

College of West Anglia
Minutes of
The Finance & General Purposes Committee
29 September 2021
8.30 am
Remote Meeting – Microsoft Teams

Present	Andrew Cave	Governor (Chair)
	Alan Measures	Governor (part)
	David Pomfret	Governor (Principal)
	Gary Webb	Governor
	Hein van den Wildenberg	Governors
	Donna Woodruff	Governor
Attending	Paul Harrison	Vice Principal Corporate Services
	Ruth Harrison	Vice Principal Curriculum & Quality
	Rob Petto	Assistant Principal – Funding & Performance (part)
	Sharon House	Management Accountant
	Stephen Halls	Clerk to the Corporation

The Chair welcomed Sharon House, Management Accountant, to her first meeting of the F&GP Committee; Sharon would be attending the Committee during the current vacancy period for the Head of Finance.

1 Apologies

There were no apologies for absence. The Principal would need to leave the meeting at 10.00 am for a prior appointment.

2 Declarations of Interests

An interest was noted for Gary Webb in Item 5 – Election of Vice Chair.

3 Minutes of the previous meeting – 16 June 2021

The minutes of the meeting held on 16 June 2021 were agreed as being an accurate record.

4 Matters Arising

The progress against the outstanding matters from previous meetings was summarised in the report for Item 4. There were no questions or concerns raised.

The Chair asked if the College had received approval from the ESFA to continue with its proposed activities and sub-contractors, following the return submitted to the ESFA in May 2021. The Principal confirmed that approval had been received from the ESFA.

The Vice Principal Corporate Services advised the Committee that Ginny Grace, Head of Finance, had recently left the College. The previous Head of Finance, who retired from the College in December 2020 had agreed to return to the College on an interim basis to cover

specific finance projects, such as the completion of the statutory accounts. The College was now working with an external agency to recruit a new, permanent, Head of Finance.

The Chair asked if the insurance cover for the year had been finalised, since the last meeting, and if there had been an increase in the premium, as expected. The Vice Principal Corporate Services confirmed that the matter had been finalised and that there had been an increase. Details of the new premium, and levels of cover, would be circulated to committee members. **ACTION-VPCS**

Governors commented that they were still unclear if the College was covered against flood risk. The Vice Principal Corporate Services explained that the Environment Agency had predicted a slight risk area on the King's Lynn campus, around the Technology building. The Vice Principal would review the flood risk cover again. **ACTION-VPCS**

Mr. Measures had circulated an email to the Clerk and Committee Members on 7 July 2021 regarding flood risk and had not received a response. The Clerk apologised for the oversight and would follow this up after the meeting. **ACTION-CLERK/VPCS**

5 Election of Vice Chair

It was agreed by the Committee that Gary Webb continued as Vice Chair of the Finance & General Purposes Committee for 2021/22.

6 Preliminary Financial Results 2020/21

The Vice Principal Corporate Services advised that the report presented a positive view of the finances at the end of the 2020/21 academic year. The figures were preliminary only, subject to change as the statutory accounts were finalised and audited. The Vice Principal was pleased that the ESFA and the FE Commissioner had agreed that the finances were no longer a concern and had removed the College from intervention and monitoring. The Vice Principal paid tribute to the budget managers for achieving their income targets in most areas during a very difficult year, particularly with Apprenticeships.

Governors commented favourably on the financial results and the positive forecast moving forward and agreed that 2020/21 had been a challenging year for the College. The Principal said that the FE Commissioner's final report would be included in his report to the Board for the meeting on 13 October 2021 and thanked staff and governors for their support and efforts during the period of intervention.

The Chair commented on the "Outstanding" financial health rating achieved in the year-end figures and asked what had contributed to the move from "Good" to "Outstanding." The Vice Principal explained that a change in the elements used in the EBITDA calculation had pushed the rating slightly, but just enough to change the overall rating to "Outstanding."

The Principal was very pleased with the financial health rating, but noted that when considering external projects, a strong health rating was sometimes a disadvantage when applying for grant monies. The Vice Principal added that the College was now unlikely to put in a business case against the clawback of AEB funding as it would be unable to show that it had suffered financially during the period.

