2. APOLOGIES

Apologies were noted from Donald McKenzie and Billy Grace.

3. DECLARATIONS OF CONNECTION & INTEREST

There were no declarations of interest or connection.

4. MINUTE OF THE PREVIOUS MEETING

The minute of the Finance and Infrastructure Committee meeting held on 24 February 2026 was approved as an accurate record, subject to a minor amendment re attendees.

5. MATTERS ARISING

The Committee noted no matters arising.

6. FINANCE

(i) Financial Sustainability

S. Hewitt provided a verbal update, highlighting that good progress had been made through the savings program, with substantial in-year savings achieved. While the financial position is now clearer, further work will be required to achieve a fully sustainable position.

The Committee noted that the original deficit of £2.348m at the start of the academic year had been reduced by £1.707m to £641k. The current projected outturn at 31 March 2026 is a £949k deficit, representing a £308k adverse variance against the revised budget. Overall, a more favourable position which has set the baseline for 2026/27 budget.

For 2026/27 the College received a 9.3% increase in SFC funding as announced by Scottish Government, but we are still waiting on confirmation of an estimated £600k child poverty (RISE) funding being announced. This would have associated costs. Our focus is now the medium to longer term.

The Committee noted the continued improvement in the financial position, whilst acknowledging that the current projection still represents a deficit and that financial sustainability remains a key strategic risk.

(ii) Budget Monitoring Update

The Committee considered the Budget Monitoring Update and noted that, although the projected £949k deficit represents a deterioration since the previous update, it demonstrates significant improvement from the start of the academic year.

Members noted the clarity of the report, particularly in outlining key risks and providing assurance regarding the robustness of financial monitoring and management actions being undertaken.

(iii) 2026/27 Draft Budget & Indicative Budgets for 2027/28 & 2028/29

The Committee noted that the draft 2026/27 budget was based on the current course provision and student numbers, with an updated budget to be presented in December 2026 following confirmation of enrolments.

The Committee noted that the Scottish Funding Council indicative teaching grant for 2026/27 was £35.637m, an increase of 9.3% on 2025/26. Final allocations expected at the end of May 2026. The indicative capital grant remains at £2.654m.

The Committee noted that additional sector funding (including transformation and capital funding) is yet to be confirmed and has not been included in the draft budget.
Members further noted that:

- the support staff pay award has been agreed at 3.4% for 2026/27 and 3.0% for 2027/28, with 2028/29 onwards remaining under negotiation; and
- the Financial Strategy target of a £450k surplus has not yet been achieved within the current draft or indicative budgets.

K. March praised the format of the report, noting that it was much clearer, to which G. Bell agreed. G. Bell referred to section 14 of the Budget and enquired about whether there is any commitment from SFC to look at changes to credit targets and increased tuition fee funding.

S. Hewitt confirmed that the SLT had been receptive to this issue, however noted that progress would require a coordinated sector-wide approach.

R. Young raised concerns over drawdowns, and N. Anderson provided assurance that these continue to be closely monitored as part of the College's cashflow management.

The Committee **APPROVED** the recommendation to the Board to approve the 2026/27 Draft Budget and **NOTED** the indicative budgets for 2027/28 and 2028/29

7. INFRASTRUCTURE

(i) Infrastructure Vision Update

S Hewitt welcomed I Simpson as the new Infrastructure Vision Project Director and invited him to provide an update.

The Committee noted the update on the Infrastructure Vision project and the engagement with staff and students at the Gardyne campus.

Members noted that £700k funding has been secured from the Scottish Funding Council (SFC) to support development of the Outline Business Case (OBC), with submission planned for September 2026.

It was noted that the Green Skills Innovation Hub forms the first phase of the programme, with additional funding being pursued, including £4.5m already secured from the UK Government. I Simpson advised of the intention to appoint Grant Thornton as Financial Advisors.

The Committee noted that work on the OBC is underway, supported by the appointment of a Project Director and external advisors, with design development and staff engagement in progress.

Members noted that governance arrangements will be required over the summer period to support timely approvals.

R Young enquired as to the data and ground risks/mitigations. I Simpson informed the Committee that all sites would be fully appraised and all due diligence would be undertaken.

I Simpson confirmed that Mclaughlin & Harvey had undertaken some initial feasibility work at no cost. The project is currently at the pre-construction services contract stage., under SCAPE but at cost - £385k net of VAT including all their sub-consultants.

G Bell referred to the funding application put to the Tay Cities Deal and I Simpson confirmed that the College was in the final seven projects being considered and hoped to have the outcome by June 2026.

D Fordyce and K Marsh raised the importance of maintaining visibility on the developments, and the possibility of site visits with other colleges, such as Fife, who had completed similar developments.

(ii) Estates Update

The Committee noted the Estates Update.

Members noted that indicative capital funding for maintenance for 2026/27 is £2.654m, consistent with the previous year, with final confirmation pending.

The Committee noted that a programme of backlog maintenance and infrastructure improvement works was being progressed across campuses, with priority projects identified and scheduled for delivery ahead of the 2026/27 academic session where possible.

Members noted ongoing investment in facilities through both planned works and Infrastructure Change Group approvals.

The Committee noted that the new Health and Social Care facility at Gardyne is nearing completion and will provide a high-quality, dementia-friendly training environment for students and professionals.

8. PROCUREMENT

The Committee reviewed and **APPROVED** the four contracts listed in the Procurement update.

9. STRATEGIC RISK REGISTER

S Taylor provided an update on the draft June 2026 Strategic Risk Register and advised the Committee that the only change had been to Risk 2.2 – Failure to achieve institutional

Sustainability, which now included reference to our Financial Strategy. He advised that the risks surrounding the future financial sustainability of the College remain significant and focused savings plans and detailed monitoring are in place as necessary to support on-going sustainability.

The Committee **APPROVED** the update.

10. SUPPORT SERVICES REPORT

The Committee referred to the Support Services Report and B Lawrie thanked N Anderson for the Support Services Report.

BOARD APPROVAL ITEMS

The Committee referred the 2026/27 budget to the Board for further consideration and subsequent approval.

DATE OF NEXT MEETING

Tuesday 8 September 2025 at 5.00pm in Room K-TO-624, Kingsway Campus