



## Minutes of the Finance & General Purposes Committee held on 29<sup>th</sup> April 2021 at 5.30 pm via video conference

<b>Present:</b>	Vicky Buckle Rob Hickey Donald Inglis David Johnson Melanie Jones Lee Probert (Chief Executive and Principal) Owen Trotter (Chair)	
<b>In Attendance:</b>	Louise Doswell – Deputy Chief Executive and Principal (Partnerships and Development) David Hawkins – Vice Principal for Finance and Professional Services Paul Lawrence – Director of Marketing Elizabeth McClure – Director of Governance	
	<b>1. Apologies for Absence / Declarations of Interest</b>	<b>Action</b>
	Apologies for absence were received from Neil Costello and Jack Commandeur.  There were no declarations of interest.	
	<b>2. Minutes of Previous Meetings</b>	
	The minutes of the meeting held on 29 <sup>th</sup> April 2021 were reviewed and approved.	
	<b>3. Matters Arising – Actions</b>	
	The Committee reviewed the matters arising. It was noted that an update on the DRP would be provided at the next meeting. Cyber Security would be discussed at the Audit Committee and a full internal audit review of Cyber was due to be completed.	<b>DH</b>
	<b>STATUTORY &amp; REGULATORY COMPLIANCE</b>	
	<b>4.1 GDPR Update</b> The Committee considered an update on GDPR, noting that an internal audit had been completed and a 'reasonable assurance' rating was anticipated. The auditors had identified some areas of improvement, this included updating the Data Protection Policy which had already been completed. There had also been an action regarding training; this had been impacted by Covid and the relevant software had not been updated; this was being addressed. It was noted that there were significant updates required to the Data Protection Impact Assessment; these had not been completed before the DPO left the college. It was noted that, on the whole, the audit had been positive and only identified areas that were already in scope for action. It was clear that the College was addressing subject access requests and data breaches in the correct way. The full Internal Audit report would be reviewed by the Audit Committee, but this Committee would receive a copy.	<b>DH</b>

	<p>The Committee discussed resourcing, noting that the DPO and SIRO were both leaving the College. The DPO responsibilities would be allocated to the new DoG and Louise Jones would be the new SIRO.</p> <p>The Committee resolved to note the report.</p>	
	<b>MARKETING &amp; BUSINESS DEVELOPMENT</b>	
	<p><b>5.1 Marketing Update</b></p> <p>The Director of Marketing presented the Marketing Update. It was noted that the pandemic had continued to affect the College's marketing activity, though online events had yielded excellent results. A recent applications event had resulted in 18 conversions and small tours of the site had just recommenced. It was noted that schools were beginning to respond, following the renewed reciprocation of GDPR compliance, which meant that data could be shared. HE numbers had declined slightly, though latest figures showed that this decline had halted and there were signs of improvement.</p> <p>The Committee considered the data presented regarding the three key schools. The Committee noted the significant fall in numbers for 'other schools' and queried which schools this related to; it was confirmed that this related to schools further afield than those listed. It was further noted that the largest decline in numbers for last year related to '19 plus' and '16-18 vocational'. The Head of marketing explained that initially the driver for this had been Covid, as there was a perception that practical courses had suffered a greater impact. However, on further analysis, it was clear that the decline in vocational directly mirrored the increase in A-level numbers, suggesting that students were opting for different courses. This was also attributable to students expecting higher GCSE grades, which may change following the release of results. It was noted that marketing efforts had recently focused on attracting students to vocational courses. In terms of conversion of existing students, this was currently very strong and had entailed extensive work with students in relation to progression. It was hoped that this work would convert into enrolments.</p> <p>The Committee questioned if there had been many questions around a continued blended learning offering. It was noted that this had not been a major theme; the majority of applicants had been keen to visit the site as soon as possible.</p> <p>The Committee reviewed a slideshow demonstrating the new website. It was noted that the new site had been constructed from scratch and provided better functionality, with a cleaner interface. There was an in-built live chat function and improved course listings, which also allowed for comparison between courses. It was noted that the application process was still conducted via Unit E but work was in progress to make this process quicker. Testing of the revised website would continue until late May before being submitted for SLT approval at the end of June. It was on schedule to be live before September, as planned. The Committee agreed that the website was a significant improvement but questioned how long it was expected to last before requiring another radical re-design. It was noted that the website had been designed to be as future-proof as possible, though it was difficult</p>	

