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| **MINUTES** | | | | | | |
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| *Finance and Resources Committee No 40* | | | | | | |
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| Date: |  | *13/09/2022 (Tuesday)* |  | Time: |  | *18:00–20:00* |
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| Venue: |  | *Via Teams* |  | Committee: |  | *Finance and Resources* |
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| Present: |  | *Alison Robinson (Principal), Allan Foster, Clare James (Vice Chair), David Hall, Rafik Adam, Rosie Bryson (Co-opted Member) and Sue Collinge (Chair)* | | | | |
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| Attending: |  | *Janet Whiteside (Director of Finance), Joanne Sherrington (Deputy Principal), John Wherry (Deputy Principal) and Steven Downham-Clarke (Vice Principal)* | | | | |
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| Clerks: |  | *Ron Matthews (Clerk)* | | | | |
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| ***Public* Minutes** | |
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| Item number: | Item description: |
| (and category) |  |
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| **44.22** | ***Queen Elizabeth II*** |
| ***Record*** | At the start of the meeting the Chair expressed her sadness on hearing of the death of Queen Elizabeth II. Other members of the Committee also offered their condolences. |
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| **45.22** | ***Attendance of College Management Staff*** |
| ***Decision*** | Section 8.2 of the current Constitution and Terms of Reference for the Finance & Resources Committee states:  College management and/or consultants may attend meetings by invitation in an advisory capacity.  **Resolved:**  **That** **College Management Staff attend the meeting.** |
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| **46.22** | ***Apologies for Absence*** |
| ***Record*** | No apologies had been received and all the Committee were present. |
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| **47.22** | ***Minutes of Previous Meeting*** |
| ***Decision*** | The public minutes of the Finance & Resources Committee meeting number 39 held on Tuesday 28 June 2022 (published on the extranet) were agreed and signed as a true and correct record of the meeting. |
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| **48.22** | ***Declarations of Interest*** |
| ***Record*** | There were no declarations of interest made in respect of items on the public agenda. |
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| **49.22** | ***Election of Chair and Vice Chair of the Finance and Resources Committee*** |
| ***Decision*** | Members gave consideration to the election of a Chair and Vice-Chair of the Committee for the academic year.  The Committee decided to opt for continuity and following due process re-elected the current Chair and Vice-Chair to serve for a further year.  **Resolved:**   1. **That Sue Collinge be re-appointed Chair of Finance & Resources Committee for the academic year 2022/23.** 2. **That Clare James be re-appointed Vice-Chair of Finance & Resources Committee for the academic year 2022/23.** |
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| **50.22** | ***Financial Position Statement for Period Ended 31 July 2022*** |
| ***Decision*** | The report was presented by the Director of Finance who indicated that it was a first draft and did not include the year-end adjustments and reconciliations which would be represented in the final audited Financial Statements as at 31 July 2022.  The Control Budget for 2021/2022 showed an operating surplus, prior to FRS102 pension costs, of £125k which was a decrease of £305k over the surplus of £430k forecast in the original budget.  However, the actual surplus of £1,736k was £1,611k ahead of the control budget and 1,349k ahead of the forecast. After FRS102 pension adjustments the College made a loss of £441k. Financial health remained ‘outstanding’. Pay costs were 56.5% of income comparable to the control budget of 58.6%.  The accounts included the £400k retention bonus.  Overall College income was £35,540k against a control budget of £34,627k, and a forecast of £34,552k.  Cash balances at the period-end remained strong at £13.189m, with cash days at 136 days remaining very strong. Ventures departmental accounts showed that the overall margin, excluding the farm, was £1,321k, £36k ahead of forecast of £1,285k. Including the farm, the margin was £1,021k against a forecast of £1,145k. The farm was currently reporting a loss of £300k against a control budget predicted loss of £140k.  The accounts continued to meet the FE Commissioner's financial benchmarks and it was confirmed that the College remained a Going Concern.  The approved capital expenditure for the year was £2m with £718k being brought forward from monies unspent in 2020/2021. An in-year allocation of £671k had been included for the Skills Accelerator project. This was offset by a matching capital grant from the ESFA. Spend to date was £2,154m with a forecast of £3,444m.  Following questions it was  **Resolved:**  **That the reports be received.** |
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| **51.22** | ***External Audit Regularity Questionnaire*** |
