

<p align="center"><b>MINUTES OF MEETING OF THE FINANCE, RESOURCES AND INVESTMENT COMMITTEE HELD IN I1.10 AT 5.30PM ON TUESDAY 26 NOVEMBER 2019</b></p>
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<b>Present:</b>	Mr M Stone (Chair) Mr D Mabbitt Mr K Wharton Mr K Williams (Interim Vice Principal Finance and Resources)	<b>In attendance:</b>	Mrs J Matthews (Director of Governance) Mr A Lawson (ICT Manager – until M19/09)
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**ACTION**

	<b>APOLOGIES FOR ABSENCE</b>	
M19/01	There were apologies for absence from the Interim Principal. It was noted that Mr Woodhead had resigned as a Governor and Mr Stone had been appointed as Chair of the Committee.	
	<b>DECLARATIONS</b>	
M19/02	There were no declarations of interest.	
	<b>ESTATES AND TECHNOLOGY REPORT</b>	
M19/03 - 09	CONFIDENTIAL MINUTE  <i>The ICT Manager left the meeting at this point.</i>	
M19/10	The Interim Vice-Principal (Finance and Resources) highlighted the work on energy costs and reported that a business case would need to be prepared for presentation to the Committee. He reported that the control budget would need to be reviewed as a whole and he was seeking to have a better understanding of the capital budget before any decisions were made.	
M19/11 – M19/13	CONFIDENTIAL MINUTE	
	<b>MINUTES OF 19 JUNE 2019</b>	
M19/14	The minutes of the meeting of 19 June 2019 were approved as a correct record.	
	<b>MATTERS ARISING ON THE MINUTES OF 19 JUNE 2019</b>	
M19/15	<i>M18/101 – architecture map</i> It was noted that the Committee had reviewed the architecture map earlier in the meeting.	
M19/16	<i>M18/102 – IT employers group involvement in the IOT planning</i> The Interim Vice-Principal (Finance and Resources) reported that he would follow up on progress in relation to involving employers in the planning of the IOT facilities.	Interim VP (F&R)
M19/17	<i>M18/126 – involvement in Equine Unit</i> The Interim Vice-Principal (Finance and Resources) agreed to ensure that Mr Gaunt, former Governor, was involved at the next stage of the Equine Unit development in order to have some independent advice.	Interim VP (F&R)
	<b>TERMS OF REFERENCE 2019-20</b>	
M19/18	The updated terms of reference for 2019-20 had been circulated and were <b>recommended</b>	

to the Board for approval.

#### **SUB-CONTRACTING ANNUAL REPORT 2018-19**

M19/19

The Committee had received the Sub-contracting annual report for 2018-19 and noted that sub-contracting for 2019-20 had been reduced and currently in-house AEB delivery was ahead of schedule. A question was asked about whether the College could bid for any additional AEB and the Interim Vice-Principal (Finance and Resources) reported that he was not aware of any opportunities to do so. A question was asked about why the overall success for Derwent Training was lower than the timely figures and the Interim Vice-Principal (Finance and Resources) reported that he would check those figures. A further question was asked about why the College was conducting close scrutiny of the financial and administrative functions of Derwent Training as stated in the paper and the Interim Vice-Principal (Finance and Resources) reported that he was not aware of any ongoing issues but would check the situation.

**Interim VP  
(F&R)**

**Interim VP  
(F&R)**

#### **FINANCE**

M19/20

##### **Management accounts and finance update**

The Interim Vice-Principal (Finance and Resources) tabled the management accounts and finance update for the period to 31 October 2019 and highlighted key points. Some concern was expressed about industrial placements which were significantly behind the target of 117. It was not yet clear if there would be any clawback and this would continue to be monitored.

M19/21

It was noted that pay costs were favourable by around £6k and a question was asked about whether those costs included temporary staff. It was confirmed that they did and that part time staffing had been reduced as a result of the lower recruitment. A question was asked about whether sickness levels had increased and the Interim Vice-Principal (Finance and Resources) confirmed that they had and the HR team were exploring this further. The Committee requested that the Principal be asked to include details of staff sickness, and long term absence in particular, in the Principal's report to the Board. The Interim Vice-Principal (Finance and Resources) highlighted that staff utilisation was down and a question was asked about what measures had been put in place to address that. It was reported that it was lower in some subject areas than others due to lower student numbers and classes not running, but that no reshaping of staff to address that had taken place. A question was asked about whether that had been accounted for by a reduction in part time staff and it was confirmed that it had, in part, although it depended on the situation.

**Interim VP  
(F&R)**

M19/22

The Committee noted that these were the first management accounts for the year and the Chair emphasised the importance of receiving monthly management accounts on a more timely basis.

##### **Revised Financial Forecasts 2019-20**

M19/23

The revised financial forecasts for 2019-20 had been circulated and the Interim Vice-Principal (Finance and Resources) highlighted the key points. A question was asked about inclusion of an increased funding rate per student and it was confirmed that it had been included but no increase had been assumed for 2020-21. It was noted that the financial health grading was maintained at good but would move into the satisfactory grade should it drop to 170 points. In relation to pay, no pay award had been assumed and the Committee questioned whether that was a desirable situation. It was noted that the AoC recommendation was for 1% and would cost around £80k. The Committee recognised the need to make increased savings where possible and requested that additional detail on staff utilisation be provided for the Board meeting the following week.

**Interim VP  
(F&R)**

M19/24

The Committee **recommended** the revised financial forecasts for 2019-20 to the Board for approval, which included no staff pay award.

M19/25	<p><b>Revised financial regulations</b></p> <p>The revised financial regulations had been circulated and a question was asked about the 7-year depreciation for the IoT. The Interim Vice-Principal (Finance and Resources) reported that it was a requirement within the legal documents for the IoT. It was agreed to include a requirement that the Chair or Vice-Chair should authorise all the Principal's expenses and the Interim Vice-Principal (Finance and Resources) agreed to check the details in relation to the authorised signatories for banking purposes. The Committee requested that the requirement to receive reports on UK travel was removed and that Appendix A was not required. Subject to these amendments, the Committee <b>approved</b> the revised financial regulations.</p>	<p><b>Interim VP (F&amp;R)</b></p> <p><b>Interim VP (F&amp;R)</b></p>
M19/26	<p><b>Risk review</b></p> <p>The relevant section of the risk register had been circulated and the contents noted. It was agreed that larger printed versions would be helpful for discussion at future meetings.</p>	<p><b>Director of Governance</b></p>
M19/27	<p><b>DATE OF NEXT MEETING</b></p> <p>It was noted that the next meeting would be held on Thursday 30 January 2020.</p> <p><b>The meeting closed at 7.40pm.</b></p>	