The report was noted.

7 Contracts £100k-£500k & Single Payments > £1m

The Vice Principal Corporate Services noted the two recent purchases for IT equipment as detailed in the report. There were no questions or concerns raised.

The report was noted.

Rob Petto joined the meeting at 8.50 am

8 Funding Position and Data Control

The Assistant Principal Funding & Performance reported a positive start to the 2021/22 academic year with an increase in the number of enrolments seen at the start of the term, many of which were returning learners. A number of the new learners were joining at the lower levels and should they progress and remain at the College for their continued studies this could cause a future pressure on timetabling, class sizes and staffing. The increase now in student numbers would benefit the finances in the following year. The Principal noted that the demographic increase of 1% only partly reflected the increase in learners, with the remainder being for other reasons. Further demographic increases were expected in future years.

Governors asked about students transferring from schools to the College part-way through their studies. The Principal advised that this happened from time-to-time, where students had found themselves to be unhappy with their courses selected at sixth form and so moved over to a different style of teaching at the College. For some students, this may result in them having an additional year of studying, depending on the time of the transfer.

For the Adult Education Budget income for 2020/21, the Assistant Principal advised that CPCA activity was expected to be over the 90% threshold resulting in the full allocation of £402k being received. The additional allocation that had been made available to the College of £150k from the CPCA had not been required. GLA activity achieved 83.1% with an additional 10% awarded from the GLA bringing the amount to be received to 93.1%, or £270k. Non-devolved AEB income, funded for 80.5% of activity would result in a final amount of £1.771m being received. Overall, AEB income would be £371k under target, partly offset by reduced associated partner costs.

The Principal commented that the 10% funding protection allowance for the sector had been reduced from the previous year.

With regard to Apprenticeships, the Assistant Principal reported that a total income of £3.186m was expected for 2020/21, against a budget of £3.0m, subject to minor changes following the submission of the final return in October. Current enrolments in 2021/22 were significant, with much of the current year's target already achieved. It was noted that from April 2022 all recruitment would be via digital accounts. Governors asked about the measures the College could undertake to ensure this high level of recruitment did not reduce in future years; the Assistant Principal noted the need to maintain a good reputation with apprentices and their employers and to assess potential growth areas for the future with reference to the Skills paper.

The Principal noted that the College would be looking at growth in its Access courses and English and maths. Additional growth was also expected in ESOL and construction, although for the latter this was currently limited due to accommodation availability and the need to recruit additional teaching staff, with there being a number of interested students already deferred to future periods.

For Adult Loans, the Assistant Principal reported that income for 2020/21 was as expected; for 2021/22 the allocation has been reduced.

Alan Measures left the meeting at 9.13 am (technical difficulties)

The Assistant Principal commented on the recent funding assurance audit of apprenticeship provision, commissioned by the College, which gave an overall risk rating of "High." The

Assistant Principal noted the areas of concern from the report. The report would be reviewed by the Audit Committee at its next meeting on 24 November 2021.

An audit of the CPCA's AEB activity had been arranged for the following week (w/c 4 October 2021). The College was one of three colleges selected out of a possible 17 to have this review. This was considered to be a well-established funding stream, there were no concerns and no major issues were expected.

The report was noted.

9 Future IT Provision – Initial Proposals

This item was deemed “Confidential.”

10 Any Other Business

The Clerk noted that Mr. Measures had emailed in with apologies that he had left the remote meeting earlier due to technical difficulties.

11 Chair’s items for briefing to the Corporation

- i. The preliminary financial results for the last year, and the funding report, which the Committee reviewed, would both be on the agenda for the next Board meeting.
- ii. The Committee reviewed the initial proposals for the future of the IT provision for the College; the Committee Chair would report to the Board at its next meeting on the approach being considered and action taken.

12 Date and time of next meeting

Wednesday, 17 November 2021, 8.30 am.

The meeting closed at 9.38 am