

**MINUTES OF THE POLICY AND RESOURCES COMMITTEE**  
**HELD ON MONDAY 21 JUNE 2021**

**PRESENT:**

Paul Levet	Chair
Dr Fazal Dad	Principal and Chief Executive
Michael Lee	Member
Kathryn Lord	Member
Arif Patel	Member
Roger Spensley	Member

**IN ATTENDANCE:**

Nicola Clayton	Director: Business Development and External Engagement
Jennifer Eastham	Vice Principal: Finance and Corporate Services
Damian Stewart	Assistant Principal: Teaching and Learning (Technical Centre)
Rachel Tarplee	Assistant Principal: Teaching and Learning (Academic Centre)
Jean Tracy	Clerk to the Corporation

The Chair welcomed colleagues to the meeting.

**1. APOLOGIES FOR ABSENCE**

Apologies for absence were received from Paul Morris and Steve Waggott.

**2. DECLARATION OF CONFLICTS OF INTEREST**

The Chair advised those in attendance that should members of the Policy and Resources Committee become aware of any potential conflicts of interest, they should be disclosed at the earliest opportunity during the meeting.

**3. MINUTES OF THE POLICY AND RESOURCES COMMITTEE MEETING HELD ON MONDAY 17 MAY 2021**

The Committee **APPROVED** the minutes of the Policy and Resources Committee meeting held on Monday 17 May 2021 a true and accurate record, and these would be signed by the Chair when able to do so (Covid-19 restrictions).

**4. MATTERS ARISING**

The Committee noted the updates against action from a previous meeting included in the agenda document.

The Vice Principal: Finance and Corporate Services provided an update on Covid. This included information on the total number of positive cases amongst staff and students, the current live numbers of cases, the lateral flow testing of staff and students, and the surge testing and vaccination offers. The Principal and Chief Executive had been involved in a video encouraging take up of the vaccine across the local authority area.

The College was commended on its efforts and the actions taken to keep the number of infections down.

## **5. MANAGEMENT ACCOUNTS – YEAR TO 31 MAY 2021**

The Vice Principal: Finance and Corporate Services presented the Management Accounts up to the period ending 31 May 2021.

The Committee noted that due to tight controls on staffing and non-staffing costs, the overall position was good. The current operating position and income were both currently ahead of budget but were offset by increased costs.

Current performance against the key financial performance indicators was noted, together with that on the key issues – income, pay costs, non-pay costs, contributions analysis and balance sheet and cash. The Committee noted the work being undertaken to improve the contribution rate for HE, including the removal of courses with low student numbers.

Policy and Resources Committee **AGREED** to recommend the Management Accounts for the period ending 31 May 2021 to the Board for approval.

## **6. COLLEGE BUDGET 2021/22 AND FINANCIAL PLANNING 2020/21 TO 2022/23**

The College business planning process for the 2021/22 curriculum offer was almost complete and included consideration of resource implications and the production of the budget for 2021/22 and the Financial Plan. The Vice Principal: Finance and Corporate Services informed the Committee that the approved plan – in the form of the College Financial Forecasting Return (CFFR) - would be presented to the Board for approval on 2 July 2021, and would then be submitted to the ESFA and the banks. This being in line with the financial planning handbook and loan agreements respectively.

The key elements of the budget were considered by the Committee, together with the detailed explanation and budget assumptions included in the commentary to the financial plan in Appendix 7. The Committee noted that there were no concerns with the College cash flow, that the financial health was graded as 'outstanding' and that all FE Commissioner ratios and loan covenants had been met. Information on the risks and opportunities included in the commentary was highlighted. Detail on those items which were currently not included within the Financial Plan were included in the Report.

A member of the Committee asked whether the 2021/22 budget figure for commercial income was realistic. The Vice Principal: Finance and Corporate Services confirmed that a £200k contingency was included. The Chair also requested and received an explanation of the assumptions in relation to the Sixth Form Centre and it was confirmed that the College had sufficient room capacity. An explanation was given on the process for room allocation.

The Committee **AGREED** to recommend the paper to the Board for approval.

## **7. ESFA FINANCIAL STATEMENT LETTER**

The letter, received on 19 May 2021 and included in the papers, confirmed the College's financial health grade as 'outstanding' and was in line with management's assessment. The Committee also noted the financial dashboard information provided by the ESFA, which was benchmarked against the sector, clearly showed the College was in a strong position financially.

The Committee agreed that the College should be rightly proud of the 'outstanding' grading and wished to recognise the work done to achieve this outcome.

**8. IMPAIRMENT REVIEW**

The Vice Principal: Finance and Corporate Services explained the background to the Report and that the management responses to the indicators of impairment as defined in FRS102 confirmed that no impairment existed. From this review and including the analysis of valuations versus net book values, management was confident that no values were impaired and thus that an Impairment Review was not required. The Committee reviewed and **APPROVED** the findings as detailed in the Report.

**9. ANY OTHER BUSINESS**

The Vice Principal: Finance and Corporate Services provided an update on the Sixth Form Centre refurbishment.

There were no other items of Any Other Business.

**10. REVIEW OF MEETING**

The Chair thanked Members present for their attendance and contribution at the meeting. On behalf of the Committee, he also wished to congratulate the Vice Principal: Finance and Corporate Services and her team for their outstanding performance in relation to the College finances.

**11. DATE AND TIME OF NEXT POLICY AND RESOURCES COMMITTEE MEETING**

Monday 27 September 2021 at 5.00pm.

Signed: .....

Date: .....