**The Corporation of Newham Sixth Form College**

**Finance & Resources Committee**

**Minutes of the Meeting held on 4 November 2020**

**Members**

|  |  |  |
| --- | --- | --- |
| Simon Mayfield (Chair) | Independent Member  | Present  |
| Laura De Vos | Staff Member – Support  | Present  |
| Mandeep Gill  | Principal & Chief Executive  | Present  |
| Kieran Healy | Independent Member | Present |
| Martin Rosner  | Independent Member  | Present  |
| Graham Willson | Independent Member  | Present  |

**Non-Members in attendance**

|  |  |  |
| --- | --- | --- |
| Michael Gainlall  | Vice Principal Finance & Operations   | Present |
| Robin Jones | Clerk to the Corporation  | Present  |
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**1 MEMBERSHIP OF THE FINANCE & RESOURCES COMMITTEE**

The Committee NOTED the membership of the Finance & Resources Committee as determined by the Corporation on 7 October 2020:

* Simon Mayfield (Chair)
* Laura De Vos
* Mandeep Gill
* Kieran Healy
* Martin Rosner
* Graham Willson

As this was the first meeting of the new Committee, all present introduced themselves.

**2 APOLOGIES FOR ABSENCE**

The Corporation NOTED that all Members were present on this occasion.

**3 DECLARATION OF INTERESTS**

The Members confirmed that there were no declarations of interest to be recorded on this occasion at this stage of the meeting based on the published Agenda.

**4** **APPOINTMENT OF VICE CHAIR OF THE FINANCE & RESOURCES COMMITTEE – 2020/21**

Graham Willson was appointed as Vice Chair of the Finance & Resources Committee for the year 2020/21.

**5 TERMS OF REFERENCE OF THE FINANCE & RESOURCES COMMITTEE**

The Committee received the Terms of Reference of the Finance & Resources Committee as approved by the Corporation on 20 May 2020.

It was recognised that the Terms of Reference needed to seen as a “live document” and suggested additions and changes could be forwarded to the Corporation as and when it was thought to be appropriate in the light of experience.

The Committee agreed that, at this time, only a small number of changes were thought to be appropriate and the following would be presented to the Corporation on 16 December 2020 relating to paragraph 12 (part of the section on Human Resources):

1. replace the word “cover” with “include”
2. add diversity data relating to the College workforce to the elements that will be included in the Annual HR Report to be presented to the Committee – currently scheduled for 24 March 2021.

**6 MANAGEMENT ACCOUNTS – SEPTEMBER 2020**

The Committee received the Management Accounts for September 2020 (Period 2 of 2020/21).

It was recognised that the College financial position could be regarded as healthy and, based on the current number of ESFA funded 16 – 18 year olds, the income was likely to be guaranteed for next year based on the national methodology. However, as with all budgets careful monitoring of all income and expenditure lines was essential.

Members took the opportunity to seek clarification of a number of issues relating to the Management Accounts and the College Budget generally including the following:

* Pay costs for NewVIc were now 72% of costs which was a significant reduction from the previous 80% and all but moved the College to the sector average of 71%
* Currently the budget showed a substantial underspend although this is likely to be needed in the coming months with, for example, staff cover being required with people needing to be absent due to self isolating
* The approach to the release of capital grants and the calculation of depreciation were disregarded when calculating the financial health of colleges under the ESFA methodology
* The income amount for High Needs Learners may increase during the year as it was understood that the London Borough of Newham had identified more young people in the area who may attend the College
* The long term liability related to the loan of £3m from Lloyds Bank to fund Phase 1 of the estates project – this concerned the revamp of the front of the College site and the creation of the Learning Resource Centre
* The cash balances continued to increase which was essential to support the planned next phase of the estates project – see item 8 below for more details

The Committee agreed to NOTE:

1. the Management Accounts for September 2020 which would now be made available to all Members of the Corporation for their information
2. the background information provided in response to questions from Members as outlined above.

**7 FINANCIAL REGULATIONS – REVIEW**

The Committee received the proposed updated Financial Minutes of the meeting of the Corporation held on 22 July 2020 were agreed to be a correct record.

It was recognised that this was a comprehensive document which covered a number of aspects of College activity including procurement and treasury management.

The Committee agreed, following discussion:

1. to APPROVE the Financial Regulations as presented for immediate application subject to the amendment of the amount that the Principal & Chief Executive may authorise expenditure on individual capital and recurrent items to read £250,000 (Annex A of the document)
2. to request the Executive to give consideration to the authorisation arrangements for amounts of more than £250,000 and present a recommendation to a future meeting of the Committee for approval.

**8 HEALTH & SAFETY ANNUAL REPORT 2019/20**

The Committee received, discussed and NOTED the Health & Safety Annual Report for 2019/20.

It was explained, in reply to a question from a Member, that most of the accidents involve sports activities where there are risk assessments in place but where there are bound to be mishaps from time to time.

