

**THE COLLEGE OF RICHARD COLLYER**  
**MINUTES OF**  
**THE FINANCE & GENERAL PURPOSES COMMITTEE MEETING**  
**HELD ON MONDAY 26<sup>th</sup> NOVEMBER 2018 at 16.15.**

Present: Mrs Sally Bromley, Mr Tom Cox, Miss Ann Donoghue, Mrs Patrice Mantey,  
Mrs Helen Smith, Mr Robert Yorke, Mr Sam Uzzell

Apologies received: Dr David Skipp

In attendance: Mr Kevin Casey (for Agenda item 5), Mr Ian Dumbleton, Ms Andrea John,  
Mr Dan Lodge, Mr Steve Martell, Ms Nicola Whitehead

In the Chair: Miss Ann Donoghue

*The Chair welcomed Mrs Helen Smith to her first meeting of the committee as a full governor and thanked Mr Tom Cox for returning from leave for the meeting. Members were content with the proposed consent items and priorities for discussion.*

2247. **Declaration of interests** None.

2248. **Minutes (Parts I and II)** of the meeting held on 28<sup>th</sup> June 2018 were approved.

2249. **Matters arising**

**Item 2212:** The Finance Director confirmed that the **S106 money** had been received and placed in a 95 day notice account.

**Item 2238:** The Finance Director informed the committee that the safeguards on bank account deposits did not apply to business accounts such as the College's. As such the target in the Treasury Management Report reflected the policy of investing with institutions with relatively high credit ratings- currently, Lloyds and Barclays banks and Nationwide Building Society.

**Item 2240: Support for University visits:** carried forward.

**Item 2242ii and ii:** The Principal advised members of her intention to enhance the **tracking of HR issues** so that governors could be clearer on progress and outcomes. The Vice Principal reported that he had studied the Market Research Society's guidelines highlighted by the co-optee at the last meeting and would bear these in mind when considering incentives to complete the **annual student surveys**.

2250. **Digital Strategic Plan 2017-20 Annual Report**

*Paper: Digital Strategic Plan Update*

*[16.25 Mr Casey joined the meeting]*

The Director of Information Services explained that the IT team had progressed well with the Digital Strategic Plan whilst addressing fresh ideas where these were a priority. There had been a steady migration to use of the Cloud with limited system downtime, a much improved e-application system incorporating interview bookings and further time savings through the BACS payment system. A review of progress and further priorities would now be undertaken by the MIS/ Digital Strategy Group. The Chair asked if development of the plan might include support to the priorities identified in pursuit of the Marketing Strategy. **(Action: Director of Information Services to consider)**

Members and SMT thanked Mr Casey and the IT team for their flexibility and hard work in fulfilling the plan.

[16.35 Mr Casey left the meeting]

2251. **Marketing Strategy 2018-20**

*Paper: Marketing Strategy*

The Deputy Principal explained that the strategy was designed to deliver on a target of 2000 students by 2020 with the immediate focus on developing the College brand, the use of social media and updating the website. Members supported these priority areas with further articulation of the brand particularly welcome to ensure that staff, students and governors were consistent in identifying and promoting the College brand (**Action: Deputy Principal**). They recognised the considerable efforts, most notably by the Deputy Principal, in securing extensive coverage in the local press and in fulfilling an ambitious programme of school visits with support from student ambassadors. Members agreed that a revamp of the website would help draw students and parents to these events and those at the College. They appreciated the value for money activities undertaken, as recognised by recent internal audit reviews, whilst supporting the SMT's plans to invest in some well-aimed external expertise to help promote growth. Asked about the potential for expansion of travel bursaries, the Principal advised a prudent and targeted approach given the high costs involved. The Chair commented on the strong lead from the Principal and SMT in promoting the College.

