

EASTON&OTLEYCOLLEGE

Minutes of the strategic finance committee meeting held on Wednesday
11th April 2018 commencing at 8.30am
in the Principals Office at the Easton Campus Norfolk

Present

S Coby	SC	Independent Member
M Pendlington	MP	Independent Member
G Piltcher	GP	Independent Member & Committee Chair
J Townsend	JT	Principal

In Attendance

J Cook	JC	Interim Vice Principal/Finance
C Nix	CN	Director of Estates
J Pease	JP	Head of HR
R Robson	RR	Director of Governance

1	<u>Welcome and Apologies for Absence</u>		
	Apologies were received from John Wyman		
2	<u>Declarations of Interest</u>		
	GP	-	RNAA
	MP	-	University of Suffolk
	No other declarations of interest were received for any items on the Agenda.		
3	<u>Minutes of the Previous Meeting</u>		
	The Minutes of the meetings held on 17 th January 2018 and 12 th March 2018 were reviewed and confirmed as a true and accurate record of those meetings for signature by the Chair		
4	<u>Actions and Matters Arising</u>		
4.1	11.10.17	Action 1	Review of the Committee TOR to be undertaken as part of overall Governance review. Ongoing
	17.1.18	Action 1	Preparation of farm accounts. Ongoing.
	17.1.18	Action 2	Corporation provided with different forecast scenarios on 21.1.18. Action Agreed complete.

17.1.18	Action 3	ESFA requirements included in the CRS. Action Agreed Complete
17.1.18	Action 4	LGPS to come to Committee in September 18. Action ongoing
12.3.18	Action 1	SFC Committee continues to review re-structure. Action continuing to completion of re-structure.
12.3.18	Action 2	Salary and rewards review to commence summer 2018. Action ongoing.
12.3.18	Action 4	February Management Accounts updated and taken to Corporation on 28.3.18. Action Agreed complete.
12.3.18	Action 5	Revision of accounts to include contribution by course information ongoing.
12.3.18	Action 6	AUC guidance on Management Accounts shared. Action Agreed complete.
12.3.18	Action 7	SC and JC in correspondence on Management Accounts prior to Corporation. Action Agreed complete.
12.3.18	Action 8	Meeting with Lloyds took place prior to Easton meeting with Barclays taking place on 11.4.18. Action Agreed complete.
12.3.18	Action 9	Lloyds Bank valuation for security purpose not contentious. Check position with Lloyds and the approach taken by Savills. Action ongoing.

4.2

Matters arising

GP sought confirmation from JC on the current situation with staffing in the Finance Department. JC confirmed that this was being managed but that the team was still two positions light. However as part of the Tier 5 re-structure one post would be removed. The main challenge in the department at the moment JC confirmed was the preparation of the Farm Accounts. Members expressed concern that JC was not dragged down into day to day finance affairs but was kept sufficiently free to enable him to act in the VP role. JC confirmed that he was aware of those issues.

GP asked CN to give the Meeting a short update on the current position with regard to the land sale. CN confirmed that the Board of the intending purchaser company was meeting on 11th April to formally consider proceeding and that he expected to hear from them later this week with a final decision on proceeding.

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Management Accounts

JC confirmed the priority was to present the accounts in a format that were

easily understood by all of the Corporation. The recent feedback from the ESFA had been noted, the revised form of accounts would include a comprehensive and transparent narrative. JC confirmed that he was working with the AOC guidance and looking to embed text with tables throughout the accounts. He confirmed that Richard Smy had made changes as requested and that the target was for the revised style March Management Accounts to go to the April Board. JC confirmed that he would welcome comments on any further useful changes or omissions from Corporation Members. Members queried whether the revised accounts would include data detailing contribution by course. JC confirmed that this would include contribution data by Department. Discussion took place on the level of detail Members were seeking. The Committee were of the view that what was required was information by subject area that enables Governors to understand the resources being employed, whether they are appropriate at appropriate levels and if necessary what is being done to reduce spend. An appropriate narrative is required for Governors to understand the data supplied.

The Chair sought confirmation as to whether there is anything causing alarm in the preparation of the March Management Accounts. JC confirmed that this was not the case.

It was agreed that JC would ask Members for feedback on the revised style of the accounts at the April Board Meeting in order to ascertain whether any further changes would be necessary.

A Member sought confirmation as to whether matters were progressing as required with aspects on which the FE Commissioner requires progress. The Chair stated that the FEC was seeking improved stability, transparent accounts, progress with the budget, realistic estimates and cost cutting to be in place and happening. The Committee felt progress was being made in all of these areas.

