

CAPEL MANOR COLLEGE

FINANCE AND GENERAL PURPOSE COMMITTEE

MINUTES OF THE MEETING HELD ON
THURSDAY 25 JUNE 2015

- Members:** Doug Fussell (Chairman)
Paul Jolly (Vice Chair)
Don Gratton
Joy Hillyer
Lady Coates
Sir William Stubbs
Lady Salisbury
- In attendance:** Steve Dowbiggin OBE, Principal
Malcolm Goodwin, Vice Principal Curriculum & Quality
Damien Fallon, Director of Finance
Nick Evans, Director of Estates and Buildings
Simon O'Hear, Director of Human Resources
Lisa Westray, Head of MIS
Clare Kendle, Clerk to the Governing Body
- Observer:** Nadia Khan, Assistant Principal Student Services

1. APOLOGIES FOR ABSENCE**2. DECLARATION OF INTERESTS**

There were no new declarations of interest relating to this meeting.

3. MINUTES OF THE FINANCE AND GENERAL PURPOSE COMMITTEE HELD ON 5 MARCH 2015

RECEIVED: Paper 3, minutes of the Finance and General Purpose Committee

RESOLVED: that the minutes of the meeting held on 5 March 2015 were agreed as accurate and signed by the Chair.

4. MATTERS ARISING FROM THE PART II MINUTES OF THE MEETING HELD ON THE 5 MARCH 2015

RECEIVED: Paper 4, from the Principal for Information

NOTED:

- i. An amendment to point 2 on the matters arising – mutually to 'unduly'

5. REPORT OF THE PRINCIPAL

RECEIVED: Paper 5, from the Principal for Information

NOTED:

- i. The Principal will update the Governing Body on progress in collating comments following consultation around the acceptable IT acceptable use policy, the IT data and computer environment policy;
- ii. Internal Audit had accepted the College's concerns over too much detail being made available in this policy and therefore there will be a confidential document covering the 12 areas identified in their report which needs to be added to comply with ISO 27001.
- iii. The College is piloting a new brand and image (following on from discussions at previous F&GP meetings). Staff will be consulted over the change but this was being progressed cautiously and a further report/update will be made to F&GP.

6. REPORT OF THE DIRECTOR OF ESTATES AND BUILDINGS

RECEIVED: Paper 6, from the Director of Estates and Buildings for Information

NOTED:

- i. Capital works are progressing as planned.
- ii. The National Gardening Centre (NGC) has had several new sponsors opening gardens in the last few months.
- iii. The media day was a success and several contacts were made which would have Positive outcomes in the coming year.

7. REPORT OF THE DIRECTOR OF HUMAN RESOURCES

RECEIVED: Paper 7, from the Director of Human Resources to the Governors for Information

NOTED:

- i. A reduction in average time off for sickness per employee across the College (which remains below the norm suggested for the sector).
- ii. Changes to the College's sickness pay for staff who after disciplinary or other employment/performance related issues or concerns.
- iii. The internal audit of HR has resulted in a strong outcome.
- iv. Staff and Management had identified a list of priorities to supplement to the core/compulsory training.

- v. There was a discussion around the English and Maths functional skills and GCSE's and the need to support staff to ensure they comply with the statutory requirements.

8. REPORT OF THE POLICIES AND PROCEDURES

RECEIVED: Paper 8, from the Director of Human Resources to the Governors for Decision

NOTED:

- i. A discussion exploring how best to gain approval and consult on policies (as a result) Governors were content to support the existing processes.
- ii. The Sickness Policy was last approved by Governors in June 2014 but current experience had led SMT to seek an amendment to this.
- iii. That Appendix 1 within the Attendance and Sickness Policy and Procedure is updated as set out within Appendix II to this report. The language has been changed from 'entitlement' to 'provision' and a new clause has been added to state the following:

3.6 Where an employee is alleged to have committed misconduct and this is subject to a disciplinary or probationary process and then becomes absent from work due to sickness absence this will only be paid in line with SSP and no enhancement to SSP through occupational sick pay will be made based on service as set out in section 3.2.

- iv. The Anti-Bribery and Anti-Fraud policies have been developed in line with the recommendation by the Audit committee. They are also appended to the Fraud Response Plan and the financial regulations. (the internal auditors have found that they are fit for purpose).

RESOLVED that:

- ii. the Leave Provisions (Appendix I) is adopted;**
- iii. the revised Leave Provisions are circulated to all staff for consultation for 2 weeks. (Staff will be advised that the revised Leave Provisions will be live during the consultation period);**
- iv. any material changes arising following the consultation with staff and verification of equality analysis is reported to the next F&GP Committee.**
- v. the revised Sickness and Attendance Policy and Procedure (Appendix II) is adopted to include clause 3.6 above;**
- vi. the revised Sickness and Attendance Policy and Procedure is circulated to all staff for consultation for 2 weeks. (Staff will be advised that the revised Sickness and Attendance Policy and Procedure will be live during the consultation period);**
- vii. any material changes arising following the consultation with staff and**

verification of equality analysis is reported to the next F&GP Committee.

