

THE COLLEGE OF RICHARD COLLYER
MINUTES OF
THE FINANCE & GENERAL PURPOSES COMMITTEE MEETING
HELD ON Wednesday 28 June 2023 at 16.30

Present: Stephen Avery, Teddy Bridges, Graham Lawrence (via Zoom), Dan Lodge (Principal), Paul Mittendorfer, Will Power

In attendance: Members of SMT – Ian Dumbleton (FD), Steve Martell (DP)
Ian Carr, Assistant Director of Faculty (ADoF)
Russha Sellings (Clerk)

In the Chair: Stephen Avery (Acting Chair)

The Acting Chair introduced Ian Carr, Assistant Director of Faculty (ADoF) for Science and requested his update was presented at the start of the meeting.

1. Policy Updates: Sustainability Policy and Action Plan
Papers: Sustainability Policy, Action Plan

The ADoF informed the Committee that significant work had been undertaken on the policy in the previous academic year and it remained quite broad with some suggested wording changes highlighted. There was a view to the estates masterplan. A timeline was included in the Action Plan with positive actions to engage stakeholders, promote environmental awareness and embed sustainability throughout the College via the curriculum and delivery of Teaching & Learning.

The Acting Chair invited questions to be put to the ADoF on the policy and corresponding Action Plan and questions were raised as follows:

- There was a discussion on 4.1.1 of the policy and Action Plan in terms of minimising waste and recycling. Members queried the possibility of impact on resources in delivering the benefits. The ADoF responded that simple methods such as reusing materials could potentially save on costs reducing reliance on third party recycling. The Principal referred to the consultancy fee for consideration of alternative heat sources which had been funded through a recent grant.
- A member had raised a query in advance on 4.1.2 around maximising renewable energy in respect of the masterplan and how the policy might develop to take this into account. The Principal thought that the policy would have to adapt to the developments (currently on annual review).
- Members asked about the wording in the policy under 4.1.5 on 'metered water' as it was suggested all measures to ensure efficiency should apply regardless of charges. The observation was acknowledged especially due to pressures on water neutrality in the local area and it was agreed to amend the wording to 'harvested water'. **(Action: ADoF)**
- The Action Plan was noted positively with clear responsibilities throughout. Members commented on the opportunity to reinvest savings made into future green initiatives and this was confirmed as included in the Action Plan.
- Later in the meeting it was agreed to incorporate the Action Plan to the College QIP.

The Acting Chair summarised the discussion and wished to record thanks to the colleagues involved in the development of the Action Plan. It was especially pleasing to note students being engaged through their learning.

Resolved: The Committee approved the Sustainability Policy subject to amends and the Action Plan.

[16.48 The ADoF was thanked for the updates and departed the meeting]

The remainder of the agenda followed the scheduled order.

2. Chair's Introductions and Apologies for Absence

Apologies were received and accepted from the Chair Ann Donoghue and Co-optee Dominic Wakefield. Graham Lawrence joined by Zoom.

3. Declaration of Interests

None declared with regard to the agenda items.

4. Minutes of the meeting held on 23 May 2023

The minutes of the previous meeting were approved without amendment.

5. Matters Arising

No updates to report.

6. Financial Matters inc draft budget

Papers: Management accounts (end of May) Budget and forecast, cashflow statement, balance sheet, capital budget, financial commentary and assumptions

a) Management Accounts (end May)

The FD pointed to the outturn excluding the anticipated legacy standing at £349k; substantial savings had been made in order to maintain the surplus. This was despite a modest overspend in canteen costs although income had increased. Related to capital expenditure, the FD explained that any adverse variances could be explained by project timings and the projects had largely come in under budget. Any costs associated with the masterplan were not yet factored in.

A member questioned whether it would be possible to include a like for like comparison at this point of the year and the FD committed to including a new column in future showing the cumulative position.

