

CORPORATION BOARD FINANCE & GENERAL PURPOSES COMMITTEE



Minutes of a meeting held on Tuesday 1 October 2019 at Abingdon Campus at 6pm

Present

Di Batchelor
Howard Dodd
Roger File
Nick Handy (Chair)
John Revis
Sean Wellington

In attendance

Mark Lay, Finance Director
Jenny Craig, Vice Principal, Curriculum & Quality
Darren Bailey, Head of Finance
Michael Chiyasa, Head of Estates and Capital Development
Ruth Reavley, Clerk

Governor questions are represented with bullet points, and management responses are italicized.

1. Opening comments, apologies for absence and new declarations of interest

Members were welcomed to the meeting. Apologies had been accepted from Tony Petruso. Sean Wellington and Roger File were delayed in traffic. There were no new declarations of interest. The meeting was quorate.

2. Minutes of the meeting held on 15 June 2019

Subject to the correction of one typographical error, the public and confidential minutes were approved and signed.

3. Matters arising from the Minutes not covered elsewhere on the agenda, and Action tracker

Use of a written resolution to update the Subcontractor supply chain fees and charging policy (previously Supply Chair fees and charging) was noted. Progress on actions was noted.

Items 4 and 5 were deferred until governors *en route* had arrived.

6. Health & Safety Annual Report

The Head of Occupational Health and Safety, staff governor John Revis, noted that the draft report had been discussed with Vicky Field, the designated Health & Safety governor. Members discussed the report.

- Were the accidents and incidents reported for 2017/18 to have been adjusted to code matters not directly attributable to any college activity as “not on stats”, would a reduction between 2017/18 and 2018/19 still be shown? *It would*
- Was the specific inclusion of provision for legionella in the proposed revised Health & Safety policy sufficient? Should any amendment cover other communicable diseases? *The proposed amendment responded to statutory requirement. Associated with it, there was specific training and a separate, more detailed document in which the Principal had specified responsibilities. The policy paragraph was underpinned by extensive procedural documentation.*

Roger File arrived.

- Had there been any fires on Campuses recently? *No. The latest Fire Alarm was smoke, rather than fire, as a result of a chemical experiment in the Labs. The College’s systems and compliance were high quality and independently verified.*

The Report was recommended to the Board.
The revised policy was recommended to the Board.

Action	By Whom	Deadline
Add H&S Annual Report to Board agenda	Clerk	For Board, October 2019
Add H&S revised Policy to Board Agenda	Clerk	For Board, October 2019

Members reverted to the agenda order and considered a confidential item.
Sean Wellington arrived at 6.15pm.

5 Estates Management and Capital Projects

5.1.1 Public matters

The Head of Estates and Capital Development introduced the report.

- Are there sector benchmarks for any of the KPIs in use? *No. Having obtained Senior Management Team approval, the plan is to pool with other FE Colleges to benchmark. Care will be taken to identify accurate comparators. There is an HE Estates Directors' forum, but no FE equivalent.*
- The year on year trend for internally set KPIs is as valuable as sector benchmarks.
- The KPIs are similar to those seen in HEIs.
- Does the Space Utilisation take operational hours into account? *It does.*
- Might any of these KPIs usefully be imported to the Balanced Score Card (BSC)? *The Board had requested that the BSC now covered only indicators of institutional concern.*
- Could Estates KPIs be incorporated into the final section of the Principal's Report to the Board? *That addresses matters of statutory responsibility and matters specifically requested by the Board (e.g. Wellbeing). Consideration was being given to a Governor Dashboard, in which for instance space utilisation, might be included*
- Environmental credentials were of increasing interest to "Generation Z" students applying to Universities. Recent examples include a University going meat free. *The next iteration of the Strategic Plan may give more priority to sustainability and "green" issues.*
- Many in the corporate sector have adopted environmental sustainability reporting in relation to both customer demand and cost management considerations. *Marketing the College's environmental sustainability credentials to students will be important. No single measure is likely to communicate the whole picture.*

Members noted the report.

5.1.2 Annual Report on ongoing estates maintenance/refurbishment

Members noted the report.

7. HR Annual Report

In the absence of the Head of HR, the Principal presented the report.

- Were there actions which could be taken to improve the rate of completion of exit interviews? *The trend on completion is improving. Completion tends to capture leavers with negative experiences.*
Linking the return of equipment and ID to undertaking an exit interview could improve take-up. *That would be fed back to the team.*

Members noted the report.