**9 HEALTH & SAFETY POLICY STATEMENT**

The Committee agreed to RECOMMEND to the Corporation the adoption of the updated Health & Safety Policy Statement which now included a specific reference to COVID-19.

The comprehensive Health & Safety Policy which supports the Policy Statement was in the process of being updated and would be presented to a future meeting of the Committee for consideration.

**10 ESTATES – UPDATE**

The Principal & Chief Executive provided the Committee with an overview of the planned capital project to improve the quality of the College estate including the following:

* the Estates Masterplan was thought to be out of date and warranted a complete review before any decisions was reached on such aspects as the future student capacity of the College – this had been projected to be 5,000 students but this was now thought to be completely unrealistic for a Sixth Form College and so 3,200 students was proposed as the basis for planning
* the reduction in student numbers took into account the demographics and that there was no wish to develop a course offer which was more appropriate for a General Further Education (GFE) College such as construction trades and automobile engineering
* the College Executive saw the need to go back to RIBA Stage 0 as a new starting point
* the pressure to make early progress was informed by the fact that the London Borough of Newham had given one final extension to the planning permission for the temporary accommodation on the College site which housed around 400 students – this was due to end in September 2024
* an early action was to seek to appoint a Buildings Manager so as to focus completely on the project rather than having other College responsibilities to combine

Members sought clarification on a range of related issues such as the basis for planning the project and awareness of such items as the location of underground power cables and drainage.

The Committee recognised that the Corporation now included two Independent Members with substantial experience in project development and construction and both served on the Finance & Resources Committee which would be invaluable as key decisions were made in the coming months and beyond.

The Committee agreed following discussion:

1. to note the update on the College estate provided by the Principal & Chief Executive and to look forward to receiving further reports at future meetings of the Finance & Resources Committee
2. to request the Executive to provide Members of the Committee with a briefing paper (no more than 2 sides of A4) outlining the project so as to inform future discussion
3. to note that the Job Description for the new post of Buildings Manager would be circulated to Members of the Committee for information
4. to recognise that as part of the planning process it would be essential that consideration be given to the future curriculum plan – what sort of College would NewVIc wish to be in 5 or more years time and such a discussion may be best to be covered at the forthcoming Planning & Strategy Session on 30 January 2021
5. to note that, whilst the Committee would be responsible for receiving updates and recommendations for the time being, it would be appropriate to consider the establishment of a Project Task & Finish Group for Corporation Members and the Executive to keep track of progress and provide the Corporation with any appropriate recommendations on the major decisions that would need to be made such as, for example, the appointment of Architects and Contractors

**11 REDUNDANCY POLICY & PROCEDURE – UPDATE**

The Committee agreed to APPROVE the updated Redundancy Policy & Procedure for immediate application.

Whilst considering the item Martin Rosner advised the other Members of the Committee that he had drafted the document whilst he had been engaged as an Interim HR Consultant for the College, a role that ended before he started as Chair of the NewVIc Corporation. It was recognised that such previous involvement did not equate to a personal interest from which there was any benefit.

**12 KEY PERFORMANCE INDICATORS APPROPRIATE TO THE FINANCE & RESOURCES COMMITTEE**

The Committee received the report of the Principal & Chief Executive relating to the Key Performance Indicators (KPIs) for the College which provided the basis for a consideration as to which ones could be tracked by the Finance & Resources Committee on an ongoing basis.

It was recognised that, whilst the KPIs for finance were well established and reported on a monthly basis via the Management Accounts, there was a need to introduce more appropriate ones for estates, health & safety and HR. It was also appropriate to consider the regularity of reporting such as every meeting or termly or even annually if so agreed.

Members shared their thoughts on possible KPIs to be reported to the Finance & Resources Committee including the addition of room utilisation and staff utilisation data as well as the opportunities to link feedback from staff to the review.

The Committee agreed following discussion:

1. to return to the KPIs for the Finance & Resources Committee at the meeting on 2 December 2020 so as to agree the arrangements as from the beginning of the Spring Term in January 2021
2. that, where practicable, the College KPIs should be compared with any wider KPIs that are available
3. that the Principal & Chief Executive circulate to Members of the Committee the outcomes from the most recent staff survey which had been carried out by York College and provided comparative data for about 40 other colleges

**13 WORK PLAN FOR THE FINANCE & RESOURCES COMMITTEE**

The Committee received and NOTED the Work Plan for the Finance & Resources Committee for the remainder of the year 2020/21.

**14 CALENDAR OF MEETINGS – 2020/21**

The Corporation NOTED the dates of the planned meetings to take place in 2020/21:

* Wednesday 2 December 2020 at 4 pm
* Wednesday 24 March 2021 at 4 pm
* Wednesday 30 June 2021 at 4 pm

It was recognised that other meetings will be arranged if and when thought to be appropriate to address issues.

 Chair: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_