

**MINUTES OF A MEETING OF THE FINANCE AND GENERAL PURPOSE COMMITTEE  
OF CITY COLLEGE PLYMOUTH HELD ON 20 NOVEMBER 2018  
COMMENCING AT 1630**

**Present:**

Emma Tringham (Chair) - ET  
Andrew Ashley - AA  
Martyn Starnes - MS  
Mike Jones - MJ  
Ben Manning (Interim Principal) - BM

**In Attendance:**

Sandra Wilson (Head of Finance) - SW  
Claire Nicol (PA)

**F&GP18/22 - Apologies for Absence and Declarations**

Apologies were received from Alain Kakuru.

**F&GP18/23 - Minutes of the Meeting of the Finance Committee held on 18 June 2018**

ET stated she was unhappy with the minutes from the meeting of 18 June 2018 as they did not reflect the degree of concern raised by the Committee about the deterioration of the financial position. It was not possible however to challenge this now as those responsible were no longer at College and unable to be challenged as to the accuracy. It was recognised that the full board however had taken the right action to stop the deficit budget presented being agreed.

**F&GP18/24 - Matters Arising**

**RESOLVED:** No matters arising

**F&GP18/25 - Confidential Items**

**RESOLVED:** That no agenda items were required to be dealt with In Commercial Confidence or treated as Part II.

**F&GP18/26 – Institute of Technology presentation (Fiona Horrell, Head of Head of Strategic Partnerships present for this item only)**

An overview of the pack provided in the meeting papers by Fiona Horrell (FH) was received by the Committee which covered background information on IoT, bid stages and funding detail, bid process and timescales, links with other SW colleges and anchoring employers (ours is Babcock and Andy Corey will be Chair of the Board for the SWIoT). FH advised the Capital Fund is a total of £15m and our bid is for £2m and submission date is 21/11/18.

BM acknowledged and thanked FH and her team for the huge volume of work that had been given to this submission.

Committee questioned potential of financial risk to the College with regards to overrunning/non completion. FH advised specific project management to be put in place if the bid is successful and each College involved is accountable for their own project.

**RESOLVED:** To APPROVE the submission of the SWIoT bid  
**SWIoT Bid update to be added to the next F&GP meeting agenda (outcomes expected Jan/Feb)**

**F&GP18/27 – Workforce Reforms update including structures (Emma Lloyd-Beswetherick, Head of Human Resources, present for this item only)**

Head of HR summarised the up to date position:

- The 'at risk' situation will be ending on 30/11/18
- We have 6 members of staff at risk of redundancy as at 20/11/18 – these areas are still being looked at as other staff are now leaving which may have an effect on those at risk
- HR have met with every member of staff who is at risk and support has been given to all those under Voluntary Redundancy (28 in V/R)
- There have 10 internal moves in the organisation
- 6 staff who were in an 'at risk' situation with a group are now no longer 'at risk'
- Report shows that we are on track for savings target

Committee agreed that it would be useful to have a summary of overall savings once all the changes have been finalised.

**RESOLVED:** The Committee DISCUSSED and NOTED the current position

**F&GP18/28 – Update on College Improvement Plan (CIP)**

SW reiterated that the CIP was the plan introduced on the Strategic Planning day and had been utilised for the FE Commissioner visit. Directive from the FE Commissioner visit is that this is the plan we must follow – BM has overall responsibility for the plan however there are delegated leads within the specific areas.

After discussions the Committee agreed the CIP was being used well, linking in with the Risk Register and monitored with RAG status updates. It was agreed any significant changes or updates should be circulated.

**RESOLVED:** The Board DISCUSSED and NOTED the College Improvement Plan

**F&GP18/29 – Finance Committee Dashboard**

SW presented the Finance Dashboard informing the Committee that it was based on the September accounts (October's have now been completed). SW advised that the dashboard does not include Achievement Training (ATL) as it never has, but ATL is now included in the Management Accounts.

