

CALLYWITH COLLEGE TRUST

Minutes of a meeting of the Finance, Employment and Audit Committee held on 3 March 2020 at Callywith College

Trustees Present: Mr J Burnett, Dr C Gray, Dr J Grey (Principal), Mr P Reed (Chair) and Mr T Woodley

In Attendance: Ms R Loom (Business Manager), Ms L Maggs (Assistant Principal – for item 20/10 onwards) and Mrs A Winter (Clerk to the Trustees)

Apologies: Mr P Ugalde and Mr D Walrond

Item	Discussion/Decision	Action
20/01	<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>	
20/02	<p>Minutes</p> <p>The Minutes of the meeting held on 26 November 2019 were APPROVED and signed as a correct record.</p>	
20/03	<p>Matters Arising</p> <p>03.01 Ofsted Inspection Outcome (Minute 19/33)</p> <p>The Committee congratulated all staff on the achievement of an Ofsted grading of 'Outstanding' following the recent inspection.</p> <p>Trustees noted that the news had been received very positively with good media coverage. A recent Open Day had been well attended and it was likely the Ofsted outcome would promote further recruitment for 2020/21.</p>	
20/04	<p>Management Accounts and Mid-Year Review of Budget</p> <p>The Committee reviewed the management accounts for the first five months of the 2019/20 financial year to 31 January 2020 and the proposed adjustments to the budget.</p> <p>Trustees noted that initial core funding payments were based on the PAN of 855 learners although confirmation from ESFA had been received that funding would be adjusted in line with actual enrolments of 1089 and higher payments were now being received.</p> <p>The key variations from the original budget were reviewed and explained, including additional core funding, extra Local Authority Element 2/3 funding for LLDD (Learners with Learning Difficulties and Disabilities), receipt of Pension Contribution Grant, Teachers' Pay Grant and increased Learner Support Funds.</p>	

	<p>The Committee noted that expenditure was broadly in line with the budget although it had been necessary to increase the allocation for staffing due to higher student numbers, implementation of the new minimum wage and a deficit contribution to the Local Government Pension Scheme. Energy savings had been achieved due to automated monitoring of the heating system enabling the allocation for service costs to be reduced.</p> <p>Trustees asked about the longer term funding methodology and noted that the College received 'adjusted' funding and would transfer to the usual 'lagged' funding model after the first five years. The implications of this change in funding were explained.</p> <p>In response to questions, the Business Manager confirmed that a small number employees were on the living wage. These included Learning Support Assistants (largely funded by the Local Authority) and cleaners. The Committee suggested that the potential costs and feasibility of moving to the national living wage be assessed.</p> <p>Overall, the proposed adjustments to the budget had a positive impact on the outturn with a small end of year surplus forecast. The College would continue to look for efficiencies and any project funding to further improve the overall budget position.</p> <p>Following discussion, the Committee agreed to RECOMMEND to the Board approval of the revised budget for 2019/20.</p>	<p>JG/RL to assess costs/feasibility</p> <p>Recommendation for Board</p>
20/05	<p>Cashflow Projections</p> <p>The Committee considered the cashflow forecast to December 2021 which included the revised budget figures and was based on 1089 registered students in 2019/20 and forecasts of 1280 for 2020/21 and 1450 for 2021/22.</p> <p>Trustees noted that low points were anticipated each August due to the scheduling of capital works over the summer vacation period.</p> <p>The Committee asked whether the capital equipment allocation of £100k for 2019/20 was adequate and was assured this was a realistic estimate of equipment requirements and costs to convert rooms to provide additional computing or other facilities, as needed.</p> <p>In response to questions about recruitment, the Principal reported that 770 applications had already been received and around 560 current learners were expected to continue next year. Applications were being closely monitored to inform estimates of accommodation and staffing needs for 2020/21.</p> <p>The Committee NOTED the cashflow projections for the next two years which indicated the College was in a sound financial position.</p>	
20/06	<p>Review of Performance Indicators and Objectives for 2019/20</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, core funding had been secured and enrolments exceeded the target.</p>	