(Action: FD)

b) Latest ESFA correspondence and dashboard

The Acting Chair remarked that the College finances had been well managed in challenging inflationary times maintaining the outstanding position. There were no further comments.

c) Budget 2023-24/Financial Forecasts

Forecasted surplus after interest would be modest for 2023-24 and decreasing in the following year before improving again. The FD informed members that the next 2 years would be the most challenging financially in particular to meeting the pay award. A costed financial plan would require formal consultation.

It was confirmed the budget was drafted at the current point - academisation and the loan from The Mercers' Company had not yet been factored in. A Member requested assumptions be added to the Financial Forecast. However, the loan was subject to DfE approval since reclassification. There was a discussion on the process for approval, timing and the period in which the loan maybe drawn down. The Principal said the College were awaiting the finalised Head of Terms from The Mercers' Company and there had been some feedback on the draw down window to enable more flexibility. The minutes record the request of members to ensure there was an agreed contingency plan in case the DfE did not grant approval. The Clerk spoke of the plans to incorporate The Collyer Endowment Trust which could be an alternative route for borrowing. Ultimately the loan represented good value for money from a trusted lender and the Principal hoped on this basis the request would be approved by the DfE. It was agreed to circulate the final Heads of Terms to the Committee for comment once received from The Mercers' Company and prior to the resolution to be taken by the Governing Body to pursue DfE approval at their next meeting. **(Action: Principal/Clerk)**

d) Cash Flow Forecast

No further updates or questions.

e) Balance Sheet

EBITDA remained positive. The FD said there was nothing of significance in the variance comparative to the previous year.

f) Capital Budget 2023-24

Members were advised that it would be important to take a view on apportioning the financing of projects in the development of the masterplan in the process of the appointment of key contractors.

g) Financial Commentary/Assumptions

The FD directed members to the last page of the report where risk based scenarios had been tested and analysis of projected impact assessed with variance and projected cost.

A member questioned the rationale behind the inflationary assumptions in the table on page 5. The FD advised these figures were conveyed by the NJC. There could be other costs that exceed inflation such as examinations, energy and insurance and the FD assured members contingency had been factored in. There was a prudent process in place for budget management across the College cost centres.

The Acting Chair recorded his thanks to the FD and Finance team for preparation of the reports.

Recommendations: The Governing Body approve the latest Management Accounts, cash flow and balance sheet, the Budget 2023-24 including capital budget and forecasts.

7. Report from the Remuneration Committee

Members heard from the Chair of the Governing Body that the Remuneration Committee had met earlier in the month to consider the performance reviews of the Principal, SMT and the Clerk. The relevant recommendations would be made to the Governing Body at their next meeting. For the purposes of budgeting, the recommended increases totalled £19k (plus on costs).

Recommendation: The Governing Body approve the pay awards as budgeted at their next meeting.

8. Report from the Estates Sub-Committee (ES-C)

Papers: Minutes of the Estates S-C, H&S minutes and report (April 2023)

i) Key projects update inc internal works

The Committee Chair was pleased to confirm that the Shelley building was now open. The Principal added the project had come in under budget and was being fully utilised by staff and students. Governors had been invited to the open event in September. There were various other projects underway including over the summer in installation of some replacement roofs. Thanks were expressed to the DP for all his hard work in securing the CIF funding enabling this vital work to go ahead. It was confirmed following a question from a member that it was unfortunately not possible to coincide the roof works with solar panels as they were separate bids and timescales were very lean.

ii) Masterplan design tender process

The Principal advised the next stage would be to tender for architects and progress to planning. The Estates Masterplan Manager had reported that in line with public contracts regulations, there would need to be an external process for the design work which would be helpful further along for the purposes of engaging other contractors. This was also important in terms of Managing Public Money (MPM). The costs of a RIBA competition had been assessed but could not be justified and the Committee settled on a hybrid option of engaging a consultant with support from the Estates Masterplan Manager.

iii) Committee changes

The minutes detailed the change in membership and the broader remit which had been discussed by the Nominations Committee. The capital budget would still require financial oversight and approval of this Committee.

iv) *Report from the Health & Safety Committee (HSC)
Noted as a consent item, there were no further comments.