**Resolved: The F&GP Committee approved the Marketing Strategy subject to the amendment proposed**

2252. **Collyer's International**

*Paper: International Student Report 2018, Collyer's International Strategy, Chinese flyer, Investment Appraisal*

The Principal explained that the international provision at Collyer's had been expanded in the last year in terms of the:

- *course offer* - starting in January 2018 the College had recruited two students to a January to June pre A level course;
- *structure* – a new collaboration with Guangya School in China from September 2018 offered the second year of the A Level course only with students studying Year 1 in China following Collyer's schemes of work and assessment schedules;
- *range of countries/ geographical areas* from which the College recruited students. The Principal had signed a contract to take A level students from Iran and Vietnam and the Vice Principal had had conversations with senior staff from Rikkyo School near Guildford regarding Japanese students spending a term at Collyer's. The Deputy Principal had secured contracts with schools in Beijing and Shanghai. (Looking forward members commented also on the potential for EU students post-Brexit);
- *appointment of:* an international tutor, a Relationship Manager based in China and Hong Kong, and recently the appointment of a new Director of Admissions and Marketing;
- *engagement of* ex Director of International students at AoC to draw up an **international strategy** for the college. This would now be discussed further by the Deputy Principal with the new Director of Admissions and Marketing to help produce a College strategy to guide the way forward.

With regard to accommodation the Principal confirmed that a new international block was on hold for the foreseeable future but the limiting factor of Homestay accommodation meant that alternative options were being considered. Bexhill College was cited as having been successful in accommodating international students through a number of house purchases. Asked in turn for their comments, members touched on safeguarding issues (with a house parent approach likely to be needed), the additional management and administrative workload, the pros and cons of using liquidity or borrowing to fund a house purchase and the

potential for a financial return taking account of e.g. the potential increase in international student income as well as rent costs and the Horsham property market. The Principal agreed that further detailed analysis of all the accommodation options would be helpful for the next meeting with particular reference to the financial position (costs, returns, funding) but also covering risks e.g. student numbers as well as issues such as safeguarding in order to facilitate a full appraisal and endorsement of a recommended approach if needed.

**(Action: i) Principal and Finance Director; ii) Chair/Vice Chair/F&GP members to seek to visit Bexhill College to help with their understanding)**

Discussion turned to investment strategy as distinct from but complementary to the issue of international accommodation. It was proposed that independent advice be sought to inform how cash reserves were best used and the position of residential property within this to help inform any decisions on both issues. The trustees' investment managers might be a source of investment advice in due course, were this route to look feasible, but a broader look was advised at the outset. **(Action: Principal and Finance Director)**

2253. **Report from the Estates Sub-Committee (and Health and Safety Committee)**

*Paper: Minutes of the meetings of (26<sup>th</sup> September 2018) and 5<sup>th</sup> November 2018; HNW Architect's MasterPlan; Post-project reviews for the Sports Hall and WSM/Childcare works*

The Principal reported on the high level **HNW Master Plan** covering 8 potential phases of building work based on the priorities listed in the Property Strategy 2018-2021. In parallel with the work of HNW architects, the Principal had engaged consultant David Friend to draw up a detailed analysis of the College site and its capacity to inform the **CIF bid** to be submitted in December 2018 for Phases 1b – 3 related to the construction of GB2. The total works were anticipated to cost c. £4m, the threshold for CIF bids, with advice received to submit a comprehensive visionary bid with a contribution from the College of up to a third of the cost strengthen the College's case. The ESC had received a presentation from HNW and discussed the minor changes proposed to the GB2 design and subsequent planning implications. The Nursery had been kept in touch with the potential timetable for works. Competition for the funds was likely to be fierce in spite of a professional bid with bids in subsequent years possible if unsuccessful in the current round.

Members were content with the scope of the bid beyond that envisaged in the Property Strategy approved in July 2018. In the light of the recent S106 funding and potential for T level support in addition to the underlying healthy cash balances of the College, they were also satisfied that the College had sufficient liquidity to be able to afford the contribution proposed. They noted that, though not ideal, some revision to the scope of the plans would be possible in due course and welcomed the confirmation that a more detailed budget would be presented to the Committee and Governing Body were the bid successful.

