

**MINUTES OF THE MEETING OF  
THE FINANCE, RESOURCES AND INVESTMENT COMMITTEE  
HELD VIA MICROSOFT TEAMS AT 5.30PM ON WEDNESDAY 5 MAY  
2021**

**Present:** Mr D Langton (Chair)  
Dr Birkinshaw  
Mr E Drake  
Mx L Johnson (Principal)  
Mr G Dixon (Vice-Principal Finance and Resources)

**In attendance:** Professor John Craig  
Mrs J Matthews (Director of Governance)

**ACTION**

**APOLOGIES FOR ABSENCE**

M20/146 There were apologies for absence from Dr S Morton although it was noted he was only in attendance. The Chair welcomed Professor Craig who was a newly appointed Governor, attending the meeting as part of his induction.

**DECLARATIONS**

M20/147 There were no declarations of interest.

**MINUTES OF 10 MARCH 2021**

M20/148 The minutes of the meeting held on 10 March 2021 were approved as a correct record.

**MATTERS ARISING ON THE MINUTES**

M20/149 Members noted the update on matters arising on the minutes provided in the action tracker.

*M20/13 – Health and Safety*

M20/150 It was noted that risk assessment training had been delivered and walkarounds would be taking place with non-departmental representatives from the Health and Safety Committee. This remained work in progress.

*M20/39- Financial strategy*

M20/151 It was noted that a longer term cash flow forecast was now in place which would be presented alongside the budget.

**PROGRESS UPDATES**

**Business and Community**

M20/152 The Committee received an update on Business and Community activity and noted that challenges remained around apprenticeships. Some end point assessments were taking place but the barrier was now the availability of assessors. The Principal expressed concern about the low level of enrolments in apprenticeships which would have an impact. A question was asked about whether there were any developments in relation to the apprenticeship levy and the Principal confirmed that the AoC was lobbying to get the funds released but they remained with the Treasury at present.

M20/153 The AEB remained in line with pre-Covid years and work was taking place to see how that could be maximised. The Principal confirmed that the College would not meet the 90% threshold but was controlling costs. The Committee highlighted some inconsistency in the figures presented in the reports and the Vice-Principal (Finance and Resources) suggested that this was probably due to the timing of the report writing. The Vice-Principal (Finance and Resources) reported that the College expected to meet the 73% that was submitted in the mid-year funding claim, which was likely to lead to a 17%

	clawback, but the impact on the contribution would be around 20-25%. The Vice-Principal agreed to ensure that there was more clarity about these figures in future papers.	VP F&R
M20/154	A question was asked about whether there would be a reduction in the following year's adult allocation due to underperformance and the Principal confirmed that there would not be. Underspend would be clawed back in December and the Principal had requested repayment terms from the ESFA. A further question was asked about whether the management accounts reflected the worst case scenario or whether it might further decline, and the Vice-Principal (Finance and Resources) confirmed it was the worst case scenario.	
M20/155	A Governor questioned progress on plans for AEB for the following academic year and the Principal reported that the intention was to predominantly use established staff and adult provision would be input into 4Cast. It was also intended to develop weekly reports on AEB to improve the understanding of the delivery profile. A question was asked about how flexible the cost base was and the Principal confirmed that with distance learning, if it was not delivered, both pay and non-pay costs were saved. In view of the fact that students would have finished by the end of May, consideration was being given to whether there was teacher capacity to deliver to adults.	
	<b>Student Activity</b>	
M20/156	The Committee had received an update on student activity and the Principal confirmed the RAG related to the year-end target, and would be amended to reflect a comparison year on year. The Principal reported that applications for study programmes in 2021-22 were significantly higher than the year before but HE applications remained an issue and a new marketing campaign was being developed.	Principal
M20/157	A question was asked about whether there were progression reports available from Level 3 to HE for current students and the Principal reported progression was strong in Aviation but less good in Childcare, with work required in that area. A further question was asked about why HE recruitment was lower and the Principal reported that there had been underperformance in Childcare but that had now been addressed, whilst Aviation had always remained strong. In response to a question about when student programme applications turned into offers, the Principal reported that 56% of applications converted into enrolments and students would be kept warm over the summer.	
	<b>FINANCE</b>	
	<b>Management accounts and finance KPIs</b>	
M20/158	CONFIDENTIAL MINUTE	
-		
M20/160		
	<b>Finance action plan</b>	
M20/161	CONFIDENTIAL MINUTE	
-		
M20/162		
	<b>Depreciation of Land and Buildings</b>	
M20/163	A paper had been circulated regarding depreciation of land and buildings and it was noted that the proposed approach would increase the retained profit. This would be an accounting policy change that would require a survey every 3 to 5 years. A Governor challenged whether land was depreciated and it was confirmed that it was buildings only but it came under the heading of land and buildings in the financial statements. A Governor suggested that it would be appropriate to check with other colleges that such an approach was not unusual and the Vice-Principal (Finance and Resources) confirmed that he would do so, and that he had already discussed it with the College auditors. The	VP F&R

	Vice-Principal (Finance and Resources) agreed to bring a paper to the next meeting once the valuation had been received, and would provide information in that about the approach by other colleges.	<b>VP F&amp;R</b>
	<b>HEALTH AND SAFETY</b>	
M20/164	The Health and Safety report and KPIs had been circulated and it was noted that there had been a RIDDOR event at the Evolve site. Since the College re-opening on 8 March 2021, there had been one positive Covid test amongst staff and none in the student population. Fire drills would be taking place in the current term and it was noted that the new recruit to the facilities team was proving an asset, allowing closer work with the curriculum teams.	
M20/165	A Governor questioned whether independent assurance over health and safety arrangements had yet been sought and it was suggested that the British Safety Council would be worth approaching on this. The Vice-Principal (Finance and Resources) reported that consideration had also been given to an internal audit review or a review by Business Safety, and that he would follow up the matter.	<b>VP F&amp;R</b>
	<b>ESTATES REPORT</b>	
M20/166	CONFIDENTIAL MINUTE	
M20/167	The Committee noted the situation in relation to the Equine Unit and the Principal reported that a local objection had led to the amendment in the planning requirements.	
	<b>TECHNOLOGY REPORT</b>	
M20/168	The Technology report had been circulated and the proposal to enter into IT leasing was considered. A significant proportion of the existing equipment was outdated and it was intended to have new devices ready by the start of the academic year.	
M20/169	A Governor questioned whether the lease would include service and maintenance options and the Vice-Principal (Finance and Resources) reported that was still to be decided. It was recommended that the small print be carefully checked and that an exit clause was included. It was also recommended that it would be worthwhile reviewing the approach taken in other colleges. A Governor challenged whether there had been an evaluation of the leasing compared to buying arrangement and the Vice-Principal (Finance and Resources) reported that it would be costlier to lease, however there had been historical underinvestment and the College did not have the cash available to make the required investment.	<b>VP F&amp;R</b> <b>VP F&amp;R</b>
M20/170	CONFIDENTIAL MINUTE	<b>VP F&amp;R</b>
	<b>RISK REVIEW</b>	
M20/171	A paper had been circulated reviewing the risks within the remit of the Committee and the contents were noted.	
	<b>REVIEW OF MEETING</b>	
M20/172	Members reviewed the meeting and no improvements were identified.	
	<b>DATE OF NEXT MEETING</b>	
M20/173	It was noted that the next meeting would be held on Wednesday 30 June 2021	
	<b>The meeting closed at 7.10pm</b>	