

Item: 10

Education, Leisure, and Housing Committee: 15 November 2023.

UHI Orkney – Capital Funding Expenditure Plan.

Report by Corporate Director for Education, Leisure, and Housing.

1. Purpose of Report

To present the Capital Funding Expenditure Plan for UHI Orkney for financial year 2023/24.

2. Recommendations

The Committee is invited to note:

2.1.

That capital funding is allocated from the Scottish Funding Council to UHI with each of the academic partners receiving an annual allocation.

2.2.

That UHI Orkney is required to submit reports to UHI on the capital funding, with a spend plan by September/October and final capital spend by July.

2.3.

The UHI Capital Funding Expenditure Plan for UHI Orkney for financial year 2023/24, attached as Annex 1 to this report, which indicates an allocation of £153,381, with expenditure as at 30 September 2023 of £26,779.

3. Background

3.1.

The Scottish Funding Council sets a sector-wide capital maintenance budget for each academic year which is allocated to Scottish Colleges. The allocation which UHI receives is then allocated to each of the UHI Academic Partners.

3.2.

UHI capital funding allocations for 2023/24 were allocated and notified to the Academic Partners in June 2023.

3.3.

UHI requires submission of reports on this funding during the year, with a spend plan around September/October and final capital spend in July.

3.4.

The expenditure is not required to comply with the Council's definition of Capital Expenditure. The capital funding allocated to UHI Orkney from UHI is to be used for routine maintenance, testing, repairs, redecoration, and replacements – for upkeep of the College.

4. UHI Capital Funding Expenditure Plan 2023/24

4.1.

Capital funding of £153,381 for 2023/24 has been allocated to UHI Orkney for the following:

- Higher Education Capital Maintenance - to be used for buildings maintenance – £4,863.
- Higher Education Business Information and Skills – to be used for physical infrastructure, solely for research purposes only, but can include equipment – £46,394.
- Further Education Capital (Backlog Maintenance) - to be used for buildings maintenance – £13,153.
- Further Education Maintenance – to be used for lifecycle maintenance, for running the College's estate, can include equipment – £88,971.

4.2.

The plan, attached as Annex 1 to this report, was submitted to UHI in September 2023.

4.3.

The funding allocated during 2023/24 is expected to be fully committed by 31 March 2024. If specific expenditure has been committed but goods or services not yet fully received, then an element of the funding will be carried forward to be spent by 31 July 2024, following the UHI guidelines and the Council's accruals process.

4.4.

The capital plan and current expenditure is reviewed weekly by the UHI Orkney senior management team. Expenditure up to September 2023 is £26,779.

5. Corporate Governance

This report relates to UHI Orkney complying with external financial processes and procedures and therefore does not directly support and contribute to improved outcomes for communities as outlined in the Council Plan and the Local Outcomes Improvement Plan.

6. Financial Implications

6.1.

There has been funding allocated from UHI of £153,381 which is detailed within Annex 1 of this report.

6.2.

There is a requirement to ensure all allocated funding is received, spent according to the conditions of the grants awarded, and reported to the funding body which is UHI. The budget for this funding is contained within the UHI Orkney budget and is reported monthly in accordance with the Council's budget monitoring procedures.

7. Legal Aspects

Effective budgeting and monitoring help the Council meet its statutory obligation to secure best value.

8. Contact Officers

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9. Annex

Annex 1: UHI Capital Funding Expenditure Plan 2023/24.