**Recommendation: that the Governing Body approve i) the package of Phases 1b-3 as the basis for the CIF bid and ii) a College contribution of up to a third.**

Members noted the satisfactory completion of the **Sports Hall works** (final cost £82k against an F&GP approved budget of £88k) as well as that of the **WSM/EYE works** (final out turn £15k against a budget of £18k approved by the Principal within her delegated threshold).

**Resolved: The F&GP Committee approved the Post Project Reviews for the Sports Hall and West Sussex Music/ EYE related works.**

2254. **Report and Financial Statements**

*Paper: Report and Financial Statements 2017-18*

The Finance Director reported that the Audit Committee had examined the Audit Findings Report on 21<sup>st</sup> November with some changes proposed better to reflect the evidence found. F&GP were invited to examine the financial aspects of the Report and Financial Statements.

The College had achieved a good operating surplus of £571,000 as reported in the management accounts. After making a non-cash charge of £300,000 in relation to the Local Government Pension Scheme (LGPS), together with two other smaller non-cash adjustments, the surplus for the year was £256,000. The College had a cash balance of £3.9 million at the 31 July 2018. Subsequent to the year end the College had received circa £562,000 from WSCC relating to section 106 money which had been included in the year end accounts as a debtor. The cash position had therefore strengthened further. The audit findings report had recommended that Governors give specific consideration to the planned use of the cash funds and consider alternative options (see 2252 above).

Members raised a number of minor amendments and requested that note 19 be expanded to explain the difference between the P&L figure in the Financial Statements and the management accounts. It was also suggested that Charity Commission rules be checked to ensure that a house purchase for international students would be compliant given the College's exempt charity status (**Action: Finance Director**).

**Recommendation: That the Governing Body approve the Report and Financial Statements at their next meeting (subject to any comments from the Audit Committee).**

**2255. Management Accounts**

*Paper: Financial report for the period 1<sup>st</sup> August to 31<sup>st</sup> October 2018*

Members noted the year had started well with a deficit of £18,496 at 31 October 2018, £30,468 more favourable a position than budgeted. Additional income generated from international students and lettings, for example, had more than offset some additional costs to date. The College remained on track to meet the budgeted surplus of £6,847 for the year, with a satisfactory outcome of pay negotiations a key driver.

**Recommendation: That the Governing Body approve the first quarter Management Accounts.**

**2256. Letter from the ESFA ref Financial Plan 2017-19 incl. dashboard**

*Paper: Letter from EFA regarding Collyer's Financial Plan, ESFA benchmarking dashboard report*

The Principal reported that, based on the College's forecast outturn for the year ending 31 July 2018, which had now been agreed by the external auditors, the ESFA funding body had assessed the College's financial health grade as Outstanding. They had also assessed the College's financial health grade as Outstanding based on its budget for the current year, 2018-19.

Members welcomed the ESFA's Financial Health Dashboard to help view trends and comparisons within the Sixth Form College Sector. They noted that the deficit of c. £49k forecast for 2019-2020 was now anticipated to be a c. £51k surplus. That said, the Principal wished to highlight that, (following some Government relief offered for 2019-20), that the additional cost of employer contributions to the Teacher Pension Scheme from September 2020 meant that the college forecast for 2020-2021 would place the college in the 'Good' financial health category for the first time, rather than outstanding. This might be addressed by possible additional funding in the Autumn CSR but the forecasts would need to be submitted in June 2019 before the CSR outcome was known.

**2257. Amendments to Financial Regulations**

*Paper: Extracts from Financial Regulations*

The Finance Director reminded members that, following discussion at the last F&GP meeting, a decision on raising thresholds on procurement was carried forward subject to further explanation of the processes and safeguards at different levels of expenditure across the college - including but not exclusive to building works. Members noted that budget setting and

control had received 'full' assurance in the 18-19 internal audit review by MHA MacIntyre Hudson and that the value for money requirement had also been subject to an internal audit, receiving substantial assurance. The auditors had noted many instances where significant savings had been achieved, and that the use of Purchasing Consortium arrangements by the College had led to further savings. Members proposed that the provisions relating to bulk orders for individual items each under £2k be amended to ensure clarity that these were subject to the same vfm rigour (**Action: Finance Director**).

