



**Minutes of the Finance & General Purposes Committee
held on 25th February 2021 at 5.30 pm via video conference**

Present:	Vicky Buckle Rob Hickey Donald Inglis David Johnson Lee Probert (Chief Executive and Principal) Owen Trotter (Chair)	
In Attendance:	Louise Doswell – Deputy Chief Executive and Principal (Partnerships and Development) David Hawkins – Vice Principal for Finance and Professional Services Chris Leng – Human Resources Manager Elizabeth McClure – Director of Governance	
	1. Apologies for Absence / Declarations of Interest	Action
	Apologies were received from Neil Costello and Jack Commandeur. Melanie Jones was unable to access the meeting due to technical difficulties. Owen Trotter noted that he would be acting as Chair of the Committee on an interim basis. There were no declarations of interest.	
	2. Minutes of Previous Meetings	
	The minutes of the meeting held on 26 th November 2020 were reviewed and approved subject to minor amendment.	
	3. Matters Arising – Actions	
	Progress against the actions listed on the action log was noted. It was noted that the Disaster Recovery Plan had not been tested; it was confirmed that some testing had taken place. It was agreed that the Head of IT would provide an update and it would be determined whether he should attend the next meeting to provide a full report or whether this would be covered under the Audit Committee's scrutiny of Cyber Security.	DH
	STATUTORY & REGULATORY COMPLIANCE	
	4.1 GDPR Update The Deputy Chief Executive and Principal (Partnerships and Development) provided a progress update on GDPR compliance, detailing the progress made in four of the five risk areas identified. There was further work to be done in relation to the 'Training' risk area. It was noted that the DPO had resigned and that the Deputy Chief Executive and Principal (Partnerships and Development), who was also the SIRO, was due to leave the College. Work on recruiting appropriate replacements for the positions was ongoing. <i>The Committee resolved to note the report.</i>	

FINANCIAL SUSTAINABILITY	
<u>2020/21 Financial Performance</u>	
5.1 Learner Recruitment	
<p>The Deputy Chief Executive and Principal (Partnerships and Development) presented an update on Learner Recruitment, noting that it was positive in the current circumstances:</p> <ul style="list-style-type: none"> - 16-18 student numbers were up on last year and currently 117 above the target of 3575. - Apprenticeship new start numbers were below planning. Total new starts were 208 against a target of 364. In year recruitment would see this number increase. Total apprenticeship numbers across all ages and levels were 730. - Adult provision was 66 below this time last year. - HE numbers were 92 above target at 327. - International recruitment was above target at 40. <p>The Committee noted that apprenticeship numbers were unsurprisingly below target given the current pressure on businesses. The Deputy Chief Executive and Principal (Partnerships and Development) confirmed that a large number of apprenticeships usually came from the hospitality sector which had been forced to close down during the pandemic, however the apprenticeships which the College had secured were in high value programmes such as construction.</p> <p>The Committee questioned what the College was doing to ensure that the internal progression process was operating well, given that courses were being offered remotely. It was noted that the College was operating in the usual way and beginning conversations with students about progression and that it was likely that more students would opt to progress given the current scarcity of jobs.</p> <p>The Committee noted that there had been a question at the previous evening's Q&C meeting about the apprenticeship levy. The Deputy Chief Executive and Principal (Partnerships and Development) confirmed that the change in Government policy meant that the College could expect to see an increase in levy income and a decline in non-levy income.</p> <p><i>The Committee resolved to note the report</i></p>	
5.2 Management Accounts for the 6 months to 31 January 2021 and forecast	
<p>The Vice Principal for Finance and Professional Services presented the management accounts and highlighted the following:</p> <ul style="list-style-type: none"> - The projected deficit had reduced from £1.5 million to £901k. - The Teachers' Pension grant would now be paid from April to July, which positively impacted the forecast by £208k - The College was eligible for additional in-year funding of £308k - The apprenticeship funding had steadily increased during the course of the year - The Job Retention Scheme was forecast to generate £30k - There was a positive £54k for marketing as the College was now able 	

	<ul style="list-style-type: none"> to capitalize the new website as an intangible asset - There were ongoing savings in terms of maintenance and utilities due to the closure of the College - The College had received a £1m grant for building improvements, which had allowed some planned maintenance to be removed from the revenue budget - With regard to the adult allocation, there was a potential clawback from the ESFA, depending on the tolerance level, and therefore a cautious approach had been taken when planning this element of the budget. <p>The Committee questioned how much a clawback was likely to be; it was confirmed that this would depend on the tolerance level approved. If the College met the tolerance level, there would be no clawback.</p> <p>It was noted that it was anticipated that the current projections would positively impact the College's cash balance at the end of the year, especially if planned capital projects were deferred.</p> <p>The Committee questioned if the in-year funding would impact next year's funding. The Vice Principal for Finance and Professional Services confirmed that next year's allocation had been received but had not been impacted by the in-year funding, though there was a proportion of the funding (£164k) which would be taken back. The net result would be a £750k increase in funding year on year.</p> <p><i>The Committee resolved to note the report</i></p>	
	<p>5.2 Horizon Scanning: Budget Challenges</p> <p>The Vice Principal for Finance and Professional Services provided an overview of budget challenges; the process of drafting next year's budget had commenced. The following was highlighted:</p> <ul style="list-style-type: none"> - 16-18 recruitment was positive - International Students applications looked positive for next year and it was hoped to return to a normal level of operation. - Trading income had been severely affected this year; it was hoped that this would return to normal next year - The full year benefit of the staff restructure would be apparent next year - <p>The main areas of concern were:</p> <ul style="list-style-type: none"> - Continuing to operate at a deficit; it would be a challenge to return to a break-even position - There remained uncertainty around the impact of Covid-19 - There was continued pressure from the Pay Award - The cost to income ratio remained a challenge; it would be 73% this year and it was hoped to reduce this to 70% which was still above the sector benchmark of 65% - Site maintenance would continue to be an area of concern due to the age of the building, though this was being actively managed by the facilities manager <p>The Committee questioned whether the College expected to continue to receive the pension support; it was confirmed that this had been included in the allocation statement for the next year, albeit at a reduced level.</p>	

