

Item: 5

College Management Council Sub-committee: 24 January 2023.

Orkney College – UHI Capital Funding Expenditure Plan 2022/23.

Report by Corporate Director for Education, Leisure and Housing.

1. Purpose of Report

To present the University of The Highlands and Islands (UHI) Capital Funding Expenditure Plan for Orkney College for financial year 2022/23.

2. Recommendations

The Sub-committee is invited to note:

2.1.

That capital funding is allocated from the Scottish Funding Council to the University of The Highlands and Islands (UHI), with each of the academic partners receiving an annual allocation.

2.2.

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

2.3.

The UHI Capital Funding Expenditure Plan for Orkney College for financial year 2022/23, attached as Annex 1 to this report, which indicates an allocation of £170,175, with expenditure as at 31 December 2022 of £100,800.

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 are expected to be allocated and notified to the Academic Partners around June 2023.

3.3.

The UHI requires submission of reports on this funding during the year, with a spend plan around 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 Orkney College from UHI, is used for routine maintenance, testing, repairs, redecoration, and replacements – for upkeep of the College.

4. UHI Capital Funding Expenditure Plan 2022/23

4.1.

Capital funding of £170,175 for 2022/23 has been allocated to Orkney College for the following:

- Higher Education Capital Maintenance - to be used for buildings maintenance – £25,715.
- Higher Education Business Information and Skills – to be used for physical infrastructure, solely for research purposes only, but can include equipment – £42,335.
- Further Education Capital (Backlog Maintenance) - to be used for buildings maintenance – £13,154.
- 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 October 2022.

4.3.

The funding allocated during 2022/23 is expected to be fully committed by 31 March 2023. 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 2023, following the UHI guidelines and the Council's accruals process.

4.4.

The capital plan and current expenditure is reviewed weekly by the Orkney College senior management team. Expenditure up to December 2022 is £100,800.

5. Corporate Governance

This report relates to Orkney College 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 £170,175 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 Orkney College budget and is reported monthly in accordance with the Council's budget monitoring procedures.

7. Legal Aspects

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

8. Contact Officer

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9. Annex

Annex 1: UHI Capital Funding Expenditure Plan 2022/23.

Appendix 1

UNIVERSITY OF THE HIGHLANDS AND ISLANDS


Capital Expenditure Plan 2022-23

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)

Description of project	Link to estate strategy	How proposals meet criteria	FY22-23 ESTIMATED capital expenditure							FY22-23 ACTUAL capital expenditure								
			HE Capital Maintenance	HE BIS	FE Capital (Backlog Maintenance)	FE Maintenance	Own	Loan	Other	TOTAL	HE Capital Maintenance	HE BIS	FE Capital (Backlog Maintenance)	FE Maintenance	Own	Loan	Other	TOTAL
			£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Area of expenditure: please insert as appropriate (e.g. new build, refurbishment, capital equipment, etc.)																		
Please provide a full and clear description of each project.			Please describe how the project links to, and is consistent with, your estate strategy.			Please describe how the project meets the funding criteria												
1	Archaeology - new vehicle £27,500 INS - Estate - costs associated with relocation to larger premises to accommodate PhD numbers £15,500	To have a sustainable research profile.		42,335														0
2	Rolling repairs and maintenance, including statutory testing, reactive works, materials, furniture	Estates maintainance	15,915			21,425												0
3	2b - Backlog maintenance project - Flooring lecture theatre	Estates maintainance			5,700													0
4	2c - Backlog maintenance project - Restaurant Refurbishment	Estates maintainance			5,025													0
5	Caretaker and OIC Technical Services Recharges- estates maintenance	Estates maintainance	9,800			9,800												0
6	IT Equipment for Departments	Equipment upgrades or new to allow effective course delivery and course development				40,146												0
7	Equipment for Departments - Fire Rig maintenance - welding and painting.	Estates maintainance				10,000												0
8	Equipment for Departments - Mixer replacement for old mixer which was beyond repair.	Estates maintainance				7,600												0
9	2d - Backlog maintenance project - painting portacabins	Estates maintainance			1,700													0
10	2e - Backlog maintenance other	Estates maintainance			729													0
11																		0
12																		0
Area of expenditure sub-total			25,715	42,335	13,154	88,971	0	0	0	0	170,175	0	0	0	0	0	0	0

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

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Date:	12th October 2022