

CALLYWITH COLLEGE TRUST

Minutes of a meeting of the Finance, Employment and Audit Committee
held on 2 March 2021 via Teams

Trustees Present: Mr J Burnett, Dr C Gray (left after item 21/16), Dr J Grey (Principal), Mr P Reed (Chair) and Mr D Walrond

In Attendance: Ms R Loom (Business Manager), Ms J Brown (Assistant Principal) and Mrs A Winter (Clerk to the Trustees)

Apologies: Mr T Woodley

| Item | Discussion/Decision | Action |
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| 21/05 | <p>Declarations of Interest</p> <p>Trustees were reminded of the requirement to disclose any potential interests and to withdraw from the meeting if a matter under consideration could give rise to a conflict of interest.</p> <p>No new interests were declared.</p> | |
| 21/06 | <p>Minutes</p> <p>The Minutes of the meetings held on 1 December 2020 and 27 January 2021 were APPROVED as a correct record.</p> | |
| 21/07 | <p>Matters Arising</p> <p>07.01 Management Accounts (Minute 20/46.01)</p> <p>The Committee noted that confirmation of the Council's element 2 funding for high needs students in 2020/21 had been received.</p> <p>07.02 TPC STEMS Skills Centre (Minute 20/46.02)</p> <p>The Principal reported that preliminary work for the Truro and Penwith College (TPC) STEM Skills Centre had commenced with groundworks, a site compound, fencing and separate site entrance created off Cooksland Lane. He was liaising with the TPC Premises Manager and Midas Site Manager to ensure the site was safe for the return of students to the College in early March. Communication had been working well so far.</p> <p>07.03 Trustee Learning Walks (Minute 20/46.05)</p> <p>It was hoped that learning walks could resume after the Easter break.</p> <p>07.04 Oxbridge Applications 2021 (Minute 20/41.02)</p> <p>Trustees were pleased to note an increase in university offers from Oxford, Cambridge, Medicine and Dentistry, as well as successful applications for a wide range of other courses which were being promoted via social media.</p> | |

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| | <p>07.05 College Capacity (Minute 20/49)</p> <p>The Committee noted that the Principal was continuing to liaise with the Council and architect to determine maximum capacity (with Kilmar facilities). Even if adequate space was available, separate negotiations would be necessary with the Regional Schools Commissioner to secure funding for additional learners beyond the current limit of 1310 (1280 +10%). Some unfunded 'over delivery' would be feasible in most curriculum areas. At this stage applications for 2021/22 were encouraging although enrolment forecasts were very uncertain due to the impact of the pandemic, the absence of onsite open events and switch to a new online application process.</p> <p>07.06 Appointment of External Auditors (Minute 20/52)</p> <p>A tendering process for the appointment of External Auditors from August 2021 was about to commence.</p> <p>07.07 Catering Contract (Minute 20/55)</p> <p>The Business Manager explained that Chartwells were preparing to re-start services onsite from 8 March when their staff would return from being furloughed. The monthly subsidy to Chartwells being paid by the College towards unexpected costs was due to cease at Easter. Catering options for 2021/22 onwards were being explored with an external school procurement consultancy.</p> | |
| 21/08 | <p>Consideration of Transport Tenders</p> <p>This confidential item is separately minuted.</p> | |
| 21/09 | <p>Management Accounts and Mid-Year Budget Review 2020/21</p> <p>The Committee reviewed the management accounts for the first five months of the financial year to 31 January 2020 and the proposed adjustments to the budget.</p> <p>Trustees noted that the ESFA funding statement confirming the funding allocation for 2020/21 was still awaited. The budget was based on 1280 students but there was a possibility of in-year clawback of core funding in line with actual enrolments of 1241.</p> <p>The variations from the original budget were reviewed and explained, with the key changes relating to bus transport. Payment of the Pension Contribution Grant and Teachers' Pay Grant were continuing for the time being although the future of these additional grant payments was uncertain. A small grant towards the additional costs of Covid testing had also been received and no reduction in exam fees was expected, despite the cancelation of most external assessments for summer 2021. An unexpected additional water bill had been received and was being queried with the supplier.</p> <p>Overall, the proposed adjustments had a positive impact on the budget outturn forecast with an increase to the end of year surplus.</p> <p>Following discussion, the Committee agreed to RECOMMEND to the Board approval of the revised budget for 2020/21.</p> | <p>Recommendation for Board</p> |