| ***Decision*** | |  | | --- | | The Committee considered the above questionnaire and the responses provided by the College. The document would be used as the basis for the Regularity Audit by the Independent Auditors. It was required to be signed by the Chair of Corporation and the Accounting Officer in advance of the reporting of the audit in compliance with the Post 16 Audit Code of Practice.  Following questions it was  **Resolved:**  **That the Committee note the responses to the questionnaire and authorise the Chair and Accounting Officer to sign the document.** | |
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| **52.22** | ***Overseas Visits Policy - Review*** |
| ***Decision*** | The Deputy Principal, Finance and Corporate Services, presented a report on a review of the Overseas Visits Policy. Only minor changes had been made with these highlighted in yellow.  Appendix 2 to the report was a summary of overseas visits taken in 2021/2022. Only one trip took place in July 2022, when two members of staff travelled to Demark to present their research papers.  The total cost of the trip was £2,159.  All other trips were cancelled due to Covid restrictions in place at the start of the year.  **Resolved:**  **That the report be received and the revised policy be agreed.** |
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| **53.22** | ***College Value for Money Policy Review*** |
| ***Decision*** | The Deputy Principal, Finance and Corporate Services, presented a report on a review of the College Value for Money Policy. The report included details of the savings achieved during the last twelve months.  The part-time Procurement Officer had assisted in the achievement of the savings listed.  Governors made reference to the current energy crisis and price increases and sought a level of assurance regarding the impact on College finances. The Deputy Principal, Resources, confirmed that the College used a broker to obtain the best available price for energy and that currently prices had been fixed until October 2023.  **Resolved:**  **That the revised Value for Money Policy be approved.** |
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| **54.22** | ***Subcontracting (Including Supply Chain Fees and Charges) Policy and Procedure - Review*** |
| ***Decision*** | The Committee considered the report of the Vice Principal on a review of the Subcontracting (Including Supply Chain Fees and Charges) Policy and Procedure.  The aim of this policy was to ensure that all sub-contracted provision was managed effectively and efficiently whilst focusing on quality.  The policy governed all sub-contracting within the College. Roles and responsibilities for the College and sub-contractors were clearly defined from the outset of the partnership and all sub-contractors were required to agree and sign both a Contract and Service Level Agreement.  **Resolved:**  **That the report be received and that the revised policy be agreed.** |
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| **55.22** | ***Statutory Risk Register*** |
| ***Decision*** | The Committee considered the Strategic Risk Report as at September 2022 as presented by the Deputy Principal, Finance and Corporate Services. Included in the report were references to the risk appetite statement, risk assessment framework and risk heat map.  The report identified the top five risks for the College.  Governors asked which particular areas of the College were finding it difficult in recruiting teaching staff and if this was impacting on course delivery. The Vice Principal confirmed that engineering related posts were proving a problem currently, allied to staffing sickness, but detailed actions were being taken to mitigate the issues.  **Resolved:**  **That the report be received.** |
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| **56.22** | ***Review of the Health and Safety Policy*** |
| ***Decision*** | The Committee considered the review of the College Health and Safety Policy.  There were no significant amendments to the policy other than to update contacts and job titles, remove reference to Covid actions and the including the recently agreed Menstruation Policy, otherwise it was judged to remain fit for purpose.  **Resolved:**  **That the Health & Safety Policy be approved.** |
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| **57.22** | ***Strategic Plan Progress Report*** |
| ***Decision*** | The Committee considered the Strategic Plan Progress Report for the Finance and Resources Committee. The key performance indicators related to income, the Capital Plan, Human Resources Statistics and Financial Performance.  Staff sickness and retention were better than target with the Riddor accident rate improving and below target of less than 3%. The remaining targets under People related to student satisfaction and in general these expressed good/strong responses although completion rates for the staff survey were below target. Some of the NSS survey figures were below target.  Sustainability indicated that, apart from HE numbers, the financial indicators were on, close to, or above target whilst recruitment to FE was above target. However, subcontracting number were higher than budget. Apprenticeship numbers were below target but the related income was above target.  The Capital Plan was anticipated to be delivered within target.  Further information on the financial position of the College was included as part of the report on the financial position statement.  **Resolved:**  **That the report be received.** |
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| **58.22** | ***Annual Cycle of Business for 2022/2023*** |
| ***Decision*** | Finance & Resources Committee considered its Annual Cycle of Business for 2022/2023.  **Resolved:**  **That the Annual Cycle of Business for 2022/2023 be agreed.** |