



Mission Statement: *Inspiring learning, developing character, building futures*

**MINUTES OF THE MEETING OF
THE ADMINISTRATION & FINANCE COMMITTEE**

Date: Tuesday 9th March 2021
Virtual Meeting
Time: 4.00-5.00pm

Present: Ms W Middlemas (Acting Chair)
Ms J Gray (Principal)
Mr A Burr
Ms A Crumblehulme (Assistant Principal: Business Support)
Mr D Gascoigne
Mr C Baxter
Ms D Taaffe

Together with: Mrs Sue Hawitt (Governance Administrator-FCAT-Minute Taker)

Apologies: Ms L Gates (Head of Finance)

		Action
01.2021	Preliminaries The Vice-Chair, chaired the meeting in the absence of the Chair, she welcomed everyone to the meeting, especially David Gascoigne and Callum Baxter their first meeting of the A&F committee. Apologies were noted	
02.2021	Declarations of Interest There were no declarations of Interest	
03.2021	Consideration of any items of urgent business. There were no items of urgent business to discuss, however the Principal gave directors an update on a personal matter relating to the absence of the Head of Finance	
04.2021	Confirmation of Quoracy It was noted the meeting was quorate	
05.2021	Minutes of the virtual joint meeting with Audit held on 24th November 2020 The minutes of the meeting held on 24 th November were approved	
06.2021	Matters arising from the minutes not covered elsewhere on the agenda a) Previous Minutes -item 25.2020 from the previous minutes) confirmation minutes for the meeting held on 26 th June 2020 had been amended	

- b) Feedback from Lloyds Bank-**(item 32.2020 from the previous minutes) any feedback from the meeting with Lloyds bank relating to the changes to college loans - The Principal informed directors that a meeting would take place with the bank on Thursday 18th March 2021 to discuss an existing loan agreement and the IBOR (Interbank Offered Rate). The outcome of the meeting will be shared with the A&F committee
- c) Management Accounts-** (item 46.2020 from the previous Corporation minutes) Confirmation clarification on the two separate budget lines from Admissions, Liaison and Marketing and Marketing had been received by directors.

07.2021 Management Accounts for the period ending 31st January 2021

Directors considered the management accounts for the period ending 31st January 2021 (paper 7.1) presented by the Principal. The Principal gave directors an update on the following key points;

College had received confirmation that the ESFA pension funding will continue until July 2022 and funding will be received for an additional student, this will mean additional income of approximately £115,988 for this academic year which had not been included in the budget.

Directors were informed that funding body grants are under budget to date, however £60,000 of expected funding for Maths Premium will be received in April 2021.

Directors were informed that since the report was completed the pay award for teaching and support staff have now been agreed at 2.42% and the budget calculation for this was 2.5% which means the funds have already been included in the budget. Further detail was provided by the Assistant Principal: Business Support stating that overall the pay increase for staff is 3.25% over time but has been staged with the final part being introduced in May.

It was noted that additional funding of £12,500 was received for Covid testing for the period from Christmas to date and a further amount is expected for the introduction of mass testing at the college.

The impact on catering was noted, there had been no profit from catering included in the budget due to reduced timetables and income; staff have been furloughed during lockdown periods.

Maintenance costs are over budget due to the timing of work against the expected spend profile. Directors were informed that further funds need to be allocated to help improve the overall maintenance work needed, the Head of Estates is currently devising short, medium and long-term priorities for the estate.

Transport costs had been reduced due to timetable changes and college closure, it was noted that the travel company had been really supportive of the college and are currently charging a 25% retainer for the service.

Directors were informed that there had been further savings relating to examination fees and staff development costs.

Questions from directors

In response to a question, it was noted that college will not be receiving any additional Covid-related income for money already spent.

Asked about what proportion of expenditure can be reclaimed for exams it was noted that there had been no clarity from awarding organisations to date.

In response to a question about the reduction in bursary applications it was noted that despite a lot more marketing of the scheme the take up had not met expectations, however, bursary funds can be carried forward.

