

THE COLLEGE OF RICHARD COLLYER

MINUTES OF THE MEETING OF THE FINANCE & GENERAL PURPOSES COMMITTEE HELD ON Wednesday 15 November 2023 at 16.30

Present: Teddy Bridges (via Zoom), Ann Donoghue, Dan Lodge (Principal), Paul Mittendorfer, Dominic Wakefield

In attendance: Members of SMT – Ian Dumbleton (FD), Steve Martell (DP)
Olivia Blake (HR Director), Russha Sellings (Clerk)

In the Chair: Ann Donoghue

1. Chair's Introductions and Apologies for Absence

The Chair welcomed everyone to the meeting, including the HR Director. Since the last meeting, members had been informed Governor Stephen Avery had resigned. The Chair said Paul Mittendorfer had agreed to succeed him in the Committee Deputy Chair role, subject to approval by the Governing Body and the Committee supported this appointment. The Staff Governors had switched committees between F&GP and Q&C, although Staff Governor Clare Ruaux was unable to attend this first meeting and issued her apologies. Apologies were also received and accepted from Graham Lawrence. Teddy Bridges joined by Zoom. The meeting was declared quorate from the outset.

2. Declaration of Interests

None declared with regard to the agenda items.

3. Minutes of the meeting held on 28 June 2023

The minutes of the previous meeting were approved without amendment.

4. Pay Awards (resolutions)

- i) National pay award (teachers) – agreed by written resolution
- ii) National pay award (support staff) – for agreement at the meeting

The Principal gave a brief update. The teacher pay award was settled earlier and agreement from the Committee taken by written resolution. The Principal was confident that the final Support Staff pay award was also affordable given the additional funding allocation and for clarity the Support Staff Standards Payment (SSSP) was now incorporated into the NJC pay spine. There were no further questions.

Resolved: The minutes record the approval of the Teacher and Support Staff pay awards.

5. Matters Arising

(not already covered on the agenda)

Item 6a – YoY comparison requested at the previous meeting was now shown in the Management Accounts (Item 7c).

Item 9a – Continuation of International provision. There were two elements to address here, one to be referred to the Academisation working party on how the College may continue to offer international provision following academy conversion. Specifically, this related to the ability to hold a tier 4 licence as an academy which the Principal believed could be a barrier for other SFCs and he would discuss this with an S7 college he was aware of who were also exploring academy status. Some top-level advice had been taken, however it was recommended to confirm this in the formative stages of conversion to provide some assurances on continuity of the provision. ***(Action: Principal/Clerk)***

With respect to the impact on revenue, as stated in the draft Annual Report, where it was noted the forecast income was lower due to reduced international numbers, Members wished to understand the impacts if this was not attributed to plans for academisation. The Deputy Principal provided further

details. Significantly less Swiss students enrolled this year although the situation was fluid and there may be an upward trend in the following year. The South-East Asia market was more stable, however British National Overseas (BNO) status impacted the revenue in cases where students later transferred to domestic and this wasn't straight forward to predict. The College had worked hard to mitigate the impacts of the pandemic on recruitment during the period where it had not been possible to visit countries in person. Later members heard that there existed some differences in the course duration for international students with some on courses of 2 or up to 3 years depending on entry level.

6. Strategy Developments

Papers: Business KPIs, SAR and QIP sections 3&4 draft, People Strategy, Gender pay gap report

a) KPIs (Business)

Following the discussion on internationals, members referred to the business profit KPIs where they observed the decline in Q1 Adult Education figures. The FD said this was caused by several factors which included not reaching the forecasted numbers and higher than anticipated administration staff costs split between a number of part time staff. The Deputy Principal advised that the take up of the Teaching Assistant course was lower than previous years and access tutors were difficult to recruit leading to some unexpected adjustments. It was recognised that Adult Education provided a social benefit and this was offset against profitability. Questions were raised on competitive positioning and reviewing the course offer. The DP said there was little competition locally, however a review was already planned with a relaunch. The Clerk said this would link in part to the Skills Agenda.

It was noted lettings were slightly up on a fairly low base, despite the loss of a larger lettings contract.

It was discussed whether the targets should be re-evaluated on the basis of the current target position. The Principal responded that the margins were small and therefore more volatile but still important to the College Strategic Plan for 5% growth YoY.

It was agreed the table showing quarters would be replicated on the top of each page of the document in future iterations.

b) College SAR/QIP – drafts part 3&4

Thanks were recorded to the VP (Curriculum) Rob Hussey for drawing up the combined SAR-QIP. The Q&C Committee would receive all parts to obtain a holistic view of quality assurance.

The Chair had raised in advance the need to include HR in the title areas of the QIP (Strategic Aim 3) and this would be corrected before presentation to the Governing Body (**Action: Principal**)

A member wished to raise the question of growth and scalability over time, as the College was growing and in relation to formal collaboration with other schools through academisation and it was questioned whether step costs would be factored in. There had been some feedback on Planning Day from staff around supporting the need to expand the infrastructure of the College – one example was IT. The Principal referred to the notes of the discussion groups. Consequences of growth would be included in the workload action plan to ensure flexibility and capacity with a more obvious review point in response to organisational change if the College were to academise. There had also been a slight increase in class sizes and teaching staff had commented on this from a workload perspective. Specific to IT, additional pressures arose as the reliance on systems increased more generally. The FD referred to the 20 year budget forecast reviewed with The Mercers' Company and the need for capital investment in infrastructure in the medium to longer term.

c) New Draft People Strategy

The new strategy was presented as draft for comment following the recent College Planning Day. The Chair had challenged the review cycle of the strategy and requested a reduction from 9 years to 3 years as there were many variables that could impact the strategy including external influences. Olivia Blake was present to give the Committee an update on the development of the strategy including the incorporation of feedback from the recent Planning Day. The main themes had been

around implementation and ensuring the strategy was action driven. The consultation approach was commended, and members were pleased to see the development of a key resource strategy, the elements of which were brought together in one document to sit alongside Finance and Property.

