

**The College of West Anglia
Minutes of
The Finance & General Purposes Committee
17 June 2020
8.30 am
Remote Meeting – Microsoft Teams**

Present	Andrew Cave	Governor (Chair)
	Ray Harding	Governor
	Alan Measures	Governor
	David Pomfret	Governor (Principal)
	Adam Thompsett	Governor
	Gary Webb	Governor
Attending	Paul Harrison	Vice Principal Corporate Services
	Neil Harries	Head of Finance
	Ruth Harrison	Vice Principal Curriculum & Learning
	Paul Smith	Head of Employer Liaison, Partnerships & Commercial Training (part)
	Rob Petto	Head of Funding & Exams (part)
	Stephen Halls	Clerk to the Corporation

The Chair gave thanks on behalf of the Committee to the managers for their detailed reports for today's meeting, noting how busy everyone was at the current time as the College prepared for both the current re-opening and the autumn term.

1 Apologies

There were no apologies for absence.

2 Declarations of Interests

There were no declarations of interest.

3 Minutes of the previous meeting – 6 May 2020

The minutes of the meeting held on 6 May 2020 were agreed as being an accurate record.

Alan Measures joined the meeting at 8.37 am

4 Matters Arising

The progress against the outstanding matters from previous meetings was summarised in the report for item 4.

The Chair asked for an update on funding, noting that there was not a report for this on the agenda. The Principal advised that the latest information regarding funding had been incorporated into the budget paper at Item 9.

The next item was deemed "Confidential."

The Chair noted from the matters arising that the new management accounts format was being presented for the first time at today's meeting and was pleased that the credit/debit signs had been amended to allow for easier reading of the information.

Paul Smith joined the meeting at 8.40 am

5 Sub-contractor / Partnership Activities – Approval of Activities for 2020/21

The Chair gave the Committee's thanks to the Head of Department for his report.

Governors asked how vulnerable sub-contractors were at this time. The Head of Department reported that sub-contractors were not showing any indications of difficulties as yet. Issues may arise in the autumn term when subcontractors engage with new students following this period of lockdown.

Governors asked that with the increased in-house provision and a reduction in sub-contractor activities if there was a reduction in profit generation to the College. The Principal advised that there would be no reduction from the direct activities, although overhead costs (e.g. management time) previously allocated to sub-contractor activities would need to be absorbed across other activities.

Governors referred to the ESFA's directive that sub-contractor delivery should be local and asked what the definition of "local" was. The Head of Department considered the ESFA's consultation document which noted an hour's journeying distance from the campus, adding that the College had 3 campuses and so this extended the geographical area somewhat. The document mentioned the continued use of specialist sub-contractors, of which the College had 2 that it would like to retain. The consultation final outcomes document was due to be published in June 2020 by the ESFA.

The Committee agreed the partnership plan for 2020/21.

6 Supply Chain Fees & Charges Policy 2020/21

Governors asked what changes had been made to the policy since its last review. The Head of Department advised that the policy remained fundamentally the same with the only changes made being to the fees table which reflected the latest guidance from the ESFA and the updating of the reference document list at the end of the policy.

It was proposed by Gary Webb and seconded by Ray Harding to approve the Supply Chain Fees & Charged Policy 2020/21. This was agreed.

Paul Smith left the meeting at 8.50 am

Rob Petto joined the meeting at 8.50 am

7 IT Strategy Annual Report

The Chair gave the Committee's thanks to the Head of Department for his report.

Adam Thompsett joined the meeting at 8.51 am

Governors asked how the planning for IT projects was being managed. The Head of Department advised that flexibility was key in planning for the necessary projects over coming months; for September, the priority would remain as the remote delivery of teaching. Governors asked about any budget implications. The Head of Department considered that it was too early at this stage to identify any cost implications, if any, that would need to be managed going forward. The Head of Department would be meeting on-site with a supplier later in the week to consider IT concerns and solutions, and at which time costings would then begin to be known.

Regarding the spike in the number of routine calls at the start of the autumn 2019 term, Governors asked if this was a concern. The Head of Department explained that a spike at that time of the year was expected as staff and students returned to the College after the summer break; what was unusual for September 2019 was that the spike took longer to recover from than was usual before IT resources could then be directed to project work. The Head of Department would be reviewing the IT strategy over the summer period for any possible improvements in advance of the autumn 2020 term commencing.

Governors considered that the document was very high level and gave flexibility to managers in dealing with operational issues. Post Covid-19, Governors asked if the IT systems were flexible enough to cope with any necessary changes that could become necessary. The Head of Department advised that during the summer review, time would be taken to consider future needs of IT based on the recent events and the challenges experienced. An increase in the level of remote working would need to be considered and how to support and manage the increased number of college-owned devices being used by staff and students at home. The Principal commented that the AoC was currently lobbying government for the early release of capital funds to support IT expenditure within colleges where the quality of equipment needed to be improved to allow for better remote delivery of lessons (e.g. device speed, cameras, microphones, recording etc).