- viii. the new Anti-Bribery Policy (Appendix III) is adopted;
- ix. the new Anti-Fraud Policy (Appendix IV) is adopted;
- x. the new Anti-Bribery Policy and the new Anti-Fraud Policy are both circulated to all staff by the Director of Finance for consultation for 2 weeks. (Staff will be advised that both new Policies will be live during the consultation period);
- xi. any material changes arising following the consultation with staff and verification of equality analysis is reported to the next F&GP Committee.

9. REPORT OF THE DIRECTOR OF FINANCE

RECEIVED: Paper 9, from the Director of Finance to the Governors for Decision

NOTED:

- i. that, following discussions, Enfield are content to allow Capel Manor College to continue to own The Enfield Veg Company and were no longer pursuing their original suggestion of seeking a share in the company.
- ii. New procurement legislation has been incorporated into the College's procedures.
- iii. The SFA had written formally to the College confirming the financial health of the College as outstanding.
- iv. A review of the proposed changes in the way in which the financial reports are to be made in 2016-17 and how this may affect the College's apparent performance.
- v. The possibility of re-valuing the College's assets as part of this process and that this will probably not be advantageous or appropriate at the present time.
- vi. The College assured governors that they are appropriately insured.

RESOLVED that:

- i. **F&GP is the delegated authority to respond on behalf of the College and Governors to the SFA consultation in FRS 102 reporting standards.**

10. PROJECTS AND PARTNERSHIPS

RECEIVED: Paper 10, from the Vice Principal – Curriculum and Quality to the Governors for Information

NOTED:

- i. The RAU foundation degree will be cleared to allow it to be recruited to in a few weeks.

- ii. The College will be establishing a new centre at New Covent Garden to deliver floristry courses and apprenticeships, These will be full cost recovery programs and professional short courses.
- iii. Overarching the New Covent Garden Market development there is redevelopment of the local area called the Nine-Elms and the College is looking to form key alliances moving forwards with them.
- iv. The potential for further development and partnership in East London.
- v. That the 'Enfield Thinks' project, it was a successful partnership and the links with L.B.Enfield were particularly valuable in maintaining any strong links with Enfield Council awareness.

11. STUDENT SUPPORT UPDATE

RECEIVED: Paper 11, from the Vice Principal – Curriculum and Quality to the Governors for Information

Noted:

- i. That learner support is currently using its allotted allocation to support vulnerable learners or learners in hardship.
- ii. That the Free School Meals offer will be developed further within available funding.

12. TUITION COURSE FEES 2016/17 AND FEES UPDATE FOR 2015/16

RECEIVED: Paper 12, from the Vice Principal – Curriculum and Quality to the Governors for Decision

NOTED:

- i. Registration Fees/Examinations Fees are taken from awarding bodies and passed on.
- ii. The materials fees that were charged in the classroom are now part of the course enrolment which has given a continuing professional outlook from the College.
- iii. That the additional money for materials for Floristry courses is now taken at the beginning of the course and as an assurance that where there is the case flexibility can be shown.
- iv. That once the new centre is established at New Covent Garden the College should be able to purchase flowers more efficiently.
- v. For level III 24+ students the fees that are charged to student relates to the amount available to the college (for 24+ loans), the College is endeavouring to promote and to make the full cost courses.
- vi. That once the review framework for fees was agreed officers would use this to set fees for 2016-17 and inform Governors of the percentage increase and any major

changes at the next meeting.

Note – Subsequent to the meeting a minor addition was made to the schedule to recognise an omission.

RECOMMENDED TO THE GOVERNING BODY that:

- i. Tuition Fees are confirmed for 2015-2016.**
- ii. The same framework be used to set fees for 2016-17 after a review of recruitment in September 2015.**

13. MANAGEMENT ACCOUNTS FOR THE NINE MONTHS TO 30 APRIL 2015

RECEIVED: Paper 13, from the Director of Finance to the Governors for Decision

NOTED:

- i. Note 17 of Appendix I (Administration and Central Services) the college assured the Governors that the use of agency staff will now not be utilised in full (so the saving will be retained).
- ii. Clarification on the number of debtor days as highlighted in Schedule 1 (which is higher than expected). Changes in phased payments has taken place based on the needs for individuals and those instalments can be arranged if necessary.
- iii. That next year flexibility in paying fees will be only offered on a needs basis as this process is not efficient.
- iv. Schedule 2 has shown that the recovery of funds has been successful
- v. In Schedule 3 - Management accounts at 30 April balance sheet, the fixed assets have gone up and the SFA grants have been included in the amount as the loan has been drawn down to the College.
- vi. The enrolment process will be amended for the autumn term 2015 to ensure that payment by instalments is only used when necessary to meet student circumstances.

