

Tuesday 25th February 2020, 5.30pm

MINUTES – PART ONE

PRESENT:

Mr M Belfour, Chair, Foundation Governor
Mr C Garvey, Foundation Governor (Chair of Governors)
Mrs S Flannery, Principal
Ms R Clark, Staff Governor

IN ATTENDANCE:

Mrs M Searle, Head of Finance
Mrs S Plumb, Senior Business Manager
Mrs E Lewis, Clerk to the Governors
Mr C Graham, Associate Principal (observing)

The meeting was opened at 5.30pm by Mr Belfour. It was quorate throughout.

1. **Opening Prayer:** Offered by Mrs Flannery
2. **Welcome new member:** Ms Rachel Clark, Staff Governor (teaching), was welcomed to the committee.
3. **Apologies:** Received from Mr J Opara and Mrs K Taylor were accepted.
4. **Declarations of Interest:** There were none
5. **Minutes of meeting held on 22nd January 2020:** Previously circulated on 13th February 2020 and included in the papers for the meeting were agreed to be a true and accurate record and duly signed by Mr Belfour.
6. **Review of Confidential minutes:** No minutes of this committee had been classified as confidential in the review period since March 2013.
7. **Matters Arising:** There were none
8. **Actions outstanding from previous meetings:** Covered by the minutes and agenda.
9. **Premises and Accommodation project reports and plans:** Mrs Plumb introduced the report "Capital Projects, Accommodation and Premises – Update for 'F&R Committee' Tuesday 25th February 2020" which had been included in the papers for the meeting. From the Strategic Issues section of the report, Mrs Plumb outlined two bids which had been submitted one to the ESFA CIF¹ in December 2019 for £153k to fund upgrades to key fire and safety compliance works identified and prioritised through the Condition of Estates Appraisal and the other for £259k, match funded, to the GLA Small Projects fund for the construction of a new build modular flexible learning block. The outcome of both bids was expected to be known by the end of March 2020.
Condition of Estate Survey: Mrs Plumb reported that an appraisal of the condition of

¹ Condition Improvement Fund

estate on the Nursery had identified priority fire and safety work which would be addressed in the annual plan of works.

It was noted that the college insurers would undertake a health and safety audit post Easter to follow up on the Autumn 2019 interim review. A full report would be provided post-audit.

Annual Plan of Works 2019 / 2020

A colour-coded, costed report (Appendix A) showing progress against the plan agreed in June 2019 was reviewed. From this it was noted that all works in the plan had been completed with the exception of the CCTV storage. Mrs Plumb advised that the entrance turnstiles may need to be replaced at an estimated cost of £60k. Ms Clark expressed surprise given how relatively new they were and it was explained that parts were no longer available to maintain / repair the current installation. Mrs Plumb confirmed that the costed Building Condition Survey safety report (Appendix B) had been updated to include £18k (excl fees and VAT) of work classified as significant for the nursery accommodation. Mr Garvey enquired whether tiles used to clad the newer parts of the college were safe. Mr Belfourd said he would expect that to have been covered by the Survey.

10. Financial Report: Mrs Searle

- 10.1. **Monthly commentary and accounts:** Monthly commentary and accounts with cash flow up to and including January 2020 had been distributed to all governors. Mr Belfourd asked whether the February accounts were required to be submitted to the ESFA prior to the follow-up early intervention meeting expected to be held by the end of March 2020. There had not been any feedback from the ESFA team about the last set of monthly accounts that had been submitted. The committee noted the January accounts.
ACTION: It was agreed that January 2020 accounts should be sent to the ESFA with a cover letter from Mrs Flannery as February 2020 accounts would not be ready until mid-March.
- 10.2. **Treasury Monitoring Report:** The monitoring report had been included in the papers. One fixed term deposit would mature between meetings on 29th April 2020. It was agreed that Mrs Searle would provide Mrs Lewis with interest rates, values and options closer to the maturity date for review via email. The decision on re-investment would be influenced by the outcome of the match-funded bid to the GLA.
- 10.3. **Rateable value:** Mrs Searle announced that as the result of a query raised during a review visit £3,589.60 had been paid to the college because the Nursery had been excluded from the annual rebate evaluation. A 20% fee had been payable. Mrs Searle explained that a further review was planned which could be retrospective up to 6 years. She explained that the Nursery would now be reviewed as part of the college which was still under consideration for rateable value.
- 10.4. **Banking review:** Mrs Searle advised that day to day banking with Allied Irish Bank (AIB) was conducted via a call centre. She had been contacted the previous week because the account was being routinely reviewed and the statutory accounts had been requested. Whilst Mrs Searle commented that there may be a need to look for a more convenient banking facility she was not recommending any change at the moment.
- 10.5. **St Francis Xavier Friends Fund:** Mrs Searle reported a balance of £483.22 on this account with the AIB and forecast that it would drop to £40 by January 2021 following award of gifts and payment of the £48 audit letter fee on the account. She would negotiate payment of that fee and said that if the outcome was to charge it then she

would close the account as previously agreed. The committee was in agreement that the Professor Keohane legacy should be continued.