	<p>Staffing costs as a percentage of total College income remained slightly above target but the continuing growth had helped to improve operational efficiency this year. The ratio of current assets to liabilities was also moving towards the target.</p> <p>In response to questions, the Principal explained that very little benchmarking data was available for directly comparable colleges.</p> <p>Trustees were pleased to note the progress against the agreed objectives which confirmed a strong performance by the College.</p>	
20/07	<p>Internal Audit Review Report - Winter</p> <p>Trustees considered the internal auditor's findings following a review carried out in January 2020 of key financial controls with regard to payments and compliance with the financial procedures.</p> <p>The Committee was pleased to note that sampling and testing of relevant procedures confirmed that payments were correctly processed and appropriate controls were in place. No issues or concerns had arisen during the review.</p>	
20/08	<p>HR Update</p> <p>The Principal provided an update on staffing matters in which he confirmed that all new staff had assimilated well and were on course to complete probationary reviews.</p> <p>A small number of staffing changes for 2020/21 and recruitment as needed to meet the 15% growth expected next year meant that 6 or 7 teaching posts would be advertised at the end of March.</p> <p>Support Staff capacity had been increased during 2019/20 and future priorities and needs were being considered.</p> <p>The Committee was pleased to note that the staff team was becoming more stable and there was a focus on continuing professional development and upskilling the workforce to reduce reliance on external expertise. A number of variable hours staff provided flexibility but staff timetabling would continue to be monitored to ensure adequate continuity and high quality delivery.</p>	
20/09	<p>Review of Policies and Procedures</p> <p>The Committee noted that an updated list of statutory policies had been published by the DfE in November 2019 and a number of College policies and procedures were due for review.</p> <p>The Committee considered and APPROVED the following revised policies which included amendments to ensure they remained consistent with latest guidance and requirements:</p> <ul style="list-style-type: none"> • Capability Procedure • Staff Disciplinary Procedure • Grievance Procedure • Code of Conduct for Employees • Health & Safety Policy and Guidance Manual • Financial Procedures Manual. 	

	<p>The Committee also considered and, subject to the inclusion of a reference to students at 3.4, APPROVED a new</p> <ul style="list-style-type: none"> Charging and Remissions Policy. 	RL to amend policy
20/10	<p>Review of Transport Policy 2019/20</p> <p>The Principal reported on a recent meeting with Plymouth City Buses to assess routes, timetables and future transport provision. The number of bus routes was being expanded throughout North and East Cornwall which was likely to be beneficial for students</p> <p>Positive discussions were also continuing with regard to potential subsidised transport to enable 50 students from the College to visit the universities of Oxford and Cambridge.</p> <p>Negotiations concerning the contract and detailed arrangements for 2020/21 were ongoing and it was hoped that firm proposals would be available for consideration at the next Board meeting.</p>	JG for March Board meeting
20/11	<p>Premises Matters and Proposed Summer Works</p> <p>Trustees NOTED that:</p> <ul style="list-style-type: none"> programme teams had been invited to submit suggestions for minor works and proposed summer projects would be brought forward to the next Committee meeting the capacity and accommodation needs for September 2020 were continuing to be assessed as the recruitment numbers became clearer the potential costs and options for temporary accommodation for 2020/21 were being investigated and proposals developed for a decision to be made at the next Board meeting a planning application to seek permission for additional, temporary accommodation at the Callywith campus was due to be submitted. <p>The Committee emphasised the need to submit the planning application at the earliest opportunity to ensure sufficient lead time to organise temporary accommodation.</p>	<p>JG for March Board meeting</p> <p>JG to ensure early submission of application</p>
20/12	<p>Dates of Meetings in 2019/20</p> <p>Trustees NOTED the dates of meetings as follows:</p> <ul style="list-style-type: none"> Tuesday 1 December 2020 at 3.30pm Tuesday 2 March 2021 at 3.30pm Tuesday 15 June 2021 at 3.30pm 	ALL to note
20/13	<p>Confidential Staffing Update</p> <p>This confidential item is separately minuted.</p>	
20/14	<p>Date of Next Meeting</p> <p>The Committee would re-convene briefly at 9.00am on Tuesday 24 March 2020 to conclude item 20/13.</p> <p>The next scheduled meeting of the Committee would take place at 3.30 – 5.30pm on Tuesday 23 June 2020.</p>	ALL to note