

**REASEHEATH COLLEGE BOARD  
FINANCE AND GENERAL PURPOSES COMMITTEE**

**Minutes of the meeting held on 17 June 2020 at 9.30am  
Via Microsoft Teams**

Present: Malcolm Burns (independent) MB  
 Marcus Clinton (principal) MC  
 Prof Gary Crowe (independent) GC  
 Elizabeth Harrison (independent, chair) EH  
 Andrew Fletcher (independent) AF (*items 1 – 7 inclusive*)  
 Jon Furber (independent) JF (*items 7 onwards*)  
 David Pearson (independent) DP  
 Angela Potter (independent) AP (*items 1 – 7 inclusive except item 7.1*)

In attendance: Gareth Jones, Santander PLC GJ (*item 7.1 only*)  
 Graeme Lavery, VP finance and resources GL  
 Matthew Gower, VP curriculum and quality MG  
 Peter Greenall, AP and dean of higher education PG  
 Louise Woodman, director of people and culture, LW  
 Jackie Schillinger, company secretary, JS

**PART A (unless stated)**

Item	Content
<b>1.</b>	<b>WELCOME AND APOLOGIES FOR ABSENCE</b>
1.1	The Chair welcomed all to the meeting. Apologies for absence were received and accepted from Liz Watts. Richard Ratcliffe had also given his apologies as he had been unable to join the meeting at the last minute due to a technical issue and his apologies were accepted. JF had indicated that he would be joining the meeting a little late.
1.2	The meeting was declared quorate.
<b>2.</b>	<b>DECLARATIONS OF INTEREST</b>
2.1	A declaration of interest was made by AP in relation to the presence in the meeting at item 7.1 only of the representative from the college bank. AP withdrew from the meeting for this item and took no part in the discussion.
<b>3.</b>	<b>MINUTES AND MATTERS ARISING</b>
3.1	Part A of the minutes of the meeting held on 4 March 2020 were confirmed as a correct record.
3.2	Confidential Part B minutes.

3.3	<p>On matters arising the following items were noted:</p> <p>-HE business planning and marketing plan: EH received assurance that there is a paper on the business planning process going to the Higher Education Committee. DP noted that the Chair of Higher Education Committee will ensure a thorough discussion on this and the committee will seek to drill down to more specific information in terms of what the offer is for higher education going forwards. PG confirmed that the development of the offer is a key focus going forwards and it will be very helpful to discuss this further with the Higher Education Committee.</p> <p>- Part B item.</p>
4.	<p><b>COLLEGE STRATEGIC RISK REGISTER AND COVID-19 RISK REVIEW</b></p> <p>4.1 Overview of risks within the committee’s remit: MC presented the executive summary of the risk review report and highlighted the key risks associated with the impact of Covid-19. He noted that these were the focus of much of the following agenda. The committee thanked MC for the comprehensive report and the way in which the Covid-19 risks were clearly set out.</p> <p>4.2 Management Accounts: GL provided an update to period 10 management accounts that had been provided to the meeting, showing an improving picture, due to government policy providing flexibility on apprenticeship funding, staff furlough and close control on non-pay costs. He confirmed that cash flow is improving and presented the period 10 cash flow graph in the meeting. He provided assurance that the Kingsley Fields payment will be received shortly, with no issues expected in the receipt of this.</p> <p>4.3 Questions and discussion followed:</p> <p>-DP asked for an update on the increase in debtors. GL provided assurance that most of the amount is current debtors and the larger amounts related to a local authority payment and one other large organisation and there is no concern on payment or that there are any solvency issues for these organisations.</p> <p>-JF had forwarded a question on student debtors and GL confirmed that this was to do with the last term with no accommodation owed and so the amounts due have now been removed from the student debtors. JF had also asked about debt from previous years and GL confirmed that it is covered by the bad debt provision, but it is still being chased down and some is being recovered.</p> <p>-JF had also asked about the inconsistency of different reporting headers in different reports and GL confirmed this was an issue with the ESFA requirements and this will be helped by the new ESFA reporting model to provide this consistency and this will then be applied to all the college financial reporting.</p> <p>-AP asked about a figure for withdrawn students and GL confirmed this is an anomaly which will be corrected.</p> <p>-AF asked about the cash flow used in the later paper on re-financing and GL confirmed it is based on the current position.</p> <p>4.4 Part B item.</p> <p>4.5 The update on the action plan on specialist staffing was provided for information and assurance.</p>
5.	<p><b>HUMAN RESOURCES</b></p> <p>5.1 HR Update Report: LW provided an overview of the report received, covering furloughing, the specialist staffing improving picture, recent recruitment using remote assessment centres, changes to the human resources team structure, staff development, staff wellbeing, HR data including a fall in short term sickness and the HR dashboard. AP asked if there is any issue with</p>