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| 21/10 | <p>Cashflow Projections</p> <p>The Committee considered the cashflow forecast to April 2022 which included the revised budget and was based on ESFA funding for 1280 students in 2020/21 and 2021/22 and 1310 for 2022/23.</p> <p>Trustees NOTED that projections for the next two years remained very healthy. The low points forecast in August 2021 and August 2022 indicated over 70 cash days, (well over the recommended 45 days), confirming the College was in a sound financial position.</p> | |
| 21/11 | <p>Review of Performance Indicators and Objectives for 2020/21</p> <p>The Committee considered an update on the achievement of the financial objectives and performance against the agreed indicators.</p> <p>Trustees noted that in relation to the start of year indicators, although 100% of the core funding target had been secured, there could possibly be later clawback.</p> <p>Staffing costs as a percentage of total College income remained slightly above target but this was due the pandemic and need to increase staffing ratios to comply with Covid safety measures. The ratio of current assets to liabilities had been achieved.</p> <p>Trustees were pleased to note the progress against the agreed objectives which indicated a very positive position, especially during a very uncertain and difficult time.</p> | |
| 21/12 | <p>Internal Audit Review Report – Winter 2020/21</p> <p>Trustees considered the internal auditor’s findings following a review carried out in February 2021 to complete the controls assurance programme for academy trusts.</p> <p>The review revealed that a credit card in the name of a former employee needed to be cancelled and this had been rectified immediately. No other issues had arisen during the review.</p> <p>The Committee NOTED that sampling and testing of relevant procedures confirmed that payments were correctly processed and appropriate controls were in place.</p> | |
| 21/13 | <p>Premises Matters and Proposed Summer Works</p> <p>The Principal reported that ongoing redecoration and maintenance to restore the whole campus to a high standard had been completed during the lockdown, while the site was mostly unoccupied.</p> <p>Some further upgrades were being planned for this year, including additional power/data wiring for Learning Resource Centres and extra storage for art materials.</p> <p>The Committee also discussed other potential capital expenditure and noted that the recent allocation of 130 laptops from the DfE had helped to ensure that the equipment needs of students could be met.</p> | |

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| 21/14 | <p>DfE Top Ten Estates Checks for Boards</p> <p>The Committee considered the DfE checklist identifying the most important issues for the effective management of the College's estate and reviewed arrangements in relation to the points raised.</p> <p>Although a Disaster Management Plan was in place, Trustees suggested that this should be reviewed and updated in the light of the pandemic and experience of remote delivery.</p> <p>The Committee NOTED that the variation to the lease for the addition of Kilmar had been finalised and that work was progressing on the Memorandum of Understanding with TPC which was likely to include reference to the lessee/lessor arrangements and obligations.</p> | Principal to update Disaster Management Plan |
| 21/15 | <p>HR Update</p> <p>The Principal provided an update and reported that no retirements or resignations were expected this summer and very few staffing changes were being planned for 2021/22 as new courses and potential growth could be largely met by increasing the hours of existing variable and part-time staff. Student recruitment patterns were being closely monitored to ensure appropriate staffing and high quality delivery was maintained.</p> | |
| 21/16 | <p>Staff Wellbeing</p> <p>The Principal summarised the current arrangements for supporting staff and preparing for re-opening. In response to questions, the Committee NOTED that:</p> <ul style="list-style-type: none"> • weekly staff meetings had been taking place to discuss plans and provide opportunities for staff to voice their concerns • a transition week was planned to enable staff to adjust to onsite working before students returned on 8 March 2021 • although most staff were keen to return to onsite delivery, some staff had expressed apprehension • individual risk assessments were being undertaken for around 10% of staff who had a change in their circumstances, were clinically vulnerable or had other concerns • relevant adjustments would be made as appropriate, to minimise risks, reduce anxiety and support their return • although the initial weeks following the re-opening were likely to be challenging, staff morale generally remained very positive. | |
| 21/17 | <p>Consideration of Internal Audit Service Tenders</p> <p>This confidential item is separately minuted.</p> | |
| 21/18 | <p>Dates of Meetings in 2021/22</p> <p>Trustees NOTED the dates of meetings as follows:</p> <ul style="list-style-type: none"> • Tuesday 19 October 2021 • Tuesday 15 March 2022 • 30 November 2021 • Tuesday 14 June 2022 | ALL to note |
| 21/19 | <p>Date of Next Meeting</p> <p>The Committee would next meet at 3.30pm on Tues 15 June 2021.</p> | ALL to note |