9. Strategy Items

Papers: Business KPIs, relevant sections of the College QIP, Marketing and Digital strategies, Estates Management report (SharePoint/consent)

a) Business KPIs

The DP provided some commentary on International admissions and was confident that by autumn, numbers would be on track. A member asked about the continuation of international provision in relation to academisation. Recent advice from the external auditors indicated the possibility of establishing a trading subsidiary which would allow the profit to be diverted there and gift aided back to the MAT. The Principal advised that this could be covered in the work of external consultants in the formation stage of the MAT and the matter would be referred to the Academisation working party **(Action: Principal)**

More generally, the current 2A cohort was noted as smaller than 1A however, this would be rectified by the incoming cohort arising in part from modest demographic growth in Horsham although mostly from higher in-take in the surrounding areas. There was a comment on retention and the DP said it was challenging when some students registered for more than one college simultaneously.

Members were assured that financial health was a significant indicator of success. Lettings income was however down by a third in part from the recent ending of two regular lettings. There was feedback from one member with regards to the Marketing strategy.

b) College QIP Parts 3&4

Good progress on the targets was observed which was a team effort in terms of finance and operations.

c) Marketing and Digital Directorate strategies

A member commented on the effective marketing of the College in order to increase lettings rates which had dropped. It was agreed to add to the strategy under strategic aim 3. **(Action: DP)**

Members discussed the importance of cyber security and insurance was discussed. There had been an internal audit in the previous academic year and all recommendations had been followed up by the IT Network Manager.

Resolved: The Committee approved the strategies subject to the addition suggested to the Marketing strategy.

d) *Internal Audit Estates Management

Noted as a consent item, there were no further comments.

e) College Strategic Plan

The Principal confirmed the process of wider stakeholder consultation which included local secondary school Heads and the CEO of Horsham District Council.

Recommendation: The Governing Body approve the final version of the College Strategic Plan.

10. Community Update inc

Papers: SMCG meeting notes (09-05-23), annual report on complaints and appeals

a) *SMCG Meetings

Noted as a consent item, there were no further comments.

b) Report on complaints and appeals

It was positive that most concerns and complaints were low level and resolved by various Directors and members of SMT. As a result of the handling of complaints there had been no appeals for some time.

11. * Student Financial Support

Paper: Annual report 22-23

Noted as a consent item, there was one typo to be corrected.

12. Policies

i) Financial Regulations

Members were informed the Gifts & Hospitality guidelines were now separated to ensure accessibility and had been uploaded to the staff SharePoint area following approval by the Audit Committee. There had been some general updates, most significantly, towards the end of the document the latter pages included recent DfE guidance relevant to the Financial Regulations on Managing Public Money (MPM). Members requested that the updates be summarised for the purposes of Governing Body approval. **(Action: FD)**

Recommendation: The Governing Body approve the updated Financial Regulations.

ii) Fundraising Policy (new / Trustees)

It was explained that this was a new policy that had been provided to Trustees as the custodians of the Quincentenary Fund (QF). However, as the College was the public facing brand of the QF it was appropriate that the Governing Body were kept abreast of relevant updates including guidance on accepting donations and managing complaints which would follow the College's policy.

Recommendation: The Governing Body approve the new Fundraising Policy.

13. AOB

None to record.

14. Committee Annual Assessment inc ToR

The meeting had been well chaired and appropriately balanced and apportioned to important matters. Overall members believed the framework was considered effective in respect of the current ToR.

15. Date of Next Meeting

The Committee would meet again in the autumn term on Wednesday 15 November 2023, 16.30.

The meeting closed at 18.19

Chair

Date

RRS 03-07-23