JT confirmed that the ESFA were asking for an update on the position with the Banks once the meeting following this meeting had taken place. She therefore suggested that the paper to be shared with the ESFA be shared with the Board.

[Action – JC to share paper on progress with Banks that will go the ESFA with Board Members]

The Committee discussed the progress with the Bank negotiations. The likely time-scale for the resolution of negotiations and for new covenants to be in place was considered. It was noted that Lloyds had agreed at their previous meeting that they would be happy to undertake a meeting to include both Banks and the College. JC advised he believed that the Banks would expect new covenants to be in place from 1st August and applied to next year's performance, he also suggested that he thought that the FE Commissioner was keen for the situation to be resolved as soon as possible.

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Applications/Recruitment

JT confirmed that recruitment was impacted by CAD days, the next of which was scheduled for the 21st April. She advised that to date marketing campaigns' launch and work towards CAD days when potential students are encouraged to

make applications. The current level of applications was noted. A member sought confirmation as to whether this figure was in addition to the extra applications identified at the previous Board Meeting, JT confirmed that no this included that figure.

It was noted that recruitment is being reviewed by curriculum area to enable marketing to be targeted on areas where recruitments are down. JT confirmed that the College were also reviewing the marketing campaign for the next academic year. Discussion on progression of current students and the work needed to be undertaken there was noted. It was also noted that applications for land based subjects are frequently relatively late.

The College's conversion rate and the difference in that and the average for land based Colleges was noted. A member queried why there was a relatively low percentage of offers to applications in some areas. It was noted that those applications need to be processed.

A member enquired as to how the CRM detailing employers contact details was being used. The suggestion was made that letters are written to those employers in order to promote courses and to ask for support. The need to highlight new courses with other stakeholders was also emphasised by the Committee. Members asked for confirmation of the levels of consistency between digital marketing campaigns and the website. JT confirmed that landing pages were being created to enable the connection to be made between the two. The Chair reflected on previous conversations he had had with Andrew Tyley, Deputy FE Commissioner, around progression. He noted that the College should expect progression to be raised by the FE Commissioner at the next visit and be prepared to know the current number of students looking to progress to enrol for September 2018. The current position with the Tier 5 re-structuring process was discussed. It was noted that the impact of that and the curriculum plan cycle meant that staff were still reviewing the likely position for September. Applications and progression information was also being reviewed as part of this process. The Chair highlighted the need for an SFC Meeting to take place early in September in order that enrolment data could be reviewed and if necessary further re-structure commenced.

JT left the meeting

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Procurement Process

Discussion took place around the need to have robust procurement processes in all work implemented by the College. Work to instruct consultants in respect of the strategic review of the land based provision was noted. It was suggested that JC join the Task and Finish Group working on that in order to have input to ensure a robust recruitment process.

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Phase 5 Re-Structure

JP joined the Meeting.

JC confirmed that the Tier 5 re-structure had been substantially informed by the Malcolm Cooper Curriculum Business Planning work. This had highlighted a

level of cost that needed to and could be saved. He confirmed that the Phase 5 re-structure consultation process was now in week 3. A full suite of documents to enable staff to be fully informed on this process was available to them on the staff intranet.

JP confirmed that the process was currently at day 19 of a 45 day consultation process. She advised that all team meetings were complete and that individual meetings were now taking place. These would continue for the remainder of April. Consultations with the two main unions had happened, three further unions had now made an approach to be consulted. She confirmed that in terms of process matters were proceeding well. A member queried the current position with regard to staff morale. JP confirmed that the College was currently in the Easter holiday period but that it was possible to see staff reactions changing, one to one's are revealing that staff understand the bigger picture though they may be concerned for their own positions.

JT returned to the Meeting

It was noted that disciplinary and capability processes are still going ahead where these continue to be relevant and appropriate.

JT emphasised that the key to the process had been for it to start on time which it had. She confirmed that two areas of the College were seeing a significant number of posts being re-structured. These Departments were ALS and Work Based Learning. She confirmed that there was a re-design on how those areas would look after re-structure. All necessary support was being given to staff in those areas.

JT advised that the issue of pay protection had been raised. The scenario being that if someone was retained in a job but on reduced hours would their pay be protected for a period of time. After discussion the Committee **agreed** that there would be no pay protection coming out of the re-structure process for changes to hours worked as this was not feasible in the current financial climate.

JP left the meeting

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AOB

It was noted dates for the end of the current academic year and date for September need to be timetabled

Action: RR to timetable Meetings to the end of the year and September

Meeting closed at 10.31am