



**Minutes of the Finance & General Purposes Committee
held on 7 June 2023 at 5.30 pm via Microsoft Teams**

Present:	Donald Inglis (Chair) Rob Hickey	
In Attendance:	David Hawkins – Vice Principal for Finance and Professional Services Chris Leng – Director of Human Resources Carolyn Barker, Director of Governance Sarah Chamberlain, Director of Marketing & External Affairs Ken Merry, Deputy Principal (Curriculum and Quality) – in part	
1.	Apologies for Absence / Declarations of Interest	Action
1.1	Apologies were received from Heidi Fraser-Krauss and Lee Probert. Matthew Rice was not in attendance at the meeting. The Chair of the meeting was Donald Inglis. Notice of the meeting was given at least 7 days in advance. The meeting was inquorate with only two independent governors present.	
2.	Minutes and Matters Arising	
2.1	Minutes The minutes from the previous meeting held on 26 April 2023 were not approved. Deferred to the next meeting for approval.	CB
3.	Matters Arising	
3.1	Action Summary All actions from the 26 April 2023 meeting were recorded as being completed.	
3.2	Any Other Matters None reported.	
4.	Strategic Plan Implementation	
4.1	KPI Scorecard and Strategic Implementation Plan Priorities 4, 5, and 6 The Committee received the report outlining key performance indicators to be monitored through the committee with a summary of progress towards strategic priorities 4, 5 and 6. The Vice Principal of Finance & Professional Services provided a brief overview of progress with many of the financial aspects to be picked up later in the agenda. Key points of note included – <ul style="list-style-type: none"> Plans are progressing to spend the grants received in support of estates and sustainability initiatives. Further work is planned on the draft budget contained in the meeting pack papers and completion of the CFFR that is submitted to the ESFA for budget and forecast for the following year. Draft copies are to be issued to the Board in July. The FE Commissioner's report has been received following the CEFSS review. Actions have been identified and are to be implemented. Representatives from FEC are looking to work with the College in support. Nurturing partnerships strategic priorities have been fully reviewed to 	

	<p>include most recent activities. A review of the implementation plan has been completed, and a refresh of the strategy is underway following the restructure of the directorate.</p> <p>The Committee heard about the sponsorships noted in the report and asked if they were secured or aspirational. Members were advised that both the Reach and Construction awards events were confirmed and paid for. The Committee questioned the Vice Principal of Finance & Professional Services asking if the £1M noted in the report was specifically earmarked for any activities. It was confirmed that it was for the purposes of investing in sustainability measures and in the most part would cover the installation of LED lighting to reduce energy costs.</p> <p><i>The Committee resolved to note the KPI Scorecard update and report.</i></p>	
4.2	<p>Strategic Risk Monitoring</p> <p>The Committee received the risk report detailing the College's key risks monitored and based on the information available as of 25 May 2023.</p> <p>The Committee was advised that their responsibilities were to monitor risks 4-7 and that to date there has been no significant movement on the risks since the last meeting. Long term financial sustainability remains to be a high risk and is indicated as increasing based on the uncertainty of where we are and projecting a deficit into 2023/24. The Director of Marketing & External Affairs confirmed she had updated her aspects of the risk register.</p> <p><i>The committee resolved to note the strategic risk monitoring report.</i></p>	
5.	Statutory and Regulatory Compliance	
5.1	<p>Subcontracted Partnership Provision</p> <p>This item required the Committee to recommend approval to the Board. This was not possible due to the meeting being inquorate therefore it was agreed that the approval would be taken to the next Board meeting.</p> <p>The Vice Principal of Finance & Professional Services provided an overview of the Subcontracted Partnership Provision and process.</p> <p><i>The Committee members present were supportive of the request to recommend approval.</i></p>	DH
6.	Financial Sustainability	
6.1	<p>2022-2023 Financial Performance Management Accounts for the 8 months to 31 March 2023 including year-end forecast.</p> <p>The Committee reviewed the Management Accounts and year-end forecast. The Vice Principal for Finance and Professional Services noted that reporting in previous months noted a deficit of £350k and has fluctuated but potentially moving to a more favourable position recently with increases in adult and apprentice numbers. It has been accepted previously that we can run at this level during this year but not in the longer term. The Committee also noted the update from the Vice Principal of Finance & Professional Services that the Bank of Scotland account had been closed as there are preferential rates with Barclays.</p> <p><i>The Committee members present were supportive of the position and recommendation presented.</i></p>	