	<p>to predict future technological advancements. It was anticipated that seven years might be a reasonable estimate.</p> <p>The Committee resolved to note the report.</p>	
	<b>FINANCIAL SUSTAINABILITY</b>	
	2020-21 Financial Performance	
	<p><b>6.1 Management Accounts for the 8 months to 31 March 2021</b></p> <p>The Vice Principal for Finance and Professional Services provided an overview of the latest management accounts, noting that the position had improved in relation to adult education as the ESFA had confirmed a tolerance level of 90%. There had also been the receipt of £300k catch-up tuition fund money; SLT were working on a plan for evidencing how this could be spent and, so far, £50k had been included in the year end forecast. The ESFA had also provided funding for the Covid testing programme and a total of £30k was expected for this. It was noted that Higher Needs funding also continued to be positive. Catering, salons and printing income had improved following the reopening of the site. There was now a clear handle on PTVHs contracts and the invigilation budget had been reduced as it was unlikely to be used, though there had been an increase in sub-contractors in some areas. Depreciation had been reassessed and looked positive. It was noted that the deficit was now predicted to be £0.5m, having originally been predicted to be £1.5m. There was still some uncertainty around exam fees which may impact the final figure, as would the apprentice numbers. The Committee resolved to note the management accounts.</p> <p>The Vice Principal for Finance and Professional Services stated that it had been the intention that the pay year would move to 1<sup>st</sup> January. It was now a matter for discussion as to whether this movement might also provide an opportunity to make a non-consolidated payment to all staff from July this year. This would increase the deficit but would be good for staff morale and might satisfy some union demands. Testing of a number of alternatives was ongoing; a 1% award would amount to a total of £189k or there was an option to award all employees a £500 payment which would amount to £300k. It was noted that this would be a more significant award for some staff than a 1% payment.</p> <p>The Committee discussed the proposal, noting that it would be necessary to agree the clear reasoning behind the award. It was noted that the 1% Pay Award recently approved was awarded on the basis that the college was predicting a large deficit; this had now been reduced and therefore there were grounds to suggest that an increased award could be made.. It was noted that any discussion should be informed by the budget for next year and that the current predicted deficit, whilst reduced, was the worst result the college had, had for several years. The Committee noted the need to keep staff motivated, noting that if the impact of Covid was removed from the equation, results would have been positive and the overall financial position was solid.</p> <p>The Committee discussed the benefits of a percentage-based award vs. a lump sum payment. It was noted that lump sum payments benefited lower paid staff more and percentage based payments benefited higher paid staff. The Committee noted that the College</p>	

	<p>needed to consider its pay structure as a whole if there were issues around disproportionately awarding staff at different levels. The Committee further noted that Covid had impacted different sectors of the staff population differently and there had been a difference in the perception of 'risks' which had been taken by some staff during the pandemic.</p> <p>The Committee agreed that it was supportive of developing the proposal further with a view to making a recommendation to the Board in July. It was agreed that the reasoning and messaging behind the award needed to be clear. There should also be a consideration of whether a consolidated award might also be appropriate.</p>	DH
	<p><b>6.2 2021-2022 Budget Update</b></p> <p>The Vice Principal for Finance and Professional Services noted that a full budget proposal for 2021/22 would be presented at the June meeting. There was lots of work still to be done in relation to timetabling, staffing and PTVH contracts. Income streams also required further clarity to ensure they were achievable. The Committee questioned whether the budget was likely to predict a break-even position for next year; it was confirmed that this may be possible but it was not yet clear.</p>	
<b>CORPORATE GOVERNANCE AND ASSURANCE</b>		
	<p><b>7.1 Strategic Risk Monitoring</b></p> <p>The Vice Principal for Finance and Professional Services presented the Strategic Risk Monitoring paper. It was noted that, following feedback from Committees, an executive summary was now included. In terms of Covid, the situation was improving. In relation to Cyber, it was anticipated that the new, cloud-based website would reduce the risk of cyber attacks. It was noted that there had been further recent cyber attacks on educational institutions and a full internal audit report on cyber security was expected imminently. The Committee agreed that cyber should remain a top risk and that recent experiences of other institutions had shown that the key was for the organisation to get back on its feet quickly.</p>	
<b>POLICY AND OTHER MATTERS - None</b>		
<b>SUMMARY MATTERS</b>		
	<p><b>Key Meeting Outcomes and/or Actions</b></p> <p><b>10.1 Matters for report to the Governing Body (if any)</b> None.</p>	
	<p><b>10.2 Matters for report to the Audit Committee (if any)</b> None.</p>	
	<p><b>11. Any Other Business</b></p> <p>It was noted that it was LMD's last Committee meeting; the Committee thanked LMD for all of her work for the College over the years.</p> <p>.</p>	

	<b>14. Date of the Next Meeting – 9 June 2021</b>	
	The meeting closed.	
<b>Signed</b>	Approved remotely as an accurate record – 9 June 2021	
<b>Name:</b>	Owen Trotter	
<b>Date:</b>		