

<p style="text-align: center;">MINUTES OF THE MEETING OF THE FINANCE, RESOURCES AND INVESTMENT COMMITTEE HELD VIA MICROSOFT TEAMS AT 5.30PM ON THURSDAY 7 MAY 2020</p>

Present: Mr M Stone (Chair)
Mr D Langton
Mr D Mabbitt
Mrs A McGrath
Mr K Wharton
Mx L Johnson (Principal and CEO)
Mr K Williams (Interim Vice Principal Finance and Resources)

In attendance: Mrs J Matthews (Director of Governance)
Mr E Drake

ACTION

APOLOGIES FOR ABSENCE

M19/103 There were no apologies for absence. Mr Stone was late joining the meeting and Mr Mabbitt took the Chair until his arrival (M19/110)

DECLARATIONS

M19/104 There were no declarations of interest.

MINUTES OF 18 MARCH 2020 AND 26 MARCH 2020

M19/105 The minutes of the meetings held on 18 March 2020 and 26 March 2020 were approved as a correct record.

MATTERS ARISING ON THE MINUTES

M19/106 Members noted the update on matters arising on the minutes provided in the action tracker and that all actions had been completed.

M19/101 – Equine Unit

M19/107 The Principal reported that no response had yet been received from the surveyor regarding the rental costs.

FINANCE

Management accounts and finance update

M19/108 The March management accounts were reviewed and it was noted that there was a forecast operating deficit of £469k for the year. Covid-19 had impacted on income with the main concerns around full cost provision and apprenticeships. A question was asked about whether there was any action that could be taken to help control the deficit before year end. The Interim Vice-Principal (Finance and Resources) reported that was unlikely although it was noted that no income from the Job Retention Scheme had been included and it was anticipated that there would also be staff cost savings of around £50k. A question was asked about whether the shortfall in commercial activity had been incorporated and it was confirmed that it had been.

M19/109 CONFIDENTIAL MINUTE

M19/110 A question was asked about where capital expenditure was reflected in the cash flow and the Interim Vice-Principal (Finance and Resources) reported that relocation from the High Street was estimated to cost around £200k, with £80k within 2019-20 and the remainder in 2020-21.

Mr Stone joined the meeting at this point.

M19/111	It was noted that part-time pay variance had increased since the February management accounts and Governors questioned what steps were being taken to address that. It was reported that all requests for part-time staffing now required SMT approval. The Principal reported that they were reviewing remission, class sizes and putting stronger budgeting controls in place. There were also a number of staff who had been on zero hours' arrangements for some years and by transferring them to contracts, the College would improve the control of its costs.	Principal Interim VP (F &R)
M19/112	A question was asked about whether the April management accounts would be available within 15 days of month end, and the Interim Vice-Principal (Finance and Resources) confirmed that he aimed to do so.	Interim VP (F&R)
	HEALTH AND SAFETY Health and Safety KPIs	
M19/113	Members had received the Health and Safety KPIs and noted that there had been little change since the last meeting. The College had achieved ISO45001 again which provided an external validation of its work in this area. A question was asked about whether future reports should include reference to Covid-19 and the Principal reported that it was picked up within the risk management process and the new risk register. The Committee agreed, however, that it should also be covered in future health and safety reports.	Interim VP (F&R)
	ESTATES AND TECHNOLOGY Equine Unit	
M19/114	CONFIDENTIAL MINUTE	
	Estates and Technology report	
M19/115	CONFIDENTIAL MINUTE	
M19/116	It was noted that the revised plans for relocation of the High Street would allow some facilities to be retained for Sport, in the Hub, and also keep costs down. An application had been made to the Savoy Charitable Trust for funding for kitchen equipment, with a decision expected by September. A question was asked about how the work would be managed, and the Principal reported that the Facilities Manager would manage the project directly, with separate contractors engaged for the individual elements. A Governor questioned whether the electrical circuits could cope with the demand and the Interim Vice-Principal (Finance and Resources) agreed to check.	Interim VP (F&R)
M19/117	A question was asked about the opening date for the IoT and the Principal reported that it was 20 May 2020 and invites would be distributed to Governors.	Principal
M19/118	A question was asked about the resilience of the IT systems in relation to the delivery of distance learning provision, and whether there were any single points of failure. It was agreed that an update on this should be provided at the next meeting. The Principal confirmed that the digital strategy would link to the Quality of Education strategy so that the infrastructure supported the teaching and learning plan.	Interim VP (F&R)
	RISK REVIEW	
M19/119	The committee reviewed risks relating to its work and it was noted that there had been an overall increase in risk in relation to finance. The latest indicators were that the financial health was moving towards Requiring Improvement.	
M19/120	A question was asked about progress on recruiting a new, permanent MIS Manager and the Principal reported that an interim had been contracted to work 10 days per month until the end of the calendar year, whilst discussions continued in relation to more permanent arrangements.	
M19/121	Governors noted that the risk register circulated did not include Covid-19 and its impact,	

	<p>the sale of the High Street or the predicted financial health declining to Requiring Improvement, and what might be done to mitigate against that. In addition to Covid-19, there were medium term risks in the financial plan and there was also a strategic reputational risk associated with the declining financial health. The Principal reported that although the High Street did feature on the risk register it was not as a financial risk, and would be added as such. There was a separate risk register for Covid-19 and the Principal reported that they were looking at the curriculum planning which would help identify opportunities for cost reduction.</p>	Principal
	<p>JOB RETENTION SCHEME</p>	
M19/122	<p>The Principal reported that 39 staff had been identified who were eligible for the Government Job Retention Scheme, of whom 24 were salaried staff in sales and training, and catering, and 15 were hourly paid Tyro staff. An application for approximately £33k per month through the Job Retention Scheme was proposed and it was proposed to pay the additional 20% to ensure staff received their full salary during this period. The Principal highlighted the basis of the furlough calculations and confirmed that they were in line with the ratio of commercial activity income to the total income of the College. The Committee endorsed the Principal's approach and supported the proposed course of action.</p>	
M19/123	<p>A question was asked about whether the College intended to continue to top up the 80% salary from the Government, should the Government contribution be reduced in the future. The Principal reported that the 15 hourly paid staff work would have finished their current contracts by July, and of the remaining 24, it was hoped that some may be able to return to work but that it would be prudent to top those salaries up where required.</p>	
	<p>DATE OF NEXT MEETING</p>	
M19/124	<p>It was noted that the next meeting would be held on Thursday 2 July 2020.</p> <p>The meeting closed at 7.15pm.</p>	