

THE COLLEGE OF RICHARD COLLYER

MINUTES OF THE FINANCE & GENERAL PURPOSES COMMITTEE MEETING HELD ON TUESDAY 17th NOVEMBER 2020 at 15.00

Present: Mr Tom Cox, Mrs Ann Donoghue, Mr Dan Lodge, Mr Graham Lawrence, Mr Paul Mittendorfer, Dr David Skipp,

Apologies received: Mr Sam Uzzell

In attendance: Mr Ian Dumbleton, Mr Steve Martell, Ms Nicola Whitehead

In the Chair: Mrs Ann Donoghue

The Chair welcomed Mr Lodge to his first meeting as Principal and the Deputy Principal in his new lead role for Business and Operations. Members confirmed they were content with the proposed consent items and focus on key strategic agenda items (5-9).

2358. **Declaration of interests** None.

2359. **Minutes** of the meeting held on 29th June 2020 were approved.

2360. **Matters arising**

2350: The Finance Director reported that he had clearly indicated the College's **approach to TPS in the financial commentary** prior to submission to the Governing Body and the ESFA, not least for ease of comparison with other colleges who were thought to be making more optimistic assumptions.

In respect of the **additional sum of up to £150k agreed for IT in March** in the light of needs arising from the Covid lockdown, the FD advised that **£131k had been spent** in the financial year 2019/20. The budget approved in the summer term for IT in 2020/21 was £162k (£32k over the usual budget).

235: Mr Mittendorfer confirmed that he would seek out the guidance on the additional **monitoring of DFS spend** required by the ESFA in case of help. **(Post-script: Completed)**

2352: The FD confirmed that the **financial regulations** were in the process of being changed to reflect **consistency with the Rules and Byelaws (R&Bs) on the need for at least quarterly reporting** of management accounts to the Governing Body

2356: The Clerk confirmed that she had made the **amendment to the R&Bs to clarify that Zoom meetings were acceptable for committees** in the same way as they were for Governing Body meetings.

2361. **KPIs (Business)**

Paper: KPI health check

The Deputy Principal explained that the KPIs had been reworked by the Principal in consultation with SMT. There was now a **clear split between the Business and Education KPIs with more detail on financial issues e.g. with profit**, rather than simply income, identified. The status of enrolments for 2021 would be clearer in January as an indicator of lagged funding for 2022/23. **Inevitably Covid had had an impact on the College's finances with a loss of income from both lettings and international students** (c. 50 students - down from 67) though possibly less so on the latter than some colleges. **Adult Ed had been**

successful in maintaining the qualification courses of most financial benefit to the College with forecasts suggesting the College might exceed the Adult Ed budget.

In response to questions, it was agreed that:

- Q4 reporting would be at the early Autumn Governing Body meeting;
- Profit in % terms would be added. **(Action: SMT)**

The Principal explained that full year S7 benchmarking data would be included in the new Financial Strategy which was in the course of being prepared.

2362. **College Strategic Plan 2020-23**

Paper: College Strategic Plan 2020-23

The Principal reminded members of the Governing Body's earlier agreement to a three-year plan with four key themes and the first part of a 12-year trajectory to the College's quinqucentenary in 2032. Members noted that there had been broad consultation with upper managers, the business staff and the student governors as representatives of the RCU. The vision and values would be reviewed in 2021/22.

The Principal explained that the **Plan sought to provide a clear and confident direction** to be pursued through **the underlying College Quality Improvement Plan (QIP) and further strategies** such as Student Support and Enrichment in due course. It was intended, **for the first time**, to be **an outward facing document**, hosted on the college website, and to be **aligned with the new SMT roles** for ownership and professional accountability.

Members sought clarification on a number of points, for example in unpacking what was meant by 'efficient deployment' and **proposed a number of drafting changes to reflect the focus on students (particularly in respect of the College's pastoral support) and all staff** as well as **external audiences** who might be less familiar with the terminology.

