

# Brooklands College

## Minutes of the Resources Committee

Co-ordinated remotely via zoom meeting platform software

Across various domestic locations

and meeting room 5 Brooklands Mansion

commencing 1800 hours on the 11<sup>th</sup> November 2020

<b>Present</b>	<b>Fred Gray</b>	<b>Chair</b>
	<b>Andrew Baird</b>	<b>Chair of Governors</b>
	<b>Melanie Harding</b>	<b>Independent Governor</b>
	<b>Christine Ricketts</b>	<b>Principal and Ex officio Governor</b>
	<b>Andrew Barrett</b>	<b>Staff Governor</b>
<b>In attendance</b>	<b>Dr Stephen Dowbiggin</b>	<b>CEO</b>
	<b>Sarah Glasspool</b>	<b>Director of Finance and HR</b>
<b>Apologies</b>	<b>Jonathan Lipscomb</b>	<b>Clerk to the Governing Body</b>

### **PART 1**

#### **1. Action to be taken in the event of an emergency**

Participants were advised to make their own response to any situation that arose.

#### **2. Welcome and apologies**

The Chair welcomed everyone to the meeting

As the Clerk was unable to join the meeting it was agreed, by all present that;

- The CEO would take notes from the meeting and share these with the Chair and Clerk.
- The meeting could be recorded to allow the Clerk to prepare the minutes from the notes and comments from the Chair.

#### **3. Declaration of Interest**

The Chair of Governors declared his recent election as Chair of the East Surrey Conservative Association and requested that his formal declaration is amended to reflect this.

#### **4. Notification of other business**

The Chair noted that he had not received any notification of other business.

## **5. Draft part 1 minutes of the Resources meeting held on the 10<sup>th</sup> June 2020**

### **Received draft minutes of the meeting of the Resources Committee held on the 10<sup>th</sup> June 2020**

The Chair went through these page by page and they were excepted as a true record of the meeting.

#### **Resolved**

**That the Chair signs the minutes on behalf of the committee to confirm they are a true record of their meeting.**

## **6. Matters arising from the Minutes and action points from the Resources Committee meeting of the 10<sup>th</sup> June 2020**

### **Received paper by the Clerk detailing action points arising from the meeting of resources on the 10<sup>th</sup> June 2020**

#### **Noted**

- All matters identified from action had been completed or superseded.
- All other matters arising were dealt with on the agenda.

## **7. Report of the Principal**

### **Received report RC 20/21-01 (CR) for Information**

#### **7.1 Re Covid Issues**

##### **Noted**

- There had been five instances where staff and students had tested positive for Covid-19
  - 28 Sept - H&B student
  - 18 Oct - ESOL student Ashford
  - 21 Oct - Child Studies employee
  - 22 Oct - H&B student
  - 22 Oct - Child Studies student

In all cases appropriate action had been taken and the College procedures had proved robust and adequate.

- The College was continuing with a phased increase in the number of students on site with
  - priority being given to level 1 and 2 students (as following up reduced attendance levels within this group suggests they are finding it more difficult to maintain motivation than level 3 groups).
  - special arrangements being made to address challenges presented by the need to provide access to English and Maths tuition whilst maintaining discrete 'bubbles'.
  - involvement of unions (through Joint Unions Group) and supporting staff.
- All 'student facing' staff will have a laptop/Chromebook by Christmas (and that was well received by staff).
- About 15 students had been identified as 'at risk' because they did not have access to sufficient IT equipment and/or the Internet and that this was being addressed on a

case by case basis.

- Surrey County Council had agreed to fund the purchase of a number of Chromebooks for use by SEND students.

## **7.2 Re IT (including Helpdesk statistics)**

### **Noted**

- The appointment of Logixx to provide IT support had been welcomed by staff.
- The response to, and high rate of resolution of, helpdesk enquiries was very encouraging (analysis for three months included in the paper).
- Logixx were reviewing costs of software and service contracts and had identified savings that had already been made.