6.2	<p>2023/24 Capital & Revenue Budgets</p> <p>The Vice Principal for Finance and Professional Services presented the 2023/24 Budget outlining the key assumptions and advising that it remains in draft and that there was further work to be completed prior to submitting to the Board in July. The draft budget assumes that the college will report a deficit operating position of £362k in 2023-24. Capital investment is forecast to be £2.0m with a majority funded through grants received. The cash position at the end of July 2024 is forecast to be £4.0m. Key points noted from the overview included -</p> <ul style="list-style-type: none"> • Unlikely to meet T- level targets and therefore there is potential for a funding clawback. All other income streams are similar to previous years with a slight increase in HE. • Budget currently indicating a £362k deficit and included vacancy factor within it and further reviews conducted on energy and reduce costs on estates where we will use some of the grants for that. • Between now and July there is work to do to identify further savings to potentially bridge the gap of approximately £300k. The numbers may alter slightly when members receive the report prior to the Board meeting in July. • Energy price deal to be secured next week as they have reduced slightly however the standing charge per month has increased. Feedback from the AoC suggests it is the right time to fix. • Ongoing reviews of class sizes will be needed. • Noted the £300k costs for equipment for the construction centre to fit out the engineering area. <p>Members asked how we will make sure that a deficit budget this year does not become a consistent theme moving forward. The Vice Principal of Finance & Professional Services advised that it is a significant challenge and that we will have to make sure the cost base is monitored well, and retention of students is important.</p> <p>The Vice Principal of Finance & Professional Services advised that he is keen to get a decision quickly on the draft budget from the Committee prior to submitting to the Board in July. Independent Committee members present accepted the proposal for the 2023-24 budget but challenged on actions to return to an improved position in 2024-25.</p> <p>It was agreed that approvals would be sought from absent F&GP Committee members prior to the next Board meeting.</p> <p><i>The Committee resolved to note the update on the draft budget.</i></p>	CB/DH
7.	College Staff & Teams	
7.1	<p>HR Report (workforce profile and tutor utilisation)</p> <p>The Committee received the HR report covering sickness absence, tutor utilisation and pay. The Director of Human Resources provided an overview of the three areas noting sickness absences were broadly similar throughout the course of the academic year with a dominance in mental health and stress.</p> <p>In terms of tutor utilisation, it has improved to 97.6% with some under performance in programmes that don't last 36 weeks however those figures are likely to increase, and it is where it is expected to be at present. The Committee asked how utilisation can be higher than 100%. Members were advised that in some areas staff will gladly work slightly over their contracted utilisation for example E&M and Holistic therapies as they are keen to go over</p>	

	<p>utilised hours to support students. General education there are one or two anomalies with the figures.</p> <p>Members received an update on Pay discussions with UCU. The College is in dispute with the union over the 2023 consolidated pay award with UCU seeking an improved offer of between 4 and 5%. There was a stage two meeting planned for June however it has been deferred at the request of UCU. The dispute process is likely to conclude on or shortly after 13 June.</p> <p><i>The Committee resolved to note the HR report.</i></p>	
8.	Estates and College Environment	
8.1	<p>Health, Safety and Welfare Update</p> <p>The Committee received the Health, Safety and Welfare report. It was noted that there had been one accident in the vehicle workshop and as a result actions were put in place immediately to change how students work in that area. The H&S Manager is producing a full report on the findings to meet HSE reporting requirements.</p> <p><i>The committee resolved to note the report.</i></p>	
8.2	<p>Construction Centre Extension Update</p> <p>The Committee received a progress update on the construction of the two-storey construction centre extension. The site piling has been completed. Building control have been to sight and were insisting on static load testing on the piled to be completed and therefore we have commissioned this work quickly to ensure they are safe. It has been highlighted at Committee due to their being a week's delay and not highlighted as an issue previously. There will be a short delay to the programme, but the contractor is looking to make up the time with completion due at the end of year with plans to welcome students in January 2024.</p> <p><i>The Committee noted the construction centre extension update report.</i></p> <p>Ken Merry left the meeting.</p>	
9	Marketing, Communications & Partnerships	
9.1	<p>Partnerships Strategy</p> <p>The Committee received the Business Partnership report with a summary provided by the Director of Marketing & External Affairs to outline progress against the 2022 strategic priorities implementation plan.</p> <p>The Director of Marketing & External Affairs advised members that the team is working closely with chambers looking at all things digital and bringing York businesses together. A member asked why the College's bid for the Serco contract had been unsuccessful. It was advised that the College's staff cost element was higher than other bidders and that there were key providers that had dominated the prison education services market. Members were advised that an NDA was to be put in place to allow a follow-up discussion regarding a re-tendering opportunity for Yorkshire Prisons Education Services.</p> <p>An area of interest that the team had been looking at recently was the Good Business Charter and noted that York St John University had been through the process. The Committee Chair also advised that Inglis Accountancy was one of the early adopters of the Charter and there had been very little direct benefits identified as a result of the adoption. The Committee noted the work planned with the armed forces and suggested it was a very good opportunity that could lead to an increase in recruitment particularly with the Campus Northallerton partnership.</p>	

	<p>The Committee welcomed the improvement in reporting covering notable business partnerships and advised it would be helpful to share with the Board as it provides a greater level of detail and breadth.</p> <p><i>The Committee resolved to note the Business Partnerships update.</i></p>	SC
10	Treasury Management	
10.1	<p>2022/23 Counterparty List Committee approvals of the Treasury Management Counterparty List and confirmation of extending authority to the Vice Principal of Finance & Professional Services to invest College funds for periods up to twelve months, was deferred to the next meeting.</p>	DH
11	Policy and other matters	
11.1	<p>Policy Reviews The review and approval of the Financial Regulations and Risk Policy are to be considered for approval at the Governing Body meeting in July.</p>	DH
11.2	<p>Committee effectiveness Members asked that the item be deferred to the next meeting to allow all members to contribute.</p>	CB
12	Key Meeting Outcomes and/or Actions	
12.1	<p>Matters for report to the Governing Body (if any)</p> <ul style="list-style-type: none"> - HR report - Health and safety <p>Matters for report to the Audit Committee (if any) There were no items to report to the Audit Committee.</p>	
13	Summary Matters	
13.1	<p>Any Other Business The Chair asked members whether they were happy for subsequent meetings to continue to be conducted remotely. Those present were happy with the current arrangement however not all members were present therefore will be picked up at the next meeting.</p>	CB
13.2	<p>Date of next meeting Meeting dates for the next academic year are to be agreed at the next Board meeting.</p>	