

THE COLLEGE OF RICHARD COLLYER
MINUTES OF
THE FINANCE & GENERAL PURPOSES COMMITTEE MEETING
HELD ON MONDAY, 2nd MARCH 2020 at 16.15

Present: Mrs Sally Bromley, Mr Tom Cox, Mrs Ann Donoghue, Mr Graham Lawrence, Dr David Skipp, Mr Paul Mittendorfer, Mr Robert Yorke

Apologies received: Mr Sam Uzzell

In attendance: Mr Kevin Casey (Item 5: Min 2324), Mr Ian Dumbleton, Ms Andrea John, Mr Dan Lodge, Mr Steve Martell, Ms Nicola Whitehead

In the Chair: Mrs Ann Donoghue

2320. **Declaration of interests** None

2321. **Minutes of the meeting held on 18th November 2019 were approved.**

2322. **Matters arising**

Item 2307: The Principal shared a report which reflected a **Non EU Income Cost Analysis by the Finance Director on international student activity**. This included direct costs associated with staffing, promotion and advertising costs. The surplus generated from the recruitment of international students in 2019 -2020 was forecast to be £335,650 – plus a further £19k since the report had been written. This did not take account of short courses which had run in the spring term and, it was hoped, would be repeated in the summer.

The College hoped to expand the type of course offered to international students to include short cultural/study opportunities for 3-6 weeks and intensive University application and interview courses for 3-6 weeks. Seven students from Switzerland were studying at Collyer's in 2019-2020. January to June courses and one year Year 2 A level courses had already been introduced for eleven students from Guangya High School in Guangzhou. The College was feeling its way in terms of development and monitoring and considering the demands of short term homestays.

Members welcomed the greater clarification of costs. In response to questions the Principal explained that the College was reviewing agents' fees to be as consistent and cost-effective as possible, with the original agent and the special arrangements with a Hampshire college the only current anomalies. **She agreed that with greater diversity in the offer, it would be helpful to see the relative costs and benefits per type of provision in future reports.** *(Action: Principal and Finance Director).*

In terms of fees charged, members noted that these were fairly consistent across colleges. Collyer's did not propose to raise its fees for 2020/21 but would continue to review this annually.

Item 2310: The ESC Chair reported on the Finance Director's helpful **explanation of the pensions position**. In future he asked that the equivalent Note 19 be expanded to explain the make-up of the overall figure to be more transparent. *(Action: FD to ask RSM)*

Item 2313: The Principal explained that the **tariff change** had been approved by the Governing Body and the SMCG further consulted. The decision had been well received with work ongoing on the complexities of making the changes with the payroll provider .

Item 2313 b) Members noted the state of play in the ongoing **pay talks**. Collyer's had not suffered any industrial action but welcomed some signs of progress.

Item 2316: The Deputy Principal explained that Collyer's would be speaking further with Bohunt with a view to recognising them as one of the College's **partner schools**.

2323. **Digital Strategy Annual Report**

Paper: Digital Strategy Annual Report

Members noted the main areas of progress to include more energy-efficient main servers and all system backups now using Azure (the cloud). (Members noted too that in terms of use of the Cloud, the College was 60-70% there and should be at 95% by the end of the next strategy.) The wireless and network infrastructure had also been upgraded. The IT Manager had performed good disaster recovery testing which meant the College could set up again within c. 24 hrs if necessary. Smoothwall smart software had been installed. The recording of lessons had not proved as flexible as desired but teachers were frequently using Podcast and were moving their subject VLE to SharePoint. Student interview appointments were visible on MyApplication and more support needs information was being collected. The system had been extended to Adult Ed applications which reduced errors and improved access to information.

L3VA implementation continued to be improved and forecast ALPs grades were now available for comparison. The system was much more responsive and easily updated with, for example, results in the summer able to feed straight into assessment of outcomes. Internal progression of intermediate students to Level 3 courses was now done electronically on MyProgress. Though the new MyProgress database structure was improved, much work had yet to be done to migrate across to the new system and fulfil its potential.

Enhancements to MyStudent (multiple guardian access) and improvements to the trips management system were in need of further development. Some areas had been identified as currently being too costly such as purely electronic enrolment (which did however allow for greater staff/ student interface) and Smart ID cards for attendance. Some software packages had been bought e.g. CINTRA.