Members discussed whether workload was prominent enough and it was understood this would progress through the QIP. **(Action: Principal)**

It was agreed the narrative in the introductory sections would remain as this was relevant to the point in time when the strategy was drafted.

Due to the importance of the strategy, the Chair requested it be circulated after the meeting to the Governing Body to raise the prominence in advance of the circulation of meeting papers. **(Action: Clerk)**

Recommendations: The Governing Body approve the People Strategy at their next meeting subject to amendment of the review period and any further feedback from Governors.

d) Loan update

Members received an update on the latest progress. There was an upcoming meeting arranged between the College, the ESFA and The Mercers' Company where it was to be discussed what was likely to meet the DfE's approval threshold such as zero or low interest terms. The College had a new territorial lead who would be involved in the discussion.

Separately The Mercers' Company were exploring other options such as providing a loan on a reduced term and options around the timings of the pay back so it could be recirculated to other associated schools. The long term forecast had been revisited and growing numbers supported the future capital investment.

The timings of the next update were unknown, however if there were new heads of terms to consider, a written resolution could be circulated.

e) Gender Pay Gap report

The preparation of the annual report had been brought forward by the finance team. The data was from 31 March 2023. It was noted that it was difficult to benchmark when factoring in the services which were normally outsourced e.g. catering, cleaning.

Members were keen to ensure the outcomes of the report provided value addition to the compliance requirement. A YoY comparison might be more impactful, although it would be time consuming to generate the data. Teddy Bridges agreed to look at it further and provide some feedback to reevaluate the purpose.

[17.34 – Olivia Blake was thanked for the updates and left the meeting]

7. Finance Matters

Papers: Annual Report & Financial Statements, Post-Audit Report inc Going Concern, ESFA correspondence, financial dashboard, Management accounts (end of Sept), balance sheet, cashflow statement

a) Reports and Financial Statements for the year ended 31 July 2023

i) Financial Statements

Members were invited to comment. On the annual report it was agreed to amend specific wording under student achievement on page 7 on grade inflation. Some other minor corrections would be made. **(Action: FD/Clerk)**

Recommendations: The Governing Body approve the Report subject to amends and the Financial Statements.

ii) Audit Findings Report inc Going Concern

Assurances could be gained from the benchmarking data in the latter part of the report where the Colleges was positioned positively against other SFCs.

b) ESFA correspondence/dashboard

Members received a copy of the latest correspondence and dashboard confirming the College's Outstanding financial health. There was a wider discussion on the forecasted surplus level and reserves in respect of investment in the College estate. The loan (if agreed) may impact the score for Borrowing level and therefore the FD alerted members the financial health may dip down to Good. The drafting of a formal reserves policy could be beneficial. There were other areas of uncertainty such as teacher pensions and future pay awards, although lagged student funding would be added to the mid-year budget when it would be clearer whether the College would qualify for any in-year funding.

An agreed future strategy item was suggested on financial modelling and curriculum deployment including the possible impact of academisation. This was noted for the Strategy Morning in the summer term.

c) Management Accounts Sept 23 inc Balance Sheet and Cashflow

Members received the Management Accounts and there were no further comments before the endorsement to the Governing Body.

Recommendations: The Governing Body approve the latest Management Accounts, balance sheet and cash flow statement

d) Treasury Management Report

The FD said exceeding the targets offset against the loss of income from internationals. Members wondered if the targets were aspirational enough and diversification was encouraged. The FD responded that they supported a strong cash flow position. The Barclays interest rate was thought to be slightly higher than stated and any future consideration needed to be balanced off with risk.

e) Capital projects (Estates)

This was the first meeting since the Estates Committee had become a full committee of the Governing Body. Dominic Wakefield sat on both committees and was able to provide a link. The DP spoke of the related capital projects. The current CIF project on the roofs was drawing to a close and at snagging stage. The next bid would focus on replacement additional boilers. Members wished to express their thanks to the DP for all his efforts in securing the funding for these important projects.

Remaining budget from the refurbishment works would be put towards a new canopy to increase social space on campus.

Fencing at the rear of the campus was raised. The DP said external advice had been taken, however this could be referred back to the Estates Committee for consideration.

On longer term developments, the Principal cited the commitment of the Governing Body to fund £200k of design works to progress the estates masterplan and members heard that the Estates Masterplan Manager would be managing the competitive tendering process where £25k was currently committed to engage architects at the initial stages.

8. Community Update

Papers: Staff surveys, SMCG minutes x 2

a) Staff Satisfaction survey

The landscape remained difficult to navigate and this was reflected in the outcomes of the staff surveys which the Principal said were broadly in line with 2019 levels. Responses were overall positive but there were some anecdotal remarks to note.

Members questioned the response rate and whether this was high enough as it was important to understand the views of all staff and the reasons why they may not have completed the survey. It might be more helpful to examine the department specific responses to understand any areas of concern.

It was queried whether the results were published to all staff. This would be beneficial in raising awareness and also serve as a commitment towards an action driven response.

- b) *Staff survey on support services
- c) *SMCG meeting reports:
 - i) 20-06-23
 - ii) 19-10-23

There were no comments on the reports presented as consent items.

9. AOB

None to record.

10. Meeting Assessment

The Governor who was online commented on the new speaker which improved the experience of joining the meeting remotely.

11. Date of Next Meeting

The Committee would meet on Wednesday 28 February 2023, 16.30.

The meeting closed at 18.19

Chair

Date

RRS 28-11-23