

## THE COLLEGE OF RICHARD COLLYER

### MINUTES OF THE FINANCE & GENERAL PURPOSES COMMITTEE MEETING HELD ON MONDAY, 29<sup>th</sup> JUNE 2020 at 16.15pm (by Zoom)

Present: Mrs Sally Bromley, Ms Ann Donoghue, Mr Paul Mittendorfer  
Mrs Helen Smith, Mr Tom Cox, Dr David Skipp, Mr Sam Uzzell

Apologies received: N/A

In attendance: Mr Ian Dumbleton, Ms Andrea John, Mr Dan Lodge, Mr Steve Martell, Ms Nicola Whitehead

In the Chair: Ms Ann Donoghue

2343. **Declaration of interests** None

2344. **Minutes** of the meeting held on 21<sup>st</sup> May 2020 were approved (subject to some minor corrections).

2345. **Matters arising**

**Item 2336a:** The Committee Chair reminded members that the Remuneration Committee had agreed **pay recommendations** for SMT totalling c. £10k (excl. on costs) The picture had been **updated** in the light of the Principal's recruitment and further discussion of the Clerk. The FD had been updated for the purposes of budgeting and forecasting and governors would be given the detailed figures in confidence for approval at the Governing Body meeting on the 9<sup>th</sup>.

**Item 2338b:** The VP (Quality and Curriculum) reported on the difficulties in progressing **benchmarking** across S7 on appraisal and absence when colleges were working in such unusual circumstances focussing on supporting students through the summer term and preparing for enrolment in September.

2346. **Report from the Estates Sub-Committee (ESC)**

*Papers: Health and Safety Minutes and report of 20<sup>th</sup> May 2020*

Members noted the verbal update from the Chair of the preceding meeting including the following key points:

- i. Early start on the **Digihub** in the absence of students on site but current delays owing to glass/ aluminium frame supply. Mitigating actions in place to seek to complete by end August/ early September (including fitting out) **in time for lesson starts**. Project expected to be completed **within agreed budget**.
- ii. Further information provided to loss adjuster re **GB1**;
- iii. **Larger than usual planned maintenance programme** totalling c.£122k (and as such extending into Autumn term) funded by usual ESFA grant and the College;
- iv. **Successor co-optee** to the Sub-Committee being sought with appropriate expertise.

- v. Reports from the Estates Manager/ **Health and Safety Officer** including the **impact of the Covid-19 lockdown on operational practice to ensure a safe site.**

2347. **Property Strategy**

*Paper: Property Strategy Update June 2020*

The Principal shared the breaking news of the **CIF 2020 outcome** with disappointment for the College. Further feedback would be sought but on first sight, smaller refurbishment projects seemed to have been more successful. Members noted that the outcome of the recently submitted parallel bid for TLCF funding was expected in October with a further possible CIF round at the end of the year. They supported the proposal **to continue to be as shovel-ready as possible** for the Shelley Building through gaining planning consent for the Nursery move, appointing professional services, refining the timeline and preparing tenders.

2348. **Site Security Policy**

*Paper: Site Security Policy*

The Principal explained that this was a **new policy** to meet the **Department for Education's expectation** that colleges have such a policy to manage and respond to **security related incidents**. The policy **complemented existing arrangements set out in the health and safety and safeguarding policies** and, like them, could be supplemented with more detailed procedures in due course to reflect current development work. **Members proposed changes** to be clearer on the potential timing of risk assessments, involvement of the ESC and that the policy applied also to those with whom the college had a contractual relationship e.g. for lettings.