	<p>It was confirmed that a draft of next year's budget was anticipated for presentation to the Committee in May before final approval in July.</p> <p>It was confirmed that the staff restructuring exercise was complete. If the budget dictated that further restructuring may be required, this would be reconsidered.</p> <p>It was noted that the current aspiration was to return to a break-even position.</p> <p><i>The Committee resolved to note the report.</i></p>	DH
	COLLEGE STAFF AND TEAMS	
	<p>6.1 HR Update</p> <p>The HR Manager presented an HR update which was scrutinised by the Committee.</p> <p>It was noted that absences related to mental health and stress had increased compared to last year, though specific stress related absences had decreased. It was not clear whether mental health absences were largely due to the effect of the pandemic, or largely due to long-term, underlying conditions.</p> <p>The Committee noted a summary of termination costs related to the restructure.</p> <p>The Committee noted that non-white staff headcount had increased; it was confirmed that this increase was spread evenly across the college in terms of subject areas and grades. It was noted that the College had struggled to understand why the levels remained low; there was confidence in the recruitment process from an equality and diversity perspective. The main issue appeared to be the reach to the BAME community; the HR had scheduled some meetings to address this and consider whether advertising could be improved.</p> <p>The Committee questioned whether staff were being supported with mental health issues during the pandemic in the same way as students. The HR Manager confirmed that engagement with all staff suffering from mental health issues was in place, including supporting transitions back to work. It was noted that a full return to work in June might be difficult for some staff, though the College had not operated entirely remotely during lockdown as some sectors had. Vickey Buckle confirmed that most staff had been in College at least some of the time and all departments held regular team meetings for those working largely from home. The Chief Executive and Principal confirmed that a phased return was anticipated following the March announcement, in the same way as happened after Christmas.</p> <p><i>The Committee resolved to note the report</i></p>	
	ESTATES AND COLLEGE ENVIRONMENT	
	<p>7.1 Health, Safety and Welfare Update</p> <p>The Committee considered the Health, Safety and Welfare Update. The Vice Principal for Finance and Professional Services provided an overview, noting that there were regular Union and SLT meetings to manage all Covid-19 related measures. It was noted that a test centre had been set up, offering lateral flow tests to staff and students; following the March return to site there would be greater demand on the testing. Home testing kits would also be allocated to staff and students for ongoing testing. There were no other</p>	

	<p>significant HSE matters to report at present. David Johnson confirmed that the Health & Safety Committee meeting continued to monitor all issues.</p> <p><i>The Committee resolved to note the report</i></p>	
CORPORATE GOVERNANCE AND ASSURANCE		
	<p>8.1 Strategic Risk monitoring</p> <p>The Vice Principal for Finance and Professional Services presented the Strategic Risk Monitoring Report and provided an overview. It was noted that the report was written before the in-year funding and pension grant was confirmed and therefore the deficit was now smaller than reflected in the report. It was noted that a full report on Cyber Security was due to be presented to the Audit Committee.</p> <p>In terms of the 'direction of travel' indicator, clarity would be sought from the Audit Committee to define this more clearly.</p> <p><i>The Committee resolved to note the report</i></p>	DH
	<p>8.2 Strategic Plan Implementation</p> <p>The Committee considered the following pillars of the Strategic Plan:</p> <ul style="list-style-type: none"> - Investment - Financial Sustainability - Partnerships <p>The main areas of progress had been substantively covered under other agenda items.</p> <p><i>The Committee resolved to note the report.</i></p>	
POLICY AND OTHER MATTERS		
Policy Reviews		
	<p>9.1 Policy Review Update</p> <p>It was noted that there were no policies to review at present. There was a wider ongoing review to determine which policies required Committee and/or Board approval; this would be raised at Committee meetings throughout the meeting cycle.</p>	DoG
Other matters		
	<p>10.1 Amended Terms of Reference</p> <p>It was noted that the Terms of Reference had previously been discussed and the further amendments recommended. The final Terms of Reference, incorporating all comments, were presented for approval.</p> <p>A minor amendment was requested, subject to which, <i>the Committee approved the Terms of Reference.</i></p>	
SUMMARY MATTERS		
	<p>Key Meeting Outcomes and/or Actions</p> <p>11.1 Matters for report to the Governing Body (if any)</p> <ul style="list-style-type: none"> • Learner Recruitment • Management Accounts 	

	<ul style="list-style-type: none"> Horizon Scanning; Budget Challenges 	
	11.2 Matters for report to the Audit Committee (if any) <ul style="list-style-type: none"> GDPR Update 	
	12. Any Other Business The Committee returned to the subject of the departure of the DPO and SIRO. The Chief Executive and Principal confirmed that a final decision had not been made and was currently being discussed with the Chair of Governors. The matter would also be reported to the Audit Committee. There was no further business.	
	13. Date of the Next Meeting – 29 April 2021	
	The meeting closed at 18:35	
Signed	Approved remotely as an accurate record – 29 April 2021	
Name:	Owen Trotter	
Date:		