

CALLYWITH COLLEGE TRUST

Minutes of a meeting of the Finance, Employment and Audit Committee
held on 30 November 2021 at Callywith College

Trustees Present: Mr J Burnett, Dr C Gray, Dr J Grey (Principal), Mr P Reed (Chair), Mrs T Roose and Mr D Walrond

In Attendance: Mr A Croney (Thomas Westcott Auditors), Ms B Kelly (Thomas Westcott Auditors) Ms R Loom (Business Manager), Mr A Jeffries (Assistant Principal), Ms J Temple (Assistant Principal) and Mrs A Winter (Clerk to the Trustees)

Apologies: Mr T Woodley

Item	Discussion/Decision	Action
21/49	<p>Draft Final Accounts 2020/21 and Auditor's Report</p> <p>The Committee considered the draft Annual Report and Financial Statements for 2020/21, Auditor's Report and letter of representation.</p> <p>The Auditor highlighted the key findings and conclusions as well as explaining the reconciliation with the management accounts presented in October 2021. Trustees noted that adjustments to the financial statements included an increase in the Local Government Pension Scheme (LGPS) deficit, based on the annual actuarial valuation and a change in depreciation of fixed assets.</p> <p>Two minor audit misstatements were identified during the audit process – one was below the materiality value and the other was corrected by management in the financial statements.</p> <p>The Auditor confirmed that an unmodified audit was anticipated.</p> <p>Although the income and expenditure accounts indicated an end of year surplus, the statement of financial activities showed an end of year deficit of £556k once the pension valuation, depreciation and other accounting adjustments were applied.</p> <p>Following careful scrutiny, the Committee RECOMMENDED to the Board of Trustees approval of:</p> <ul style="list-style-type: none"> • the Annual Report and Financial Statements for 2020/21 (subject to final editorial corrections) • the letter of representation to the Auditors • a Reserves Policy based on a minimum 30 cash days. <p>Trustees thanked the finance team for the efficient preparation and accuracy of the accounts.</p>	<p>Recommendation to Board</p>

21/50	<p>Pension Reports</p> <p>50.01 Teachers' Pensions</p> <p>The Committee received copies of the Teachers' Pensions return for the year ending 31 March 2021 and auditor's report. Trustees NOTED that no exceptions or errors had been identified.</p> <p>50.02 Local Government Pension Scheme (LGPS)</p> <p>The Committee received and NOTED the LGPS results schedule for the year ending 31 August 2021.</p>	
21/51	<p>Minutes</p> <p>The Minutes and Confidential Minutes of the meeting held on 19 October 2021 were APPROVED and signed as a correct record.</p>	
21/52	<p>Matters Arising</p> <p>52.01 Truro and Penwith College STEM Centre (Minute 21/37.01)</p> <p>Trustees noted that the visit on 26 November 2021 by members of the LEP Board, local MP and others to view progress with the new TPC STEM Skills Centre had gone well and confirmed local support for the development of technical training, adult skills and work based learning.</p> <p>52.2 Transport (Minute 21/37.04)</p> <p>The Committee was pleased to hear that service provision had become more consistent. However, the contract with Plymouth Citybus had not yet been finalised and would be followed up.</p> <p>52.3 Free School Meals (Minute 21/37.07)</p> <p>Cornwall Council had confirmed FSM funding for the Christmas holiday and February half term. The College would continue to supplement the funding to provide a daily allowance of £3.00.</p> <p>52.4 Cyber Security Review (Minute 21/43)</p> <p>The Principal would request a copy of the cyber security review report recently commissioned by TPC.</p>	<p>RL to take forward</p> <p>JG to request report</p>
21/53	<p>Internal Audit</p> <p>53.01 Internal Audit Report – Summer Visit 2020/21</p> <p>The Committee considered the auditor's report on the review of key financial controls with regard to payroll and compliance with financial procedures. Trustees NOTED the Auditor's conclusions that there was effective separation of duties and satisfactory controls in place with no concerns or recommendations raised.</p> <p>53.02 Controls Assurance Review for 2020/21</p> <p>The Committee received the Internal Auditor's annual report summarising the outcome of the three audit visits conducted during the year. Trustees NOTED the Auditor's confirmation that adequate controls were in place with only one recommendation which had immediately been actioned.</p>	
21/54	<p>College Capacity and Kilmar 2</p> <p>This confidential item is separately minuted.</p>	