RESOLVED that:

- i. The Committee agree the management accounts for the third quarter of 2014/15**

14. OUTTURN FORECAST FOR 2014/15

RECEIVED: Paper 14, from the Director of Finance to the Governors for Decision

NOTED:

- i. That some variations between actual income/expenditure and budgets but that this

has balanced out overall.

- ii. Governors explored the financial resilience of the College (given challenges ahead) and were reassured by the responses of the Director of Finance.

RESOLVED that:

- i. **The revised budget for 2014/15 as detailed in Appendix I, Column C, is approved;**
- ii. **The revised cash flow forecast for the remainder of 2014/15 detailed in Appendix II, is approved;**

15. COLLEGE INCREASED TARGETS INCLUDING SFA/EFA CONTRACTS

RECEIVED: Paper 15, from the Principal for Information

NOTED:

- i. The College has better curriculum planning and management information systems and this is allowing target setting to be more precise.

16. PARAMETERS FOR THE TWO YEAR DEVELOPMENT PLAN 2014/15 TO 2015/16

RECEIVED: Paper 16, from the Director of Finance to the Governors for Decision

NOTED:

- i. That SMT have asked that the 2 year plan be considered so that a firm plan can be drawn up ready for consideration by the full Governing Body.
- ii. The 16-17 figures show a conservative approach but put the college in a positive light

RESOLVED that:

- i. **That the F&GP Committee endorses the proposed for use in the two year development plan for the period 2015/16 to 2016/17.**

17. PROPOSED OUTLINE BUDGET FOR 2015/16

RECEIVED: Paper 17, from the Director of Finance to the Governors for Decision

NOTED:

- i. The proposed income and expenditure budget was discussed. The income was realistic given the criteria adopted to predict potential income. A review is encouraged in October 2015 once actual income is known.

- ii. The difference between tuition charges and tuition fees (Note 7).
- iii. The increase of income generation (Note 11) for the gardens and lettings. Both these areas have continued to improve year on year but not at the rate expected. SMT feels these targets are achievable and the College has been proactive, (there are already bookings for weddings in 2016).

RESOLVED that:

- i. the Revenue (Income and Expenditure) budget for 2015/16 detailed in Appendix 1 is adopted;**
- ii. the Revenue (Income and Expenditure) budget for 2015/16 detailed in Appendix 1 is used as the baseline for the preparation of the two year Financial Plan which will be submitted to a special meeting of the F&GP on 15 July 2015**

18. PLANNED CAPITAL EXPENDITURE

RECEIVED: Paper 18, from the Director of Finance and the Director of Estates and Buildings to the Governors for Decision

NOTED:

- i. The cash days in hand performance indicator will continue to be reduced from 30 days to 25 days for the duration of the capital building project as already agreed by Governors.
- ii. That Forty Hall Farm visitor centre was built within budget but that there was an additional water supply that needed to be installed (which was approved previously but had not been included in the schedule).
- iii. There is a degree of price certainty with the animal care/arboricultural building contractors and there is a contingency in place but the College is also providing for enhancements to the original specifications and for some omissions in the original costings.
- iv. The proposals include projects already approved and some additions which focus on helping the College deliver its priorities such as;
 - Increasing income for commercial activities
 - Improving IT resilience
 - Continuing the developments at Gunnersbury
 - Enhancing the original stockyard area
 - IT in arboricultural building

RESOLVED that:

- i) that Governors maintain their financial performance indicator for cash days in hand at 25 days for the 2015/16 year;
- ii) that the allocation of £276k for new capital expenditure in 2015/16 is approved (taking the total in year planned expenditure to £1.97m);
- iii) that this investment strategy is reconfirmed when they consider the two year financial plan (2015/16 to 2016/17) for approval on 15 July 2015.

19. REVIEW OF RISK REVIEW SCHEDULE AND THE RELEVANT RISK MANAGEMENT ACTION PLAN ITEMS 2015/16

RECEIVED: Paper 19, from the Principal to the Governors for Decision

NOTED:

- i. Governors have approved a strategy for identifying and managing risk. (This is available on request).
- ii. Given the pressure on the College an even greater focus has been given to mitigating risk where possible. Therefore the number of significant risks identified in the Risk Management Action Plan has decreased when compared to last year (although new risks have been added).
- iii. The internal auditors review risk management annually and the review for 2014-15 (process) and 2015-16 (planning) has taken place. It was verbally reported that the assurance level was strong and there were no recommendations or value added parts revised.

RECOMMENDED TO THE GOVERNING BODY that:

- i. that the attached schedules and annexes are adopted in the Risk Schedule and Risk Management Action Plan.

DATE OF THE NEXT MEETING

There will be a separate meeting prior to the Governing Body on 15 July 2015 to cascade the two year financial forecast.

The date of the next main meeting is scheduled for 5pm on Wednesday 18 November 2015.

Doug Fussell
Chair