## **8. Report of the CEO**

### **Received report RC 20-21-02 (SRD) for information**

#### **8.1 General Financial Overview of the College**

##### **Noted**

- The College was generally performing as planned but it was recognised that ambitious targets had been set for in year recruitment of adults and management of expenditure.
- The College caterers had served notice in the College and it had not been possible to negotiate a mutually acceptable way forward so their contract was terminated with effect from the 9<sup>th</sup> November.
- The College catering department (supported by their Director) had put forward a business case (based on both funding and improving the student experience) to take the catering in house that had been accepted by SLT.
- The Director of Finance, supported by the Director of Estates and Facilities and the HR Manager, had moved quickly to make all the necessary TUPE and other arrangements necessary and a restructuring to integrate this service into the College's provision was planned.

#### **8.2 Progress Achieving Objectives agreed at last FEC Stake holder meeting (June 2020)**

##### **Noted**

- That good progress has been made.

##### **Agreed**

**That Appendix 1 is moved to part 2 (given the commercial information given).**

#### **8.3 Estates Developments**

**i. Resizing The Weybridge Campus**

**Noted**

- Progress was 1-2 weeks behind planned due to the late agreement to progress with the PPA.
- Staff were now fully aware of the plans to downsize the Weybridge campus and schematics would be circulated to assure them of the quality and integrity of the planned campus.

**ii. Locke King Refurbishment**

**Noted**

- This was a project that had not been completed due to lack of funds.
- Fusion had been engaged to support the Director of Estates in taking this forward as funds needed to be expended by 31 March 2020.
- The funding was a combination of ESFA repair and refurbishment grant and CIL funding from Elmbridge Council.

**iii. Hair and Beauty Salon at Ashford**

**Noted**

- Progressing on time and to budget.
- The Director of Finance had prepared an application to reclaim 30% of the VAT and this was being tested with a VAT adviser before being submitted.

**8.4 Annual Health and safety Report 2019-20**

**Received the report of the Health and Safety Adviser (appendix 2) for information**

**Noted**

- It was a detailed and comprehensive report.
- Concern that there were no near misses recorded.
- That the process for recording and reporting near misses had been reviewed and that the importance of reporting these, and learning from these, would be brought to the attention of the College's Managers Group

**9. This paper had been incorporated into paper 12.3 to avoid duplication**

**10. Report of the Director of Finance and HR**

**10.1 Status of the 2018/19 statutory accounts**

**Received, paper RC 20/21 -03 (SG) for information**

## **Noted**

- Update on good progress being made to resolve the 5 outstanding issues.
- That it was hoped this matter could be concluded (ESFA guidance awaited).
- Because this was an unusual and complex situation, the College had needed to seek extensive additional advice from its external auditors and that this had incurred extra costs.

## **10.2 Financial Health of the College 2019-20 and predicted 2020-21**

### **Received paper RC 20/21-03 (SG) for information**

#### **Noted**

- For 2019-20 the ESFA formula indicates the College's finances require improvement.
- For 2020-21, the ESFA formula indicates the College will move to GOOD financial health, if it achieves its budgeted income and expenditure.
- The methodology is useful for Governors as it gives an indication of the underlying financial health of the College's operations.

## **10.3 Bank Covenants Update**

### **Received paper RC 20/21-03 (SG) for information**

#### **Noted**

- The College is currently in default of both covenants and has received a reservation of rights letter from the Bank.
- If planned budgets are achieved the College will meet its covenants in 2020-21.
- That the Director of Finance & HR will draw the Banks attention to this when she sends them the management accounts.
- That the Bank (Barclays) was changing the College's Senior Account Manager, but the Relationship Manager would continue.

## **10.4 Financial Assurance for sub contracted Provision**

### **Received paper RC 20/21-02 (SG) for information and decision**

#### **Noted**

- The report includes an overall assurance and a detailed analysis of the work with two sub-contractors.
- That the College was not entering in to any new contracts but needed to report as there were some students 'carrying through' to complete their

programmes.

- A detailed discussion led by Governors testing current practice to ensure lessons had been learnt from sub-contracting in the past that had proved unreliable (as the College was defrauded) and that the new processes were effective.
- That the College did contact learners directly to ensure they were receiving the appropriate training and that the new tracking system provided increased rigour in validating learners.