21/55	<p>Management Accounts 2021/22</p> <p>The Committee reviewed the management accounts for the first two months of the financial year based on 1228 enrolments. Trustees noted that ESFA clawback would be taken in three instalments in respect of over funding last year.</p> <p>Vehicle rental costs were higher than expected due to the number of trips and sporting fixtures now that activities has resumed. The feasibility and cost effectiveness of purchasing a minibus were being assessed.</p> <p>Trustees NOTED that at this stage, income and expenditure remained close to budget projections in most areas.</p>	
21/56	<p>Cashflow</p> <p>The Committee considered the cashflow projections to April 2023 and noted the underlying assumptions. Confirmation of the 3yr funding rate and impact on the 2022/23 ESFA allocation were awaited.</p> <p>The Committee NOTED that overall, the cashflow position remained strong for the next 18+ months.</p>	
21/57	<p>Risk Register: Annual Review</p> <p>The Committee reviewed the Risk Register which had been updated to incorporate latest issues. The risk factors, potential impact and mitigating actions were discussed. The ongoing actions and measures to minimise risks were noted.</p> <p>In response to questions about the impact of Covid-related issues, Trustees were concerned to hear of the volume of complex student support needs and mental health issues as well as a rise in workload for staff. Members of the invigilating team were being employed to provide supply cover to alleviate pressure on staff.</p> <p>Other key issues included an absence of MIS support on site (pending the replacement of a TPC staff member), the operational strategy for the TPC Ottery building and curriculum changes with the introduction of T Levels and withdrawal of BTEC qualifications.</p> <p>Following consideration, the Committee was SATISFIED that risks were being effectively monitored and managed.</p>	
21/58	<p>HR Update</p> <p>58.01 Recruitment Analysis 2020/21</p> <p>The Principal presented the report providing an overview of recruitment from September 2020 – August 2021 and analysis of applications. During the year 16 academic appoints and 15 support staff appointments had been made as well as a number of sessional/variable hours/bank staff. In September 2021 the total workforce was 155 with relatively few new staff joining for the 2021/22 academic year.</p>	

	<p>In response to questions, the Principal explained that recruiting to some roles had become more challenging, with lower numbers of applications for each vacancy, particularly vocational/technical lecturers, Learning Support Assistants (LSAs) and cleaners. This was due to uncompetitive pay rates compared to schools and other sectors as well as the local housing crisis.</p> <p>58.02 Staff Development and Wellbeing</p> <p>The Principal reported that the significant challenges and disruptions during the pandemic were taking their toll on staff across the sector and the autumn term had been particularly busy with the added pressures relating to UCAS applications, open events and safeguarding/student support issues.</p> <p>Staff voice meetings and discussions with union/employee representatives had been positive and morale generally remained good, despite the pressures. Small gestures such as fruit bowls in staff rooms and the free morning porridge bar had been welcomed by staff and it was hoped that end of term social events could go ahead this year.</p> <p>The Committee recognised the ongoing challenges and thanked staff for adapting and responding so positively to the situation.</p>	
21/59	<p>Premises Matters</p> <p>Trustees NOTED that the College had hosted a pop-up Covid vaccination clinic on a number of dates during the autumn, providing opportunities for students to be vaccinated on site. All Covid guidance was being followed and some activities eg. parent progress meetings were being continued online.</p> <p>The construction of Ottery building had caused no significant issues for students and staff.</p>	
21/60	<p>Date of Next Meeting</p> <p>The Committee would next meet on Tuesday 15 March 2022.</p>	ALL to note