As in the KPIs, members noted the emphasis on profit in the Business and Operations section and the Principal's wish to further fine-tune the fourth section on Community. It was proposed that there might be some **greater recognition of the subsequent benefits to students and staff in improving efficiency and of 'sustainability' in terms of the College and the environment.**

Members recognised the **Principal's lead role in making a judgement on a coherent final draft** which sought to reflect and, where necessary reconcile, the comments received from a range of audiences including governors. **(Action: Principal)**

Recommendation: That the Governing Body approve the Strategic Plan 2020-23 at their next meeting subject to the fine-tuning proposed by the Principal.

2363. **Property Plan Review**

Paper: Analysis of pros and cons of alternative CIF bids; Changes to CIF T&Cs;

Part II minutes: h) Information considered to be commercially sensitive.

In looking ahead to the next **CIF Round**, members noted the ESC discussion of refurbishment rather than expansion projects as potentially being more successful in attracting funding e.g. for revamping the T Building or for replacement boilers (or at a stretch the rebuilding of the Art block). The Shelley Building could, with other measures in place (particularly to address the need for larger classrooms), be postponed until 2024 suggesting a bid for funding could be made as late as 2023. The College's consultant in submitting the earlier bids was confident the College had a good case for an expansion project whether submitted now or in the future.

The Principal reported further on the absence of a decision on the **College's TLCF bid** which had been made in the summer, although members noted this could be imminent. Success

would suggest that some further review of the practical considerations, timetable and financial modelling were advisable e.g. in the light of the pressures presented by the Covid pandemic. Members said that they would be open to a further meeting if this would be helpful. **(Action: Principal and Clerk to advise and arrange as necessary)**

Members agreed that they should not lose sight of the need for social space and that some updating of the MasterPlan with this in mind might be helpful.

Recommendation: That the Governing Body approve at their next meeting:

- i) A further bid for CIF funding (for project(s) to be further refined in the light of the success of the current TLCF bid);**
- ii) An appropriate contribution from the College.**

[16.40 -16.50 Short break at which point the Principal temporarily left the meeting.]

2364. **Report and Financial Statements (FS)**

Paper: Report and Financial Statements 2019-20; Audit Findings Report

The Chair reported on her attendance at the Audit Committee meeting earlier that day which had been helpful in hearing the external auditor's feedback and in understanding the Committee's complementary interest in the College's annual FS report.

Members noted that there had been a satisfactory operating surplus of c. £191k, £34k higher than had previously been reported in the management accounts. This was owing to a credit note received from one of the exams boards (for c. £27k) and an adjustment in the accrual for holiday pay. After making a non-cash charge of £266,000 in relation to the Local Government Pension Scheme (LGPS), the deficit for the year was £75k. Members recognised that, for the purposes of determining the financial health of the College, the non-cash LGPS charge was excluded from the ESFA's calculations, noting that the College was still awaiting the ESFA funding body's assessment of the College's financial health grade and benchmarking dashboard.

Recommendation: That the Governing Body approve the final Report and Financial Statements at their next meeting, if at all possible (subject to any fine-tuning following the relatively late receipt of the current draft).

[The Principal rejoined the meeting.]

2365. **Management Accounts**

Paper: Financial report for the period 1st August to 30th September 2020

Members noted that the **year had started reasonably well with a surplus of £3,861 at the end of September, a very slightly more favourable position than budgeted.** Income was c. £40k below budget (most notably owing to a loss in Refectory income owing to the need for 50/50 distance learning during the pandemic) but this was balanced by a broadly equal reduction in pay costs and non-pay expenditure. Members noted that canteen income had since risen (helped by the latest lockdown) and would continue to be monitored. There had been some costs savings from unfilled vacancies. EBITDA was healthy, supporting the current forecast of continuing 'outstanding' financial health for the year.

Recommendation: That the Governing Body approve the first quarter Management Accounts (once prepared).

2366. **Treasury Management Report**

Papers: Treasury Management Report

The FD explained that the annual Treasury Management report was intended to give a regular update on college practice albeit that the situation was inevitably dynamic in response to, for example, interest rates and cash needs. **Money held on deposit was held with a number**

of well-rated institutions to help spread any risk although this could not be wholly mitigated. Members asked that any significant changes before the next annual report be notified to the Committee in the interim. (*Action: Finance Director*). They noted that no further approvals were necessary at the current time since the treasury management targets within the report were the same approved with the summer forecasts.

