## 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

James Wylie, Corporate Director for Education, Leisure and Housing, extension 2401, Email james.wylie@orkney.gov.uk.

Peter Diamond, Head of Education, extension 2436, Email <a href="mailto:peter.diamond@orkney.gov.uk">peter.diamond@orkney.gov.uk</a>.

Jane Partridge, Service Manager (Secondary and Tertiary), extension 2419, Email <u>jane.partridge@orkney.gov.uk</u>.

## 9. Annex

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

UNIVERSITY OF THE HIGHLANDS AND ISLANDS	APPENDIX I
Capital Expenditure Plan 2023-24	

Academic Partner

The table below should cover all capital investment plans that involve and are funded (fully or in part) by SFC/BIS (as appropriate) capital funding allocations & FE capital grants, and should include partners own contributions. (Please add more rows as necessary)

				FY 23-24 BUDGETED (ESTIMATED) capital expenditure								FY 23-24 ACTUAL capital expenditure										
	Description of project	Link to estate strategy	How proposals meet criteria	HE Capital Maintenance £	HE BIS	HE BIS (additional)	FE Capital (Backlog Maintenance)	, , , , , ,	Own £	Loan £	Other £	TOTAL £	HE Capital Maintenance £	HE BIS	HE BIS (additional)	FE Capital (Backlog Maintenance)	FE Lifecycle Maintenance £	Own £	Loan £	Other £	TOTAL £	
Area	of expenditure: <u>please insert as appropriate</u> (e.g. new build, i	refurbishment, capital equipment, etc.)			,																	
Pleas		consistent with, your estate strategy.	Please describe how the project meets the funding criteria		46.004																	
1	Archaeology - new vehicle INS - Estate - costs associated with relocation to larger premises to accommodate PhD numbers.	To have a sustainable research profile.	Maintaining and developing excellence in reseach areas.		46,394							46,394									Ů	
2	Rolling repairs and maintenance, including statutory testing, reactive works, materials, furniture	Estates maintainance	To maintain estate to current or better quality	4,863	1		13,153	43,971				61,987	4,863			10,249	3,739				18,851	
3	Caretaker and OIC Technical Services Recharges- estates maintenance	Estates maintainance	To maintain estate to current or better quality					17,000				17,000					3,672				3,672	
4		Equipment upgrades or new to allow effective course delivery and course development	To provide relevant modern equipment for students and staff					20,000				20,000					4,256				4,256	
5	Equipment for Departments - Mixer replacement for old mixer which was beyond repair.	Estates maintainance	To maintain estate to current or better quality					8,000				8,000									0	
6												0									0	
7												0									0	
8												0		•					·		0	
9												0									0	
			Area of expenditure sub-total	4,863	46,394	0	13,153	88,971	0	0	0	153,381	4,863	(	0	10,249	11,667	0	0	0	26,779	

Where appropriate, I confirm that all BIS Research Capital Investment Funding will be / has been spent on research infrastructure (delete as appropriate)

Institutional contact name (to be used for all future correspondence	Jane Partridge / Avril Litts
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Date:	