

# SHREWSBURY COLLEGES GROUP

## MINUTES

<b>Group :</b>	<b>FINANCE AND BUSINESS OPERATIONS</b>	<b>Date:</b>	06/11/2018
<b>Location:</b>	<b>PRINCIPAL/CEO'S OFFICE, WELSH BRIDGE CAMPUS, SHREWSBURY SIXTH FORM.</b>	<b>Time:</b>	5.30 p.m.
<b>Membership:</b>	Gordon Channon, Richard Heath, David Pulford, Rob Rosson, James Staniforth (Principal/CEO), Michael Thompson and Paula Tucker.		
<b>In Attendance:</b>	Rex Sartain, Governor Member of the Senior Leadership Team: Paul Partridge, Finance Director  Clerk to the Board, Tracy Cottee		
<b>Apologies:</b>	None.		

### 39/18. **Declarations of Interest**

None.

### 40/18. **Minutes – 10 October 2018**

**Resolved:** That the Minutes of the meeting held on 10 October 2018, be approved as a true and correct record.

### 41/18. **Matters Arising:**

#### Minute Number 23/18 – Estates Termly Report

The Principal/CEO advised that the Higher Education Building, the Darwin Centre, was now open; minor works to the Courtyard would be completed over the weekend. The Clerk confirmed that arrangements were being made for governors to view the Centre. **ACTION: CLERK TO ARRANGE**

#### Minute Number 31/18 – Matters Arising

The Principal/CEO informed the Committee that an away day had been held with the Marketing Team, facilitated by the consultant engaged to inform the development of the marketing strategy. The strengths and developments identified at the event would form part of the Marketing Team development plan and Marketing Strategy going forward.

#### Minute Number 38/18 – Estate Strategy – Confidential Update

The Finance Director advised that he met with Shropshire County Council officials and outlined the outcome of the meeting and the potential opportunities for the College.

The Principal/CEO advised the Committee on the latest position regarding the Teaching Excellence Framework (TEF) and that the HE Manager was currently scoping the College's application.

**42/18. Education and Skills Funding Agency (ESFA) – Letter and Dashboard** (Appendix – Agenda Item 5)

Letter from Deputy Director, Assurance

The Committee reviewed a letter (previously circulated) from the ESFA confirming receipt of a copy of the College's latest financial plan for 2017 – 2018 to 2019 – 2020.

The ESFA had informed the College that, based on the approach to assessing the financial health of colleges set out in the Financial Planning Handbook and the financial plan submitted, the College's assessment grade was –

- GOOD for 2017 – 2018 (the latest outturn forecast year); and
- GOOD for 2018 – 2019 (the current budget year).

College Dashboard Information

The Committee also reviewed the Dashboard (previously circulated) incorporating various key performance indicators and measures.

The Committee agreed that the ESFA's conclusions confirmed the College's own view of its financial health, confirming the robustness of its planning and forecasting procedures.

**43/18. Management Accounts – Year to Date 2017 - 2018** (Appendix – Agenda Item 6)

The Committee considered a report (previously circulated) with respect to the management accounts featuring a report which highlighted the key results, measures and risks.

The Finance Director explained that

- Overall, the two months of the year showed that the College was slightly behind plan; however, this was due mostly to timing differences between the budget and the actual results; in addition, Apprentice new-starts, whilst slightly behind profile, were also now on system and included in forecasts. The Committee requested that the Director consider 'phasing' the Apprenticeship income going forward;
- The forecast outturn at this stage indicated that the College was slightly up on budget due to reduced subcontracting costs;
- The Financial Health score was depressed by the timing of Capital Expenditure; however, this was forecast to recover as planned;
- Final 16 – 18 student enrolment figures were being finalised but would lead to higher than budgeted income for 16-18 in 2019-2020.

In addition, the Finance Director advised that –

- He was meeting with the Trade Union Studies Team Leader to discuss additional work opportunities;
- The College was exploring short-term, temporary solutions to support capacity issues for Brick and Construction Trades. The Committee supported this in principle, subject to the development of a business case. The College needed to provide safe and appropriate resources for students and support the development of construction skills to the County, being the 'provider of choice' for apprentices. It was confirmed that any temporary structure would require planning permission;
- The College had been successful in securing £230k gross ERASMUS funding, which would improve the College's forecast outturn by up to £80k net, if delivered to target. This would be included in the outturn from December 2018.

The Principal/CEO provided a verbal update on the recent Budget and the Chancellor's announcement of an additional £400m capital funding to the education sector. The Treasury had provisionally confirmed, following an enquiry from the Sixth Form Colleges Association that sixth form colleges would be eligible for additional estate renewal funding.

Resolved:

That, having considered the report, the Committee received the Management Accounts for the financial reporting period 01 August to 30 September 2018, highlighting key results, measures and risks.

#### 44/18. Risk

As part of the discussions on the College's Risk Register and Board Assurance Framework agreed by Board (Board Min No. 67/17 refers), the Committee examined those risks within its remit to ensure that they have either been identified or adequately discussed at the meeting.

The Finance Director advised that the College's 2018 – 2019 Risk Register had been developed by the Senior Leadership Team (SLT) and would be presented to the Audit Committee at its meeting on 21 November 2018; current risks 2.7, 2.8, 2.10, 2.11 & 2.17 would be deleted.

The Committee noted that the Management Accounts now included a report on key financial risks, which also set out the probability of risk materialisation, which was reviewed by the Committee at every meeting. It was suggested that SLT consider adding this useful context to the overall Register going forward and align the presentation of risks to the committees.

The Committee also debated the future treatment of the risks within its remit, to ensure that they had been adequately identified and were being managed. The Committee concluded that the risks connected with the Committee had been identified and would be covered, due to the planned work schedule.

45/18 **Date of Next Meeting** – Tuesday, 04 December 2018 at 5.30 p.m. Venue – CEO/Principal's Office, Welsh Bridge Campus.

The meeting concluded at 6.40 p.m.