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8. Management Accounts

The Head of Finance presented the report, highlighting major features. The external auditors are positive about work undertaken to date for the 2018/19 year end.

- With respect to the Local Government Pension Scheme valuation and actuarial assumptions, and the forthcoming funding review, it could be advantageous to demonstrate a low (though not negative) level of reserves in making the case for external funding requests.
- Is it clear how the £160k provision linked to Oxfordshire Adult Learning (OAL) would be utilised? *It would be fully used by July 2021, on dilapidations and ongoing costs that are above what was budgeted for when entering into the building leases. It may be that the County Council advances alternative plans for the use of The Union building in Cowley, and both allows the College not to make good dilapidations and supports the College in finding an appropriate alternative site.*
- The red-amber-green rating of the income and expenditure summary, and faculty contribution model is of limited value at year end. *This had been considered but on reflection ensuring consistency between management accounts ensured that this would not be overlooked in the future.*
- Governors asked that the date of the full year forecast review be inserted at the top of that column. *The Finance Director agreed to do that in future*
- When is the full year forecast produced? Would it be worth providing a rolling forecast? *The forecast is provided in January – March, mid-point in the funding year, with monthly reporting from P6 onwards.*

The Chair responded: In the FE sector, the budget is submitted to the Education & Skills Funding Agency (ESFA). It is important that the College does not develop contradictory internal documents. The Committee needs to focus on the numbers to be submitted, as they are reflected in the management accounts without generating additional reporting unless there is a critical issue that needs monitoring.

The Principal observed that the College has set a break-even budget for 2019/20 and asked whether it would be helpful to share what staff see. Responding, a governor confirmed they did not wish to see management papers, but would rather concentrate on high-level scrutiny and challenge.

The Principal would advise governors as a matter of priority were any critical financial concerns to emerge.

The Chair noted that, in this situation, cash forecasting is key, and that governors do receive reporting on this, as it is included in all sets of Management Accounts.

Governors noted the report.

9. Budget update 2019/20

The Finance Director presented the report.

- What is the probability of uncertainties in the fee income stream becoming material? *The probability is fairly high, potentially up to £100k in value. The College is developing plans to manage any such impacts.*
- When are HE figures finalised? *1 December. Apprenticeship starts also are spread throughout the year.*
- The staff governor present commented that budget matters are widely and clearly communicated through the various management teams and used actively as a tool to manage and control finances.
- Is the situation as likely to deteriorate as it is to improve? *At this point, yes. There are unknown unknowns, of course, which may be positive or negative. The Senior Management Team has a keen focus on finance.*

Members noted that the paper excludes potential strategic capital development ideas. They agreed that managing staff pay expectations is key.

The paper was noted.

10. ESFA Financial Handbook

The key change, to requiring a 24-month cash flow, made significant demands on the in-house finance team. Oversight and approval needed to be integrated into the F&GP and Board Business Plans.

Action	By Whom	Deadline
Integrate 24-month cash flow oversight and approval into Committee and Board business plans	Clerk and Finance Director	As soon as possible

11. Policies

11.1 Revised Policy: Staff Attendance

Subject to SMT review of the requirement daily employee phonecalls to managers during a period of sickness absence, with respect to arrangements on Bank Holidays (section 2.2 , 5th paragraph), the Committee approved the policy

11.2 Refreshed Policies

The IT and the Tuition Fees 2020/21 policies were recommended to the Board. The Staff Wellbeing Policy was approved.

Action	By Whom	Deadline
Further review and amend as appropriate section 2.2 para 5 of the Staff Attendance Policy	SMT	As soon as possible
Issue further reviewed Staff Attendance Policy	Clerk	Once SMT process complete
Add It and Tuition Fees 2020/21 Policies to Board agenda	Clerk	For October meeting
Issue Staff Wellbeing Policy	Clerk	immediate

12. Freedom of Information request update

The report was noted.

13. Future Business Items and Reflection

The Chair raised the need for the executive to ensure that the Audit Committee was in a position to respond to any audit issues raised by the F&GP Committee, as re-scheduling of meetings had resulted in the Audit committee meeting prior to F&GP when both were considering the year-end Financial Statements.

Other than this matter, the business plan for the November meeting was noted. No further reflections were offered on the meeting.

The meeting ended at 8.10pm.

Signature

Date