Asked about the 73.9 percentage of staff costs as a percentage of income and how many staff does that equate to, it was agreed to calculate this and bring to the next meeting. The Principal outlined the challenge of meeting the 70% target and explained to directors that over recent years all job roles had been carefully scrutinized and savings made; any further reductions would have an impact on the quality of provision.

JG/AC

Debbie Taaffe joined the meeting

08.2021

Benchmarking

Directors received a letter from the FE Commissioner outlining the revised financial benchmarks, the Principal outlined the key points after discussion with the Head of Finance these were as follows; the change to debt service cover which will impact negatively on the college, the new calculation will mean the college measure will be 1.2 which is below the requirement of 2, directors were assured that the cash flow position is positive and the loan costs can be met but to meet the requirement of 2 the cash flow position would need to be much higher. The Head of Finance has carried out some calculations based on the 31st July 2020 result and following the recent changes the college now meets 4 out of 6 of the new measures.

Questions and comments from Directors

It was noted that in the context of the college's overall financial performance not achieving all six benchmarks may not present a problem, however the measures can help directors and SLT discussions when monitoring the financial health of the college, the message to directors from the Head of Finance was that she does not feel the new measures would cause any financial intervention for the college. It was noted that the college has a healthy bank account and would not struggle to pay the debt but this is not taken into account when calculating this measure.

In response to a question about referring the measure to Mazars to benchmark against other colleges, it was agreed to ask if they would have any up-to-date data to measure against.

JG

Asked how the benchmarks relate to the college's financial health rating of Outstanding it was agreed to ask the Head of Finance to explain further at a future meeting.

LG

09.2021

Health and Safety

Directors received and considered the Health and Safety Report No 2 of 4 2020-21 (paper 9.1) presented by the Assistant Principal: Business Support. It was noted that there had been no major incidents or accidents other than the continued situation around Covid-19. She went on to say that the newly introduced mass testing had been really successful with a 75% uptake from students, equating to in excess of 800 student tests per day. Students will be invited for 3 tests on site before continuing the test at home resulting in an additional layer of safety within the college.

The risk assessment in place since September 2020 had been updated in line with new guidance to include the mass testing programme, it was noted that there is a small number of staff and students who are clinically extremely vulnerable (CEV) and will not return to college till at least after the Easter break.

Directors were also informed the H&S committee continued to meet more frequently during the continuous Covid-19 situation.

Questions from Directors

Asked about the percentage of positive tests, it was noted that there had been one to date.

Directors made a comment about further promoting the flu vaccination for next Autumn due to the ongoing Covid-19 pandemic, it was noted that the take up of flu vaccination amongst staff had been higher than in previous years. Another comment was made about how well students at the college had been keeping to the guidelines.

Fire Safety Evacuation report November 2021

Directors received the Fire Safety Evacuation Report (paper 9.2) presented by the Assistant Principal: Business Support it was noted that the evacuation had been graded 2 – minor operational issues which related to social distancing in the context of Covid-19

10.2021 Staffing Update

Directors received and considered the latest HR report (paper 10.1) presented by the AP: Business Support she highlighted the following from the report; out of 98 support staff standard payments awarded 10 of these were part payments this was in relation to mid-year start dates.

The AP: Business Support noted that 155 individual staff had been nominated for a staff award, she went on to say that there had been an increase in nominations year on year and the comments were very positive.

Questions from Directors

In response to a question about monitoring how many people nominate as opposed to being nominated as a way of measuring engagement, it was noted that part of the process is anonymous but the college would have this number on record.

AOB

The Principal shared with directors the allocation of funding for next year which is the highest funding the college has ever received.

Directors were informed that college had been approached to sell some of its land, the legalities would need further investigation and any progress made will be brought back to the A&F committee

11.2021 Identification of any new or amended risks

No new or amended risks were identified

Date and Time of next meeting

Thursday 24th June at 4pm

Signed _____

Date _____