On the basis of the assurance offered, members were content to approve a small number of drafting amendments and the amended thresholds so that tenders were required on projects over £75k (incl VAT) – currently £50k and that the value of a contract requiring three competitive quotes could be raised from £30k to £50k with the Finance Director retaining discretion for the appropriate methodology in the £50-£75k range. By extension it was proposed that F&GP also be given powers to approve projects up to £150k incl VAT (currently £100k) **subject to Governing Body approval of this higher level of delegation.**

**Resolved: The changes to the Financial Regulations were agreed subject to the point of clarity sought and Governing Body input on the delegated project approval limit for F&GP.**

2258. **Complaints/ Appeals Report 17-18**

*Paper: Complaints/ Appeals Report*

The Principal explained that a number of complaints were made to the college each year, largely dealt with by Faculty Heads and Heads of House but sometimes escalated to members of SMT. The complaints listed in the report were those which were escalated to the Principal and/or Chair of Governors in the period September 2018 - September 2019. These related to admissions, students with study support or health support requirements and complaints about student behaviour outside college.

Governors welcomed the report, commenting on the modest number of complaints and that they appeared to have been well-handled.

2259. **Policies**

*Papers: Health and Safety and Fire Policies 2018*

Members noted that there had been minimal changes made to the Fire Safety Policy related to nominated fire marshal staff and their deputies due to staff changes. No updates had seemed necessary to the Health and Safety Policy.

**Recommendation: that the Governing Body approve the changes to the Health and Safety and Fire Safety Policies.**

2260. **HR Update**

*Papers: SMCG meeting notes of 21<sup>st</sup> September and 2<sup>nd</sup> November; Exit interview report, KPIs*

The Principal reported on a number of staff issues relating to performance management and ill-health as well as a process of redundancy. Members noted also the contents of the annual exit interview report and the action taken to reinforce safeguarding through, for example, additional staff guidance and revised arrangements with dated wristbands where student lanyards were not worn. They recognised the financial constraints in addressing an issue raised by part-time staff and were assured that there were no issues of discrimination. They explored the comments on career progression and the College's transparent systems for re-evaluation of roles to recognise additional responsibilities. In summary, members commented on the largely very positive and constructive feedback which reflected the value placed on Collyer's as an employer.

Finally members noted the current number of students of 1999 with 1936 funded. The final number for lagged funding would be known in January.

2261. **Community/Sector Update**

*Papers: Community Engagement Statement 2018; Letter from Rt Hon Anne Milton MP to Jeremy Quin MP;*

The Principal explained that the letter shared with members from the Minister of State to Jeremy Quin MP was in response to a letter written to Jeremy by the Principal at the start of term specifically regarding the Pay Grant which had not been extended to SFCs as well as more broadly SFC funding challenges. Horsham's MP was expected to be coming to college to discuss the funding challenges with the Principal in November or December 2018. Members noted the details of the AoC and SFCA funding campaigns which governors had been urged to support as well as likelihood of protracted pay negotiations for the annual pay rise.

The Principal drew attention also to the updated Community Engagement Statement 2018 and particularly the new partnership with West Sussex Music and communications with Bohunt regarding the new 11-16 school in Horsham.

2262. **Any Other Business**

The Chair reported to the Committee on recent discussions by the Nominations Committee recommending a new Remunerations Committee to consider SPH and Clerk pay and appraisal with effect from the Summer Term 2019. It was intended that this be a response to latest best practice advice from the AoC and help relieve the pressure on F&GP's agendas in the summer term. Governing Body approval in principle would be sought at the next meeting.

2263. **Meeting assessment**

Members commented on the extensive agenda and preparation time required to do it justice. Sight of the Audit Findings Report recommended by the Audit Committee in the context of endorsement of the Financial Statements had been helpful. It was thought that discussion of the investment appraisal (Item 7iii) might have been less protracted if members had been clearer as to the intended outcomes.

2264. **Date of next meeting(s): Monday 18<sup>th</sup> March 2019 at 16.15.**

The meeting ended at 18.30.

Chair ....

Date .....