

Minutes of the Finance and Resources Committee meeting held in the Executive Boardroom at 1630 hrs on 4 December 2018

Present	David Pennell (Chair to 21/18)	Peter Fraser (Chair 22/18 on)	Tony Keeling
	Janet Meenaghan (Principal)	Jonathan Teesdale	
In Attendance	Adam Bishop (Stamford Fitness)(12/18a only)	Ryan Clarke (Observer)	Ralph Devereux (Clerk)
	Alison Fox (AP (P&S))	Carol Hargreaves (Head of HR) (Item 19/18 only)	Louise Perry (VP (F&R))
Apologies	Rachel Nicholls (DP (C&Q))		

The Chair welcomed Ryan Clarke to the meeting, Ryan would join the Corporation in the New Year and was present as an observer, all present then introduced themselves. The Chair explained that he intended to take Agenda Items 5.1 (Part 2) and 2.1 as the first considerations for convenience of those presenting.

PART ONE

STANDING ITEMS

15/18 ELIGIBILITY, QUORUM, DECLARATION OF INTERESTS

The apology was accepted. The meeting was quorate, no notice had been received of any Member becoming ineligible to hold office and there had been no interests declared.

The information was received.

16/18 MINUTES AND ACTIONS

- a. The Minutes of the last meeting held on 4 October 2018 were confirmed for electronic signature; action delegated to the Clerk. **(Action 1)**
- b. Action Register; all actions from the previous meeting had been completed or closed.
- c. Matters Arising from the Minutes. There were no matters arising from the Minutes.
- d. Urgent Business. There was no urgent business requested.

- a. **The information was noted.**
- b. **Action had been identified. (Register at 23/18)**

BUSINESS ITEMS

17/18 BORDEVILLE (STAMFORD FITNESS) PART TWO (out of agenda order)

Carol Hargreaves joined the meeting.

18/18 HR AND ORGANISATIONAL DEVELOPMENT (out of agenda order)

The comprehensive report, the first for 2018/19, which detailed HR activity and actions since the previous presentation was supplemented by a verbal update. The Report explained legal compliance, added value and best practice. All aspects of HR activity were included supplemented by graphical and tabulated data, benchmarked against AOC information where appropriate and summarised the annual KPIs. The information was interactively considered and issues particularly covered included: sickness levels particularly in the longer term, which had been adversely affected by one colleague who had now left the college; continuing professional development (CPD) and the possibility of widening the scope to include business support staff; and the gender pay gap, which had recently been considered by the Corporation and found well within scope. The Head of HR was thanked for the clear and full report.

The information was received.

Carol Hargreaves left the meeting.

19/18 FINANCE AND RESOURCES

- a. Management Accounts. The comprehensive management accounts accurate to 31 October 2018 were then considered and discussed. The Report was to a revised format with KPIs and the Financial Summary as the lead in sections. The situation was looking sound with current performance to date generally on target; overspending elements had been identified in the report and would be closely monitored throughout the year. The overall variance was just adverse, c(£29k) against budget, favourable income by c£130k with all variances clearly explained, payroll expenditure adverse, through higher than expected agency staff and SEND costs, non-payroll costs also adverse, generally because of start of year purchase on supplies. The detailed summary of financial performance and commentary, was welcomed. The additional transport costs were noted. MOT Centre and Stamford Gas Training were discussed in depth and recorded in Part Two of these minutes. Expenditure on high needs learners was considerable and may be increased still further. The balance sheet remained positive with a strong cash balance. Bank Covenants were noted as in-scope and Identified Risks and Opportunities were discussed. The Report was recommended to the Corporation. **(Action 3)**
- b. Annual Financial Statements. (NCS) The Committee remit was to review the accounts that would also be presented at Audit Committee on 6th December. The attached accounts had almost been completed, and so the final audit opinion (on page 17 highlighted) had not yet been received, however it had been indicated as, and was expected to be unqualified. The accounts showed, as expected, an overall net deficit for 2017/18 of £148k, after a non-cash pension costs adjustment of £465k. The unadjusted surplus for the year was £317k. After full and detailed discussion of the narrative and accounts, it was noted that the final numbers closely reflected those previously brought to the Committee.
- c. Annual Financial Statements. (Quality Resourcing Solutions (QRS)). The QRS accounts detailed use of the QRS service during the year; the business is a managed service, and holds no fixed assets. Debtors and Creditors are limited to inter-company transactions and payments for the service (provided by Protocol). The Accounts would be considered by the QRS Board later that day for signature but, in assumption of a positive response, they were accepted.
- d. Learner Numbers and Funding. This report gives further detail on the Educational Funding for the current year. The comprehensive Learner Number/Funding comprised tabulated data for each funding stream and apprenticeship targets for the current year. At the time of the report enrolments had exceeded the allocation by 51, a sound performance. The implications of the numbers were discussed and the positive effect on 2019/20 was recognised.
- e. Education and Skills Funding Agency (ESFA).
 - (i) Financial Health Letter. The ESFA had advised, in the letter at Annex, that NCS assessment for 2017/18 was "Outstanding" and for 2018/19 was "Good".

