



**MINUTES OF THE MEETING OF THE FINANCE & RESOURCES COMMITTEE
HELD 11 MARCH 2019**

Present: Mr Richard Stephen - Chair
Mr Spencer Bowen
Mr Chris Whelan
Mr Farouk Durrani

In Attendance: Ms Kim Saw - Director of Finance
Mr Jon Allen - Clerk
Mr Michael Jones - Chair of the Trust

The meeting commenced at 18.00

APOLOGIES, WELCOME, APOLOGIES, QUORACY & DECLARATIONS OF INTEREST

1. The Chair welcomed everyone to the meeting. The Clerk confirmed that the Chair of the Trust, Michael Jones, was in attendance as an observer and not as a member of the Committee. The Clerk confirmed the meeting was quorate. There was no declared interest against any of the agenda items.

MINUTES

2. Subject to amending the next date of the meeting to today's date, the minutes of the meeting held 13 November 2018 were approved as an accurate record of the meeting.

MATTERS ARISING

3. It was agreed at the last meeting to make available for review at this meeting a schedule of the Trust's Insurance policies and spread of cover. Received for review was the report from AoN that reviewed the College's insurance arrangements. Also made available was the Renewal Register prepared by AoN.

4. It was agreed to seek further clarification from AoN on what is meant by 'machinery breakdown' and what does this cover.

5. Clarification was sought if anything additional should be included with the College becoming an Academy. It was confirmed the change in status to being an Academy was noted in the policy review and no additional risks were identified arising from becoming an Academy.

6. The Committee sought assurances that the cover adequately reflects the scope of the business of the College. It was reported that this was the case and assurances were noted as the review report was specifically for an education provider.

7. The Committee asked if there was a need to conduct a tendering exercise or a value for money review on whether to continue to use AoN for this service. It was agreed to conduct a value for money review through a benchmark exercise with S7 Colleges.

8. It was agreed at the last meeting for a check to be made on Trustee liability cover and whether this extended to Members. It was confirmed the Trust Insurance liability cover includes Members.

9. It was agreed at the last meeting for Monthly Management Accounts to be made available to all Trustees and it was confirmed this has been actioned.

10. It was agreed at the last meeting for the Director of Finance to review the Expenses Policy to ensure the required authorisations for signing are correct. This arose from a recommendation arising from the audit undertaken by the external auditors. However, it has since been resolved as the audit action point has been withdrawn by the external auditor following receipt of additional information provided by the College that confirmed the required authorisations for signing were correct.

11. There were no other matters arising from the minutes.

MANAGEMENT ACCOUNTS 5 MONTHS TO 31 JANUARY 2019

12. The Management Accounts for the 5 months up to 31 January 2019 were subject to review.

13. The following headlines were noted:

	January actual Surplus / (deficit) £000	Year to date actual Surplus / (deficit) £000	Year to date budget Surplus / (deficit) £000
Before non-cash items	101	261	(69)
Retained surplus / (deficit)	101	80	(249)

	Balance at 31.01.19 £000	Balance at 31.12.18 £000	Balance at 31.08.18 £000
Bank & cash	2,013	1,940	1,701
Net assets	14,958	14,857	14,878

14. The movements from budget as at 31 January 2019 were outlined in the following table made available in the Management Accounts:

FUNDING UPDATE

20. Two papers were made available for this agenda item.
21. The first outlined the financial benefits of academisation, which were confirmed at £497k for 2017-18 and £423k for 2018/19. The main factor for the financial benefits was due to being able as an Academy to reclaim VAT, £435k in 2017-18 (including £160k due to building works) and estimated £250k in 2018/19.
22. The second paper outlined confirmed ESFA funding allocation for the College for 2018-19. Funding for 2018-19 is confirmed at £11.211m compared against £10.677m for the previous year, an increase in funding of £534k.
23. For 2017-18, the college received funding for 2,337 learner numbers at a value of £4,569 per student. Learner number allocation has increased to 2,454 for 2018-19 due to increased enrolments in 2017-18. However, the funding per student for 2018-19 is £4,568. So the increase in income is due to the increase in the number of learner numbers allocated for 2018-19 and not on the value per learner to be received. The Committee sought assurances that the College will be able to recruit 2,454 and assurances were received that current enrolment numbers are in line with last year's at this point in time.
24. As previously referred to, it was noted that the significant increase in employer contributions for the Teachers' Pension Scheme is expected to have a funding impact from 2020-21 onwards, as the expectation is that the funding support promised could only be for one year – 2019-20.
25. A 'high' level of assurance (Green) was **AGREED** on the funding update presented to the Committee and for the Clerk to report this level of assurance to the Audit Committee at its meeting next week.

ACCOMMODATION AND ESTATES

26. Three areas of summer spends were outlined.
- Updating the IT infrastructure to improve Wi-Fi facilities and log in times. It was confirmed costings for this are still be worked on.
 - Replacing lights with LED lights for long term cost savings
 - Floor replacement in the sports hall.
27. The update was noted.
28. It was reported that that the planning condition on the limit on student numbers that was put in place several years ago is being subject to discussion with the planning department to get the restriction removed. It was agreed to keep the committee informed on this.

ANY OTHER BUSINESS

29. The Director of Finance reported that the Trust Board will be asked to approve a new lease for photocopiers as the required authorisation level falls within the Trust's responsibility. The value of the lease is £11k per quarter for a 5-year period. A copy of the lease is to be made available to the Chair of the Committee for review before going to the Trust Board for approval.

There was no other business.

DATE OF NEXT MEETING

Monday 17 June 2019 @ 1800

The meeting closed at 19.30

Signed: _____ Date: _____
(Chair)

Action Points:

- Minute 4:** It was agreed to seek further clarification from AoN on what is meant by 'machinery breakdown' and what does this cover.
- Minute 7:** The Committee asked if there was a need to conduct a tendering exercise or a value for money review on whether to continue to use AoN for this service. It was agreed to conduct a value for money review through a benchmark exercise with S7 Colleges.
- Minute 19:** In terms of the cycle of business that was recorded on the board assurance cover sheet that was made available to support this agenda item, the Clerk confirmed that this is being subject to review and will be amended to reflect the correct committee titles and the correct cycle of business for this Committee.
- Minute 28:** It was reported that that the planning condition on the limit on student numbers that was put in place several years ago is being subject to discussion with the planning department to get the restriction removed. It was agreed to keep the committee informed on this.
- Minute 29:** The Director of Finance reported that the Trust Board will be asked to approve a new lease for photocopiers as the required authorisation level falls within the Trust's responsibility. The value of the lease is £11k per quarter for a 5-year period. A copy of the lease is to be made available to the Chair of the Committee for review before going to the Trust Board for approval