	<p>people working from home having bad backs or other issues. LW responded that there have been no issues, but the college is addressing the need for risk assessments for longer term working from home. EH thanked LW for her comprehensive report and the meeting received it for information and assurance.</p>
<b>6.</b>	<b>STUDENT NUMBERS AND FUNDING REPORTS</b>
6.1	<p>FE and Apprenticeships student data report: MG presented a summary of the report for information and assurance. Members welcomed the solid assurance on further education funding. They received assurance that though apprenticeships income is less certain due to impacts of Covid-19, this has been taken into account in the budgeting process for next year. GL clarified a point raised by JF that the adult education budget is reported in the report as the amount delivered, which is greater than the contract amount in the budget.</p>
6.2	<p>HE student data report: PG presented a summary of the HE student data report. He highlighted the concern on recruitment for next year, with potential further impact from Covid-19 which is as yet uncertain for 2020-21. He provided an update on the recruitment activities that are happening online at the moment. Questions and discussion followed:</p> <ul style="list-style-type: none"> <li>-DP asked if there is anything to learn from elsewhere that will help manage this risk or anything that can be done over and above the current activities. PG noted that the surveys with students have indicated that they do not want a completely online offer next year and so the fact that University Centre Reaseheath has communicated a positive on campus offer as far as possible will hopefully provide an edge. He also explained that he is also potentially exploring a January start offer and different models of delivery with the support of the University.</li> <li>-DP suggested that the HE Committee may wish to consider whether it meets more often to oversee this challenging period and EH noted that the HE Committee could consider this further.</li> <li>-EH highlighted a concern that the market share percentage of some of our popular courses is not strong and so could indicate that the offer is not as it should be. PG agreed this is part of the challenge but he also noted that the cultural side of supporting progression to higher education across the college still needs to improve so that students joining for further education can see their pathway on to higher education early on in their studies.</li> <li>-EH thanked PG and the higher education team for all the hard work and effort in a very competitive environment.</li> </ul>
<b>Members took a short comfort break</b>	
<b>7.</b>	<b>FINANCIAL STRATEGY</b>
7.1 -7.3	<p>Part B item.</p>
7.4	<p>Draft Budget and Forecast and ESFA COVID-19 Specific Financial Return: GL presented a summary of the draft budget and key assumptions in the commentary and highlighted in the ESFA financial return those Covid-19 impacts and mitigations put in place. Questions and discussion followed:</p> <p>JF asked whether the committee was being asked to approve this budget today as he had a number of queries on income assumptions in particular. GL confirmed that the budget paper was provided for discussion with a further opportunity for scrutiny on 8 July where a recommendation to the Board will be requested. JF asked for further information to be provided for this meeting on how the income is made up as it is difficult to see how the increase can be realistic. GL confirmed that there are two large increases that are clearly evident but he acknowledged that there is another £2.5m increase and he agreed that it would be helpful to provide some further detail behind these assumptions.</p>

	<p>JF noted the difficulty in triangulating the figures because of the different ways that they are presented in different reporting such as the budget and the management accounts. GL acknowledged this and referred to the earlier discussion on the different ESFA reporting requirements which does not help, but this should be resolved when the new ESFA reporting is finalised.</p> <p>-AP wondered how the non-pay costs have been built up as they are the same as this year and JF confirmed he was concerned that this would be difficult to meet. He also asked if there would be some sensitivity testing on the financial model. GL noted that there is some testing in the ESFA financial return that JF could have a look at. JF asked for this to be presented in a way that allows the committee to see what the impact of some of those sensitivities could be and GL agreed to look at this for the meeting on 8 July. DP agreed that it would be very helpful if this could be provided in advance of the meeting so that members could review and raise questions in advance.</p>
7.5	<p>EH summarised the position that there has been much work completed on the budget and financial plan and that the committee had requested some further information to allow for full scrutiny and assurance at the meeting planned for 8 July so that the budget could be further reviewed and a recommendation made to the Board on 15 July. GL then took members through the ESFA financial return and confirmed that it will be updated to period 11 and this will be submitted to the ESFA for 31 July 2020.</p>
<b>8.</b>	<b>Part B item.</b>
<b>9.</b>	<b>REVIEW OF TERMS OF REFERENCE</b>
9.1	<p>JS confirmed that any comments on the terms of reference were welcome and that they would be recommended to the Board for approval. It was agreed to give this opportunity by email and then to confirm them in the next meeting. JS confirmed that the committee self-assessment questionnaire would be sent out by email.</p>
<b>10.</b>	<b>WRITTEN RESOLUTIONS</b>
10.1	<p>JS confirmed the items for written resolutions would be sent out separately by email.</p>
<b>11.</b>	<b>ANY OTHER BUSINESS</b>
11.1	<p>There was no other business reported to the meeting.</p>
<b>12.</b>	<b>ANY ITEMS TO ESCALATE TO RISK REGISTER/BOARD</b>
12.1	<p>The committee agreed to review this in the next meeting on 8 July.</p>
<b>13.</b>	<b>DATE OF NEXT MEETING</b>
13.1	<p>The date of the next meeting was agreed as Wednesday 8 July 2020 3pm – 5pm and Friday 4 December 9.30am. EH thanked all for attending and asked for any feedback from members and anything that could be improved for next time to be forwarded to JS.</p>

The meeting closed at 12.20pm  
Approved as a correct record 04.12.20.