SW highlighted that the dashboard reflects the budget for the year. However our recruitment is now in a much stronger position than the budget and this is referred to in the latest Management Accounts.

Governors discussed the dashboard and agreed that it would be useful to have Cash flow added to the dashboard for the next meeting (February) and to review it again then.

**RESOLVED:** The Committee DISCUSSED and NOTED the Finance Committee Dashboard Cash Flow information to be added to the dashboard

### **F&GP18/30 – Corporate Performance Report and Financial Statements**

SW gave an overview of the September accounts (October has since been completed and this includes ATL and the consolidated accounts)

- Operating surplus month to date of £3.1m compared to a planned surplus of £2.8m – leaving £278k favourable.
- Income varies throughout the year due to the cyclical payments from ESFA so it is important to look at the forecast for the year for the true end of year position rather than look at it monthly.
- SW pointed out that the accounts now have key messages at the front of the document and they also now have a RAG status.

### **ACTION: International Fees to be taken forward to the next Corporation meeting**

- A number of grants have been approved, including maths centre of excellence.
- Cashflow now shows a 2 year forecast.
- Overall financial health is SATISFACTORY.
- KPIs were discussed at the Strategic Planning Day – awaiting clarification of which KPIs are to be reported on going forward.

Financial Statements went to Audit Committee last week – waiting for confirmation of wording re financial health.

Key messages were,

- the financial statements shown an underlying operational deficit for the college of £770k
- Cash at the end of the year had decreased from £2m to £607k
- The reduction in cash was in the main due to £1m self-financing of the STEM build and the non-sale of Goschen site and a reduction in International fees

SW answered after questioning that the £867k (Decrease) in creditors due within one year related to grants and loan repayments.

Statements to go to Corporation with revised wording once confirmed.

ATL accounts are also included in the Financial Statements.

- Profit of £235k for the year
- £300k gift aid negotiated for the year

ET enquired on the status of Plymouth Apprenticeship Company- SW confirmed it is being wound up and will formally close once the final accounts are signed off (December 2018)

**RESOLVED:** i) The Committee DISCUSSED and APPROVED the Corporate Performance Reports

ii) The Committee DISCUSSED and APPROVED the Financial Statements pending the discussed changes

**F&GP18/31 - Covenants**

This item was deemed In Commercial Confidence and is subject to a separate confidential Minute.

**F&GP18/32 – Performance against contract values to date**

SW gave an overview of the Funding and Learning number projections, noting that our 16-18 learner numbers are well over our allocation.

**ACTION: SW to include this information in the Corporate Performance Report each month**

**F&GP18/33 – Education & Skills Funding Agency Letter re Financial Plan**

BM advised the Committee that the ESFA had been to the College and held an exploratory meeting following the FEC visit. The ESFA had wanted to triangulate the finances and to see what progress was being made in regards to Workforce reforms.

In relation to the 16-18 numbers being high, the FEC had suggested that we ask about an in year payment for the group. ESFA confirmed that payments are not made until May and applications can be made after 6<sup>th</sup> December so the College will be applying for this.

ESFA wanted assurance re the position of the Senior Leadership Team – reassured them that the scrutiny for the Interim interviews which took place today had gone through the FEC.

ET thanked SW for her hard work preparing for that meeting.

**RESOLVED:** The Committee NOTED the ESFA Letter re Financial Plan

**F&GP18/34 – Goschen Centre Interest Log**

This item was deemed In Commercial Confidence and is subject to a separate confidential Minute.

**F&GP18/35 – Date of Next Meeting**

The Committee decided that March is too late to flag any financial issues so it was suggested the next meeting is moved to January.

SW advised that the December accounts are done by 20<sup>th</sup> January – F&GP to meet after the accounts are completed.

**Action: Next Finance & General Purpose Committee meeting to be moved to January 2019 and the following to be Agenda items:**

**Savings / Workforce reforms/Goschen/ Cashflow**

There being no other business the meeting was brought to a close at 5:30pm

**SIGNED \_\_\_\_\_ DATE\_\_\_\_\_**