**Recommendation: That the Governing Body approve the amended Site Security Policy at their next meeting.**

2349. **Management accounts**

*Papers: Financial report for the period from 1<sup>st</sup> August 2019 to 31<sup>st</sup> May 2019*

The Finance Director's report demonstrated that the **financial situation was healthier than expected to end May** with a much reduced deficit owing largely to increased income. There was a healthy cash balance. Overall the College remained **on track to improve on both the budgeted and forecast surplus for the year.**

**Recommendation: That the Governing Body approve the Management Accounts to end May at their next meeting.**

2350. **Provisional Outturn and Two Year Forecast**

*Papers: Forecast Outturn 2019-20, Budget 2020-21 and Forecast 2021-22; Capital Budget 2020-21*

The Finance Director explained that the **forecast outturn for the current year 2019-20** was a surplus of £20,000, slightly ahead of both the original budget and the forecast made at the half year, end of January 2020. The **budgeted surplus for 2020-21** was £41,000. However, this also included a possible donation from the Trustees. There was a **forecast deficit for 2021-22, assuming that the ESFA would no longer fund the increase in employers' superannuation for Teachers' Pensions (TPS)** of circa £276,000 per annum. The College had also assumed no further increase in the basic funding rate for 16-19 students in 2021-22.

**Using the ESFA's financial model this indicated an ESFA assessment of financial health of 'Outstanding' for both the current year and 2020-21. For 2021-22, financial health would be 'Good'. EBITDA would remain positive throughout the period of the budget and forecast.**

**Members asked questions about the sensitivity analysis** with regard to the 'Good' rating. They favoured the College's prudent approach to income, e.g. in respect of the potential impact of Covid-19 on enrolments, international students, Adult Ed and lettings as well as **Government support for the TPS**. On the latter they recognised that a consistent approach across the sector would be preferable though not included in ESFA guidance. As such **the College's approach should be clearly flagged** both alongside the figures and ratings and in the covering commentary. *(Action: Finance Director)*. The Committee also considered the potential of the College's cash reserves with particular attention to the effect of the current loan on the College's health rating alongside the possible need to fund essential capital projects if Government support were not forthcoming. Members **supported the College's approach to maximising income and reducing costs where at all possible**.

Turning to the **capital budget for 2020-21**, members noted the marked **increases in the IT and Premises budgets** and asked about the allowances for teaching departments, contingency and GB1. Following discussion, it was agreed that the amount for contingent liabilities could be reduced without posing a significant risk. Given the approval at the last meeting of an amendment to budget of up to £150k at the last meeting, the Chair also requested that the Committee be advised in due course of the split in spend between the current and next financial years. *(Action: Finance Director)*.

**Recommendation: That the Governing Body approve the budget 2020-21 (including capital budget) and financial forecast 2021-22.**

#### 2351. Discretionary Financial Support Funds

*Paper: Discretionary Financial Support Funds 2018-19*

The Vice Principal introduced her report which served to demonstrate the College's **approach to ensuring the funds were fully and well spent**. There had been notable **success in broadening the reach** in relation to those in need of discretionary support. For example, 147 students (120 in 2018/19) had applied for the Discretionary Bursary, of whom 136 met the criteria (109 in 2018/19). 114 (84) students had received the Full Discretionary Bursary and 14 (10) a reduced bursary. 105 students had received the new additional travel payment and there had been an increase also in the numbers receiving free school meals (FSM). Adjustments had been made in the light of lockdown with the sum for FSM expected to exceed the grant. The College was not in scope to access the supermarket voucher scheme introduced for schools and academies. The surplus (£27,533 in 2018-19) had therefore reduced to and anticipated c. £3-5k.

Going forward, the College would need to develop further its process in response to updated ESFA guidance with more evidence and assessment required. Consultation with other S7 colleges would help inform as efficient a process as possible and ideas were welcome on, for example, the collection of receipts. *(Action: Mr Mittendorfer to consult re audit-appropriate approach)*. The income thresholds for 2020-21 would remain the same as in 2019-20 but bursary amounts would probably be a little lower due to the reduced surplus.

Members welcomed the comprehensive report and thoughtful and flexible strategy to ensure the grant was appropriately spent and well-targeted.