2367. **Report from the Estates Sub-Committee (ESC) (and Health and Safety Committee)**
Paper: Minutes of the meeting 19th October (and 30th September) 2020.

Members noted the position with regard to the **final account for GB1** and further communications with the loss adjuster subsequent to the ESC's recent meeting. They welcomed the **successful completion of the DigiHub**, noting the one key snagging item to be resolved, its causes and the action in hand to resolve it. In response to questions about the anticipated overspend of c. £15k, the ESC Chair explained that this was believed to be owing to the discovery of asbestos not fully covered by the contingency and an increase in professional fees. A Post Project Review (PPR) would provide further details and the ESC was keen to ensure any adjustments in the project management processes advised for future projects were put in place. Members explored too the financial implications of a lack of recruitment in 2020 for the Digital T level course and plans to offer it again for 2021.

(See also minute 2363 above re current TLCF and future CIF bids.)

2368. **Policies**

Papers: Health and Safety, Fire and Site Security Policies 2020; Lettings Policy; [Covid] Working from Home Policy (New)

Members noted that the key changes to the policy and procedures reflected changes in protocols to address the coronavirus pandemic. The new 'Working from Home Policy had also been written specifically with Covid in mind and as such would be more clearly labelled as such. Members noted it might be expanded at a future date for wider circumstances - or a complementary policy introduced.

Resolved: The F&GP Committee approved the generally minor revisions to the Fire Safety, Site Security and Lettings Policies.

Recommendation: that the Governing Body approve both the minor changes to the Health and Safety Policy and the new Covid Working from Home Policy as a consent item.

2369. **Community Update**

Papers: SMCG meeting notes of 3rd July and 2nd October; Complaints Report 2019-20

Members noted the self-explanatory content of the papers without further comment.

[17.12 Mr Cox left the meeting.]

2370. **College SAR/QIP Parts 3 and 4** (Agenda item 8)

Paper: College SAR/QIP Parts 3 and 4

The Principal explained that whilst endorsement of the College SAR and QIP fell to the Q&C Committee, parts 3 and 4 were also being presented for review by F&GP given its remit in respect of the business and community functions of the College. (By the same token, parts 1 and 2 - Curriculum and Pastoral – were being shared with Q&C.) He thanked the DP for his work on the detail in parts 3 and 4 and the VP (Curriculum) for his oversight of the whole document.

The DP explained key elements of the SAR including the issues arising in terms of competition, social space, a downturn in international students and some Adult Ed business and how the QIP sought to address these. Members commented on the:

- Large number of March deadlines which could be a tall order;
- Good prospects for enrolment in 2021 with out of area interest upheld in spite of additional challenges in using public transport during Covid pandemic;
- Growing need for additional social space. The Principal commented on the wish to trial the first canopy to be installed for the New Year before a possible second as well as other measures being considered on site to expand the amount of space e.g. use of the Sports Hall - especially when trying to support social distancing;
- Latest Mercer support being offered for STEM. The Principal confirmed that the College would be bidding for a number of projects including AI, the feasibility of which would be assessed in the current year with a view to development in 2021/22 for a 2022 start;
- Expansion of the market through a remote offer, Collyer's Online, given the quality of materials being prepared whilst by no means a replacement for an onsite presence.

The Principal commented on efforts to ensure the right level of detail in the QIP in relation to the overarching Strategic Plan and the subsidiary strategies as they developed.

2371. **Any Other Business:** The Chair commented on her experience of the College's online Open Evening which she thought had been an engaging showcase for the College. She had found it well judged in content and length and recommended it to all governors as an effective overview of the College and of particular use to new governors. The ESC Chair agreed. The DP confirmed that it would be live on the College website until end January. *(Action: Clerk to share with governors).*

2372. **Meeting assessment**

The Chair thanked SMT for their work in preparing such thorough key strategic documentation and all present for staying online for the extended meeting.

2373. **Date of next meeting: Monday 8th March 2020 at 16.00.**

The meeting ended at 17.45.

Chair

Date