- (ii) Dashboard. The letter also incorporated KPI and compared college performance against target benchmarks and those achieved in the sector.
- f. Business Development. The comprehensive report detailed Apprenticeships, Adult Learning Loans, Subcontracting, Community Learning, European Social Fund (ESF) and wider Employer Engagement. Contrary to the national trend, there had been a startling 68% increase in apprenticeship starts over the previous year and this was welcomed. The concentrated work with Levy paying employers was now returning results, evidenced by 70 associated apprentices. The unique selling point (USP), which would continue to make a significant contribution, was the close attention to personal contact and individual development; members took comfort from the performance. Associated areas were fully detailed in the paper, they were noted as all positive and the widening contact and networking was welcomed. Mechanical Services were particularly considered and discussed; Electrical Installation and Plumbing apprentices required assessment and it was increasingly difficult to retain suitable qualified assessors, it was recommended that partnership with EAS Mechanical Services would provide the solution. In response to a query: the "in house" cost the previous year had been £82k and the delivered service would cost c£80k and relieve the responsibility, accordingly the partnership was approved. **(Action 4)** The RAG rated Apprenticeships Action Plan was scrutinised and was noted as largely amber and green, reassurance was given that the red items were being addressed. It was suggested that the scope of that plan should be widened to embrace the wider aspects of employer engagement; that suggestion was discussed and it was agreed as logical and sound and it was approved. **(Action 5)**
- g. Higher Education (HE) Validation. Current HE validating partners would not provide the service to enable extension of provision to enable Level 6 (L6) delivery and concurrently to provide flexibility in fee levels. To inform consideration of the solution a full business case had been determined. The case clearly demonstrated the benefits of changing validating partners for HE provision since it provided flexibility with fees and allowed extension of provision to Level 6. There had been a poor response to the open invitations for suitable partners and bad experience with some Universities, who had withdrawn from arrangements at short notice, had motivated against them. However, the College could apply to the Open University (OU) initially to validate two HE programmes; Creative Industries and Professional Studies, with further programmes to follow. The options and the cost implications of each were then fully discussed and considered and it was unanimously agreed to progress the case with the OU and to delay consideration of fee levels until after agreement of that process. There was a low risk that at the end of this process the chosen partner may not proceed with the validation. **(Action 6)**
 - a. The information was received and noted.
 - b. Action had been identified. (Register at 23/18)

David Pennell left the meeting and Peter Fraser assumed the Chair.

20/18 STANDING ITEMS

- a. Health and Safety (HAS).
 - (i) Report. The HAS Committee Minutes from 20 November 2018 and supporting information including the Scored Audit Assessments were scrutinised. It had emerged during discussions at the last meeting that some areas were failing in the requirement to provide eight-weekly checks and the evidenced improvement was welcomed. However, areas of vulnerability were evident from scrutiny of the documents, in particular the RAG rated appendix to the report, and the Committee registered concern that laxity and necessary leadership at the lower management scale could be evident. HAS matters were not optional. It was agreed that more robust requirements would be issued and compliance more strictly monitored. **(Action 7)** Concern was formally registered that there had been improper interference with the electrical installation at the Stamford Fitness facility at Bordeville by the Football Club; the damage had been rectified by NCS and to date, despite requests, there had been no communication and no recompense from, the Football Club. A further request would be sent. **(Action 8)**

(ii) Policy. The HAS Policy had been updated for the current year to reflect personality changes and best practice. The Policy was recommended to the Corporation for approval. **(Action 9)**

(iii) Scored Audits. Four HAS scored audits had been completed;

- Construction and Motor Vehicle, 84% (Previous 82%);
- Hospitality and Catering, 85% (Previous 83%);
- Refectory and Bistro, no score (Previous 90%)
- Hair and Beauty, 87% (Previous 87%)

and the results were noted.

b. QRS. There had been some personality changes, which would reflect on the QRS Board:

(i) Andrew Clare had resigned and would be replaced as a Director by Louise Perry (VP(F&R));

(ii) Carol Hargreaves (Head of HR) would join as an additional Director to provide HR in put; and

(iii) regularising changes to the Bank Mandate were approved. **(Action 10)**

a. The information was received and noted.

b. Action had been identified. (Register at 23/18)

21/18 URGENT BUSINESS

There had been no urgent business requested.

22/18 DATE OF NEXT MEETING

The next meeting would be held at 1630 on 19 March 2019 (Electronic).

23/18 ACTION REGISTER

Please refer to referenced Minute for further detail		Resp	Date
Action 1	16/18. Minutes (04.10.18) confirmed for signature.	Clerk	asap
Action 2	PART TWO		
Action 3	19/18a. Mgt Accts recommended to the Corporation.	Chair	11.12.18
Action 4	19/18f. Partnership with EAS Mechanical Services approved	AP(PS)	wie
Action 5	19/18f. Apps Action plan to be Emp Engagement Action Plan		
Action 6	19/18g. OU option as HE validation partner approved.	VP(FR)	asap
Action 7	20/18a(i). HAS monitoring and implementation to be improved.		
Action 8	20/18a(i). Bordeville electrical damage to be pursued.		
Action 9	20/18a(ii). HAS Policy recommended for approval.	Chair	11.12.18
Action 10	20/18b. Regularising actions for QRS approved	VP(FR)	wie

Ralph Devereux (Clerk) for David Pennell (Chair)

Ralph Devereux (Clerk) for David Pennell (Chair) (Mar 20, 2019)

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Final Audit Report

2019-03-20

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