### 2352. Amendments to the Financial Regulations

*Paper: Updates to Financial Regulations and Procedures June 2020*

Members noted and approved the few changes since the previous annual review, for example in relation to lettings. The FD explained that a further change would be required from August in relation to the change in Principal and new VP(Curriculum). The Chair queried the inconsistency between the regulations (Annex A, Doc 2) and common practice in terms of monthly reporting to the Committee. It was agreed that these should reflect the change in the Rules and Byelaws requiring quarterly management accounts in line with the reduced number of F&GP meetings. **(Action: FD and Clerk).**

**Resolved: The Committee approved the changes to the Financial Regulations subject to the further amendments and to include the changes in the bank mandate.**

### 2353. Internal audit report: Insurance

The Finance Director explained that insurance was one of four areas covered by internal audit in 19/20. Whilst the Audit Committee had considered the findings in detail, members were invited to note its findings given insurance fell within the F&GP remit. The report provided 'substantial' assurance, concluding that insurance at the College was managed in an effective way, both in terms of how management reviewed the coverage that is provided and how the renewals were managed to ensure value for money.

### 2354. HR update

*Paper: KPI health check; SMCG meeting notes; Staff survey re remote working and Parent 'Pulse' survey.*

#### **i) KPIs: Health Check**

The Principal explained that the **anticipated dip in recruitment** looked **probable** but numbers were **still on target and up on years prior to 2019-20**. Reasons included the reopened campus at Haywards Heath and Covid-19 impacting on international and local students, for example with school sixth forms starting to teach the A level syllabus in the absence of GCSE exams. Mitigation included a well-attended virtual 'Welcome Day'. Good relationships with overseas agents and the ability for the College to offer distance learning was also helping to sustain international numbers. . Members noted too the **slight, but as yet not significant, improvement in retention. Financial health remained strong.**

**Improvements in attendance monitoring** and comparisons year on year had been stalled by lockdown. The College was seeking to address any loss of student engagement whilst working remotely. The College had reopened w/c 15<sup>th</sup> June with evidence of student interest, for example 55% attendance at the progress tutorials w/c 22<sup>nd</sup> June and 45-50% attendance on site. The College was conscious that some were concerned about travel on public transport but feedback suggested students appreciated the opportunity to return and, it was hoped, had felt secure with the many safety measures in place.

Following a question on L3VA monitoring, members noted too the potential impact of the lockdown on results as discussed further at Q&C.

#### **ii) Meeting of Staff Management Consultative Group**

Members noted the SMCG (union group) meeting record with discussion focussing on the pay negotiations, the challenges of remote working and issues concerning the reopening of the College. The College had sought to support staff in their IT and equipment needs at home and to communicate clearly on re-opening through the dedicated risk assessment and FAQs.

**iii) Surveys**

The Principal explained that in addition to the usual annual surveys of staff and students, two new surveys sought to explore the experience of remote working with both staff and parents. Results would follow. The Vice Principal commented that (further to discussion at the May meeting of the positive staff view on facilities and services particularly in the light of Covid-19), Q&C had recently examined the student surveys. There was some difficulty in comparing year on year results owing to refinement of the questions but the canteen remained an area of focus as did increased recognition of the limited social areas (to be addressed through the Property Strategy).

2355. **Any Other Business** None

2356. **Annual Meeting assessment**

*Paper: Committee SAQU*

Members were conscious that the College had made effective use of Zoom – and it potentially helped with travel time- but asked whether this possibility needed to be clear in the terms of reference. **(Action: Clerk to consider addition to Rules and Byelaws reflecting the provision in the I&As)**. It was noted that the terms of reference also referred to monthly financial reporting and agreed (as per financial regulations above) that these should be consistent **(Action: Clerk )**. However, it was recognised that there was always scope to increase the frequency should governors wish this to be the case, for example in the event of a more challenging financial position. Finally the Chair acknowledged the meeting to be the last F&GP of the current Principal and thanked her on behalf of all members.

2357. **Date of next meeting:** Tuesday 17<sup>th</sup> November 2020 at 15.00 (tbc)

The meeting ended at 18.14.

Chair .....

Date .....

02/07/20

NCW