11. Funding update & financial projections / plan (IFMC):

11.1. **Integrated Finance Template 2018/19 – 2022/23:** Mr Belfour recapped how the IFMC template had been compiled, considered, circulated and reviewed by this committee and then the full Governing Body. He reported that the written resolution seeking approval for Mrs Flannery to sign off the IFMC version 1.06 Integrated Finance Template 2018/19 – 2022/23 had been confirmed via email by 12 governors (including 10 foundation). Mr Belfour said that this method of gaining approval was a pragmatic way to meet the requirement of the ESFA that governors were sufficiently aware of the plan and the supporting commentary which explained the assumptions and financial health predictions. He said that the mechanics of completing the template had been very difficult. Mrs Searle said there had been a lot of debate about what is being asked of colleges and whether this prescriptive model is the right way to ensure colleges don't run out of money. Mr Belfour had tuned in to webinars and met with Mrs Searle to inform his understanding of the model prior to recommending it for approval. He discussed a letter from Matthew Atkinson's² letter to David Hughes³ which had been included in the papers for the meeting and referred to responses made to it by college finance directors highlighting the impact of the model. Mr Garvey commented on the timing recalling that early intervention had been referred to during the Area Review process.

Mrs Searle confirmed that the IFMC for the college would be filed the following day. Mrs Searle explained that financial planning would continue with reforecasting in April / May. The setting of the college budgets would update the plan within the forecast financial health categories.

11.2. **Update on ESFA early intervention visit:** Minutes of the meeting held on 5th December 2019 had been sent to the college but further contact was awaited.

11.3. **FE Commissioner letter dated 6th February 2020:** The letter had been included in the papers for the meeting and was noted.

12. **Non-Core business / income generation update:** The Board of Directors of SFX Corporate Services Ltd had met on 13th February 2020. Mrs Plumb introduced the *V20 - SFX Corporate Services Limited (Trading Subsidiary – Business Plan Summary – Mid-Year Analysis for 19/20)* report which had been included in the papers for the meeting. The income to date was noted and the projection of a small surplus for the year. Mrs Plumb summarised activities noting that Lettings were ahead of target and outlined ideas for maximising income generation. She advised that some repair work was necessary to the MUGA pitch and that the whole surface would be replaced during the Easter holiday to resolve the issues. She said this would have an impact on rental income which may drop by £2,200 whilst the pitch was out of service but was hopeful that this could be offset following negotiation with the company responsible.

Work was being done to update the Nursery website to support recruitment.

The report was accepted.

13. **Tuition and other Fees: (ref Article of Government 20):** Mrs Plumb introduced a draft update to the Charging Policy for 2020 – 2021, subject to annual review, which had been included in the papers for the meeting. It was agreed that that the review be deferred for

² Director of Provider Market Oversight, ESFA

³ CEO, Association of Colleges

return to the next meeting to enable clarification of some points and changes.

ACTION: For inclusion on the agenda of the meeting to be held on 23rd June 2020 (Mrs Lewis).

14. **Any other business:** There was one matter of any other business raised in advance of the meeting which was considered to be confidential. The Chair directed that this would be taken as a part two agenda item and that the Staff Governor should withdraw.
15. **Risk management:** The committee considered whether any new risks or modifications to existing risks / mitigation should be referred to the register. None had emerged that were not already included.
16. **Review of meeting:** It was agreed that the business of the agenda had been covered effectively.
17. **Date of next meeting:** Tuesday 23rd June 2020

This part of the meeting concluded and Ms Clark withdrew.

The meeting closed after the confidential part two at 6.55pm

SIGNED: _____

DATE: _____

Distribution:

Mr M Belfourd (Chair)	Mrs K Taylor	Mr J Opara (Vice Chair)	Mrs S Flannery
Mr C Garvey	Ms R Clark		
	Mrs S Plumb	Mrs M Searle	Clerk