The Chair thanked the DIS for the update, noting the flexibility in reviewing the plan to remain forward-thinking with discussion in the MIS and Digital Strategy Group meetings. She expressed an interest in learning more about **the framework for decision-making** to ensure effective prioritisation taking account of timeframes, costs, vfm, need and compliance issues. The next report – or indeed soon to be revised strategy for 2020-23 – might usefully include this. **(Action: DIS)**

Members noted that, in terms of benchmarking, digital strategies as such were not shared with other colleges such as S7 but IT ideas were shared at MIS and IT manager level and the JISC support was valuable. SMT's networks were also often fruitful in learning of effective strategies which might be of benefit to Collyer's.

The Chair thanked the DIS for his comprehensive report and the continuing commitment to improvements.

[16.46 The DP and DIS left the meeting]

2324. Management accounts

Paper: Management accounts to end January 2020

The Finance Director explained that the **financial position at the end of January** was, in spite of a deficit of £159,052, **better than budget by £57,450**. Payroll costs were over budget by circa £64,000 due to some unbudgeted pay spine movements (with a future system change now introduced) and the additional staffing required to properly resource the large increase in students enrolled in the current year. Non-pay expenditure was over budget by circa £67,000 owing to the very late receipt of an invoice for £36,350 from an overseas agent. In addition, there had been attendant costs to support the increased international student income generated. There had also been a significant amount of additional income generated from lettings, adult education fees, Mercers' grants, and the refectory, which had contributed to the reduced deficit. The cash position at the end of January remained strong.

Members welcomed the favourable movement against budget. The ESC Chair requested that the variances be more clearly documented, at least at the mid-year stage as per the mid-year forecast update. It was hoped this could be extracted from the system with minimal effort. *(Action: FD to test consensus and report as appropriate)*

Recommendation: That the Governing Body approve the Management accounts to end January 2020.

2325. Mid-year update of the Financial Forecast

Paper: Mid-year update of the Financial Forecast 2018/19

- a) The Finance Director explained that, further to his written report (which quoted an increased surplus of £10,632) the **forecast surplus was now up by c.£12k to £18,864** owing primarily to additional income generated, mainly from non-EU fee paying students. The Adult Education fee income was significantly up, as were lettings. Significant unbudgeted ESFA funding of £85,000 had also been received to assist with early adoption of T Levels. There had also been additional ESFA funding to support the increase in Teachers' Pensions costs and up from recognition of Mercers' grant funding.

Offsetting this additional income, there had been some significant additional expenditure items (see item 2324 above). Other key variances on income included more favourable bank interest owing to the base rate increase and, to a lesser extent, a staff payment from QEII. The additional funding for the increased number of 16-18 year old students in 2019/20 would not be received until the next academic year due to lagged funding. Overall the College was likely to exceed the budgeted surplus for the year and this was reflected in the mid-year budget review and forecast. This assumed, however, that the negotiated national cost of living increase for the sector was no more than the 1.5% budgeted.

[17.08 The DP rejoined the meeting]

The only change to the original **capital budget** was that there would be some preliminary costs associated with the CIF bid. This mainly involved architect's fees but these were not expected to be significant at this stage.

Recommendation: that the Governing Body approved the mid-year update to the Financial Forecast at their next meeting.

b) ESFA Integrated model

Turning to the **recent approval by written resolution by the Governing Body of the new ESFA Finance return**, the Clerk confirmed that 12 of the 14 eligible governors (excluding student governors) had responded favourably by 24th February, **a clear majority**.

The Finance Director demonstrated the new return, explaining that the tabs of most interest to governors were likely to be 'Fin Stat' and 'Financial Health'. The former showed in row 59 that the College was forecasting a surplus of £11k in FY20 (Financial Year 20); £349k in FY 21, and £19k in FY 22. The reason for the big increase in FY21 was due to the increase in the National Funding Rate per student and the new Higher Value Course Premium. For FY22, the additional funding of £250k for Teachers' Pensions had been excluded as the government had only committed to fund this until July 2021. The cash balance (row 84) was projected to remain healthy. The 'Financial Health' tab gave the College an **'Outstanding' financial grade for the last financial year, this financial year, and each of the two following years**. The College would however be watching the outcome of the pay negotiations carefully.

Members noted the **advantages of the integrated system in the long run** once the complexities of setting up the model had been resolved. Going forward the next return was expected to fall due in November 2020 when the accounts would barely have been resolved and there may yet be pay unknowns. The Principal commented on the **crucial CSR** which, it was hoped would provide greater clarity on the **per student fee and possibly further comfort on funding the TPS increase beyond July 2021**.

