

Minutes of the Finance Committee
held on Tuesday 28th April at 8:00am
By Microsoft Teams

Present	Apologies
Hilary Smyth- Allen (HSA)	
Sir Dexter Hutt (DH)	
Cliff Hall (CH)	
Peter Croom (PC)	
Asha Devi (AD)	
In Attendance	
Louise Jones (LJ)	
Martin Penny (MP)	
Fiona Yardley (FY)	
Stephen Belling (SB)	

	<p>Declarations of Interest</p> <p>There were no declarations of interest reported in addition to those recorded on the Register of Interests.</p>
Item 1 (i)	<p>Open and Confidential Minutes of Finance Committee held on 25 February</p> <p>The minutes of the last meeting were accepted as a true and accurate record of the meeting</p> <p>FC20:19 IT WAS RESOLVED THAT</p> <p>The minutes of the meeting should be approved.</p>
Item 1 (ii)	<p>Matters arising and Action Log</p> <p>Completed actions were noted.</p> <p><i>In respect of link to the IFMC Return</i></p> <ul style="list-style-type: none"> ○ MP advised that a link to the updated document had been made available which was a copy of the return which is due to be submitted by 30 April. A further return will need to be submitted in September. <p><i>In respect of visual representation of sensitivity analysis.</i></p> <ul style="list-style-type: none"> ○ MP advised this was being developed. <p>In respect of national recruitment of engineering students</p> <ul style="list-style-type: none"> ○ LJ advised there appeared to be no decline in national applications. ○ AD advised of the value of focussing on this moving forward as there was likely to be an increased demand for engineers in the UK and reduction in the amount of expertise being imported. ○ CH advised that Patrick Geary has tendered his resignation at James Watt; would be leaving the College in July, that an advert for his replacement had been published, internal applications might be made and, levels of experience of leadership and change management would be key to the appointment.

Item 2	<p>LGPS Valuation Report</p> <p>MP presented the report in the Committee Pack entitled LGPS Valuation Report and advised that:</p> <ul style="list-style-type: none"> ○ The final valuation report follows the interim valuation report previously considered by the Finance Committee. ○ Costs and contribution rates in the final report are the same as those provided in the interim report and have been used to inform the College’s Budget ○ The £83M figure in the report refers to what the College would need to pay if a crystallisation event were to occur i.e. if the College included had to withdraw from the pension scheme because it had to close or went bankrupt. The actual figure would be calculated at the time of the crystallisation event. ○ The interim report referred to £76m. This figure was calculated with the assumptions that the College would remain a member of the scheme and the value of the fund at the time of the publishing the interim report. ○ It should be noted these figures are useful to have for comparing with the costs that would be associated with establishing a separate pension scheme where, costs would rise, to cover future costs, if membership of that new scheme, fell. <p>Observations made and questions raised by Committee.</p> <ol style="list-style-type: none"> 1. <i>Does this valuation affect any of the College’s financial planning documents or reference points?</i> (HSA) <p>MP advised that it did not as the figures used to inform the College’s financial forecasting had been the ones set out in the interim report and confirmed in the final report.</p> <ol style="list-style-type: none"> 2. <i>Do any of the resources offered by Government to deal with the consequences of Covid 19 apply to the College?</i> (PC) <p>MP advised that they do not because of the PPN notice issued by the Government, which requires contracting authorities to honour their contractual obligations when in receipt of public funding.</p> <p>IT WAS RESOLVED THAT</p> <p>FC20:20</p> <p>The content of the report be noted.</p>
Item 3	<p>Property Disposals Update including Longlands Update.</p> <p>This discussion is recorded in confidential Minutes.</p>
Item 4	<p>Lending Agreements Update</p> <p>This discussion is recorded in confidential Minutes.</p>
Item 5	<p>Project Carthage Update</p> <p>This discussion is recorded in confidential Minutes.</p>
Item 6	<p>Financial Forecast taking into account Covid-19</p> <p>This discussion is recorded in confidential Minutes.</p>
Item 7	<p>Recovery Plan Progress Report</p> <p>LJ presented the report provided with the Committee Pack entitled “Recovery Progress Report-</p>

	<p>March” and advised:</p> <ul style="list-style-type: none"> ○ The report was produced at the end of March. ○ There is a query in relation to the student satisfaction survey that is being reviewed. ○ KPI 5 relating to destinations will be impacted by lockdown: GDPR regulations prevent contact with students whilst working from home and as a result the indicator is likely to move to red status. ○ KPI 6 relating to work experience may be affected by the inability to arrange work experience placements during lockdown. Two work experience coordinators have however been appointed and contact is being made with employers to arrange placements for when the lock down period ends. ○ Staff are doing a fantastic job of being in touch with students but it is noted that online learning and support is no substitute for face to face teaching. ○ A Covid-19 Risk Register and College Re-boot plan has been created to assess needs across the College and identify what is best for students. ○ The senior leadership team has started work on considering what social distancing will mean from an education perspective and specific issues that will have to be addressed such as workshop based learning. <p>IT WAS RESOLVED THAT</p> <p>FC20:21</p> <p>Progress to date be noted.</p>
Item 8	<p>Property Strategy Update</p> <p>LJ advised:</p> <ul style="list-style-type: none"> ○ Peter Marsh Consultants (PMC) had now provided a full estates strategy. ○ The strategy involved substantial expenditure to be invested during the next 3-15 years. ○ The strategy involves needing to upgrade properties to categories A and B and there are no immediate health and safety issues that need to be addressed. ○ At this point in time, the uncertainties created by the Covid-19 pandemic make it difficult to develop a budget for implementing the strategy. ○ It is recommended that Governors review and comment on the strategy that will be made available on Dropbox. <p>Observations and comments by Governors.</p> <p>1. Have the issues raised with PMC in March been addressed in the strategy? (AD)</p> <p>LJ advised that they had; the issues classified as green in the RAG system are now programmed to be addressed over a period of 15 rather than 3 years.</p> <p>2. What developments have there been in relation the High Speed Rail Academy? (AD)</p> <p>LJ advised:</p> <ul style="list-style-type: none"> ○ An Expression of Interest had been submitted by the College in April. ○ It is understood Expressions of Interest will be reviewed in May. <p>CH advised:</p>

	<ul style="list-style-type: none"> ○ Sue Dare is currently acting as interim Principal at the Academy and it is believed her role is to oversee implementation of the outcomes of the SPA (Structure and Prospects Appraisal process). ○ It is understood the FE Commissioners are looking for financially robust institutions to be part of the solution which is unlikely to involve a single college solution and will have to be in place by September. <p>IT WAS RESOLVED THAT: FC20:22</p> <p>The current position relating to the Estates Strategy be noted.</p>
	<p>Date of Next Meeting</p> <p>Tuesday 30th June</p>

HiLary Smyth-Allen

Signed: [HiLary Smyth-Allen \(Jul 24, 2020 16:41 GMT+1\)](#)

Chair: Hilary Smyth-Allen






7. Finance Committee Minutes (Open) 28 April 2020 TO SIGN

Final Audit Report

2020-07-24

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