### **Resolved**

**To authorise the Chair of Governors to sign these documents to verify that they have been agreed by Senior officers and reviewed by the Resources Committee.**

## **11. Financial Matters relating to 2019-20**

### **11.1 Outturn analysis report 2019-20**

#### **Received report 20/21-04 (SG) and Appendix for information**

#### **Noted**

- Income was £1,505k less than planned because of the following reductions:
  - £1,033k due to speedy withdrawal from sub-contracting.
  - £290k late notification by SCC of impact of the new funding formula agreed with them.
  - £308k largely due to Covid 19.
- Expenditure was £1,059 less than expected because of the following savings:
  - £308k as a result of careful management of the pay budget.
  - £548k due to speedy withdrawal from subcontracting arrangements.
  - £163k savings (net, as there were additional costs as well) as a result of reduced activity on campus.
- That a cautious approach had been taken when anticipating AEB income and that the final reconciliation document from the ESFA may facilitate an increase in income by between £40-£100k (depending on their acceptance of the College's claim and a special business case that has been submitted).

### **11.2 Contribution Analysis Report 2019-20**

#### **Received Report 2019/20, RC20-21-04 and Appendix for information**

#### **Noted**

- That the College continues to refine its modelling to inform strategic, investment and operational decisions.
- The College target is to ensure that academic departments make a 50% contribution towards core costs once their pay and immediate non pay costs

are accounted for.

- Overall the College achieved a 49% contribution rate but the detailed analysis showed much variation between curriculum areas and identified Health & Social Care and Hospitality & Catering as making the lowest contributions (probably due to small class sizes and high non pay costs).

### **11.3 Treasury Management Annual Report 2019/20 Received report RC 20-21-04 (SG) for information**

#### **Noted**

- The College's cash reduces from £3,433k on the first August 2019 to £2,705k on the 31<sup>st</sup> July 2020.
- Details of the cash flow and cash at bank for 2019-20 and projections for 2020-21.
- Update on loan with Barclays Bank.
- That there had been significant challenges for the staffing of the finance office due to remote working and some staff changes but that, due to staff flexibility and with their support, these had been managed and continuity and an excellent service maintained through-out the year.

### **11.4 Provisional 2019/20 Statutory Accounts Received report RC 20/21-04 and appendix for information**

#### **Noted**

- These are the accounts submitted to the External accountants and they had indicated that they are not planning to make any changes.
- That work is underway relating to the fixed assets.
- That the College may amend figures prior to them being presented to the Board once the final ESFA ILR reconciliation is received.
- The impact on the balance sheet of the increased provision (£5,562k) to reflect the revaluation of the defined benefit pension scheme.
- It is hoped to finalise the draft accounts by the 24 November for submission to Governors by the 8 December.
- That Governors suggested that the CEO should be included as a signatory on the College accounts.

## **12. Financial Matters relating to the 2020/21 Accounts**

### **12.1 September 2020 management accounts (including financial plan for 2020/21)**

#### **12.1 Received Management Accounts and Report RC 20/21-05 (SG) for information**

#### **Noted**

- That the anticipated reduction in funding from SCC for high needs students has been incorporated into the accounts.
- Cash would be at its lowest in March 2021 (approx. £1m) but that the College was seeking a loan for £400-500k from Enterprise M3 LEP to cover estate related capital development costs to improve the cash position.

## **12.2 Treasury Management Policy 2020/21 Received Report RC 20/21-05 (SG) for decision**

### **Noted**

- The policy had been subject to a major review last year.
- Where appropriate, following the restructure of SLT the text had been amended.
- The increased role of the Director of Finance now she reported directly to the Governing Body on financial matters.

### **Agreed**

- **To accept all the tracked changes**
- **To recommend the Policy to the Full Governing Body for adoption (attach Policy to the minutes of this meeting when they are considered by the Full Governing Body).**

## **12.3 Update on Capital Expenditure 2020-21 Received paper RC 2020/21 -04 (SG) for information and decision**

### **Noted**

- The update on approved projects.
- That the College was seeking an increase of approximately £80k in capital expenditure as follows:
  - £42k to purchase the Capital equipment of the catering contractors (at NBV) as they have served notice on their contract.
  - £30k to purchase IT and other equipment to release a £90k grant from Enterprise M3 to support the College in responding to the Covid pandemic.
  - £5.5k to purchase an industrial standard wash/drier for Hair and beauty following the recent fire caused because domestic units were being used.

**Resolved to increase the College's Capital budget by £80k as requested**

## **13 Any Other Business**

None

## **13. Date of Next meeting**

- **Joint Audit & Resources Committee meeting 8 December 2020**
- **Resources Committee meeting 3 March 2021**