Members thanked the Finance Director for his report and tenacity in transferring to the new model.

2326. Fees and charges

Paper: Fees and charges 2020/21

The Finance Director reported on the **minimal proposed changes in fees** e.g. on parking having already approved an increase for international students for 2019/20 the previous year. Adult Ed fees had yet to be determined prior to publication on the website. Members noted that the admin charge for EU students related to a payment by the homestay families in relation to the Swiss cohort.

2327. Policies: Freedom of Information

Paper: Publication Scheme and Guide

Members were content with the minor changes to these documents to reflect the FoI/ GDPR balance and changes in the documents in existence. They noted the College's compliance with required timescales for a response.

Resolved: The F&GP Governing Body approved the updated Publication Scheme and associated guide.

2328. Report from the Estates Sub-Committee

Paper: H&S Committee minutes (6.2.20) and H&S officer's report

The Committee noted that the **ESC meeting had been postponed to allow for consideration of the tenders for the Digihub**. The Principal explained that the ESC Chair had been involved in signing off the tenders and draft contract. **Bids were due by 6 March**. The ESC's recommendation for the **Digital hub contractor** would normally be endorsed by the F&GP Committee prior to approval of the Governing Body. The timing of the tender

meant however that this recommendation was **to be considered directly by the Governing Body at its meeting on 31st March**, shared in advance with the F&GP co-optee. The College did not expect to hear about the CIF bid until April.

The Principal explained that there had been recent notification of an **additional T level bidding process** (TLCP) requiring matched funding and a maximum ESFA contribution of £500k. Bids for a portion of the £95m fund had **to be submitted in mid-April**.

Members noted the minutes of the H&S Committee. Of most note were the **additional security measures** e.g. bollards outside Library, and the decision to pursue a **new Lockdown Policy**.

2329. HR report

Papers: Summary paper, KPIs, SMCG meeting notes of 8.11.19 and 24.1.20)

The Principal reported on a number of positive new developments including **new staff appointments** in IT Support, Economics (maternity cover) and Student Services as well as internal appointment of a new Head of Chemistry. There were **no issues of staff performance management, redundancy or restructuring**, one case of long term sickness absence for which internal cover had been arranged, four instances of maternity leave and two requests for shared parental leave.

Governors noted the **encouraging data for applications (on target) in the KPIs**. Attendance was slightly lower than in 2018 but still much higher than in 2016 before the new system. SMT continued to pay attention to the retention factor. In terms of progress, members noted that, in spite of the College's sophisticated modelling and whilst the higher grade predictions looked encouraging, it was challenging to accurately predict L3VA (value-added) outcomes. That said there had been **good progress made in accurate formative assessment and the SAR meetings had demonstrated greater confidence in the data and predictions**. The higher pay costs as a percentage of income were due in large part to the increases in pension costs. The College had not yet received its funding allocation for 20/21 owing to problems with the portal impacting on c. half of colleges.

The main topics discussed by the SMCG of the progress made by Work Load groups, job evaluation and national pay negotiations were also noted.

Finally, in recognition of the achievement in the 2019 results and the move of the Wellbeing day to the end of the year, the Principal recommended an additional day be offered to staff on Monday 13th July. This would have no impact on teaching. Members agreed this would be a desirable gesture to give some time back to staff.

Recommendation: That the Governing Body approve the additional Wellbeing Day.

2330. AoB.

The Principal explained that with regard to the **Coronavirus**, she was **following PHE advice**. The international students had been given clear guidance on the implications of returning home during the February half-term and at Easter. She was in frequent contact with parents – by e-mail and through website announcements - and was making regular announcements to staff. There were clear signs of anxiety amongst parents and students.

The DfE continued to state that schools should not close even if someone were diagnosed. The College would close at easter for a deep clean and supplies of hand gel etc were sufficient to last until May. Staff had been alerted to look out for racist issues. The Disaster Recovery Group meeting on 16th March would consider plans further.

2331. Governance Quality Framework and Meeting assessment

Members believed the meeting had been well chaired to conclude within the target two hours whilst allowing sufficient time for discussion.

The Chair thanked Robert Yorke for all his contributions to F&GP and the ESC in anticipation of the end of his term of appointment at the end of the month.

2332. Date of next meeting: Thursday 21st May (HR) at 10.30 and Monday 29th June 2020 at 16.15.

The meeting ended at 18.03

Chair.....

Date

NCW 22/03/20