The Chair asked about the plans to replace IT servers during 2020/21. The Vice Principal confirmed that the cost of the capital requirement was known; discussions were taking place within the AoC's regional finance directors' group looking at diverting capital grant funds from buildings to IT, which was now considered to be the major priority for colleges. Governors asked about the high cost of servers and the plans to rationalise their use. The Head of Department detailed his plans for making more use of cloud storage which was already available but was not fully utilised, thus reducing the number of servers needed. The actual timing of server replacements would be adjusted to ensure the maximum procurement discount could be obtained.

The Principal reported that there was an emphasis within the sector on the development of digital skills. As the move to cloud-based technologies increased in the future the need for physical servers on site, and their associated costs, would reduce.

The report was noted.

Rob Petto left the meeting at 9.07 am

8 Tribal Costing Report

This report was deemed "Confidential."

9 Budget 2020-21 and 3 Year Financial Plan

This item was deemed "Confidential."

10 Management Accounts – April 2020

Governors commented that the figures for April 2020 appeared positive and that the year was progressing well, despite the circumstances. Governors asked for reassurance that the out-turn forecast was achievable, particularly about apprenticeship income. The Vice Principal Corporate Services reminded the Committee that the forecast for apprenticeships had been reduced, to being in-line with the original budget (where previously it was over-performing). The revised value was considered to be achievable. The forecast would continue to be scrutinised at the internal funding meetings with managers.

The Principal, commenting on the new format of the management accounts asked Governors to review the presentation and to offer feedback for further review, particularly with regard to the summarised table of key performance indicators at paragraph 3. Governors responded that they found the pack easier to read than the previous format. **ACTION-GOVERNORS**

Governors asked for confirmation that the forecast column in the table at paragraph 5 would be updated each month to reflect the year-to-date actual value with the addition of the anticipated actuals for the remainder of the year. The Head of Finance confirmed that this would be the case.

The Chair questioned the reserves in the balance sheet at paragraph 8, where it appeared that the figures for the I&E reserve and the pension reserve had been switched in error. The Head of Finance agreed with the error and would amend the table in the next review. **ACTION-HoF**

The report was noted.

11 ESFA Funding Agreement – Review of Contract

The Chair commented on the length of the ESFA contract and its supporting appendices and asked for assurances that the contract was scrutinised by management before it was signed. The Vice Principal Corporate Services advised that the document was signed by the Principal, in his capacity as Accounting Officer for the College. Governors commented that the standard contract was very one-side in many aspects, against the College, but acknowledged that the College had little choice but to accept the conditions imposed.

The report was noted.

12 College Insurance Policies / Cover – Annual Review

This item was deemed "Confidential."

13 Contracts £100k-£500k & Single Payments > £1m

This was a nil return for the period under review.

The report was noted.

14 Strategic Targets for 2019/20 Progress Review

There were no questions or concerns raised regarding the targets under review by this committee.

The report was noted.

15 Any Other Business

- i. Governors asked for an update on the leasing of farm buildings at the Cambridge campus. The Vice Principal Corporate Services advised that this was still progressing with the College's land agents. Leases would be set up on a termly basis. As yet, there had been little interest.
- ii. Applications to Care Courses – Governors asked if the number of applications to the various care courses had been adversely affected by the coronavirus pandemic, with prospective students being put off from working in this sector. The Principal advised that no negative impact had been noticed and indeed, the College had recently promoted its care courses through positive press stories advising how students had been successfully working in the health sector at this time. The Vice Principal Curriculum & Learning added that recruitment to the care courses was usually always strong and was anticipating a growth in numbers from September 2021 with the introduction of T Levels. Applications to Childcare were currently down on this time last year, although this was expected to improve with late applications being received.
- iii. Customer Relationship Management (CRM) Software Concern: Apprenticeships – The Vice Principal Corporate Services advised the Committee of a concern raised by the Audit Committee regarding the lack of progress being made by the College in replacing / updating the CRM system used within the Apprenticeships department. The Vice Principal assured the Committee that as yet this had not had an adverse impact on operations or performance, although there was a risk of this happening if this was not addressed in due course. This outstanding matter would continue to be monitored by the Audit Committee.

16 Chair's items for briefing to Corporation

- The main item of business reviewed was the budget for 2020/21. The budget had been created with input from the curriculum plan, which, once completed, was very close to the initial values allowed for in the medium-term financial plan.
- The sub-contracting plan for 2020/21 had been reviewed, along with the IT strategy and insurance cover.
- The management accounts for April 2020 had been reviewed in its new presentation format with positive comments received from the F&GP Committee.

17 Date and time of next meeting

Wednesday, 30 September 2020, 8.30 am.

The meeting closed at 10.23 am