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| **MINUTES** | | | | | | |
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| *Finance and Resources Committee No 36* | | | | | | |
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| Date: |  | *14/09/2021 (Tuesday)* |  | Time: |  | *18:00–20:00* |
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| Venue: |  | *Via Teams* |  | Committee: |  | *Finance and Resources* |
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| Notes: |  | *The meeting will held via Teams. Corporation will consider the way forward for future meetings at the end of September.* | | | | |
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| Present: |  | *Alison Robinson (Principal), Clare James (Vice Chair), David Hall, Rafik Adam and Sue Collinge (Chair)* | | | | |
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| Attending: |  | *Janet Whiteside (Director of Finance), Joanne Sherrington (Deputy Principal), John Wherry (Deputy Principal) and Steven Downham-Clarke (Vice Principal)* | | | | |
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| Clerks: |  | *Ron Matthews (Clerk)* | | | | |
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| Guests: |  | *Allan Foster* | | | | |
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| ***Public* Minutes** | |
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| Item number: | Item description: |
| (and category) |  |
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| **54.21** | ***Attendance of College Management Staff*** |
| ***Decision*** | Section 8.2 of the current Constitution and Terms of Reference for the Finance & Resources Committee states:College management and/or consultants may attend meetings by invitation in an advisory capacity.  **Resolved:**  **That** **College Management Staff attend the meeting.** |
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| **55.21** | ***Apologies for Absence*** |
| ***Record*** | No apologies had been received and all the Committee were present. |
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| **56.21** | ***Public Minutes of Previous Meeting*** |
| ***Decision*** | The public minutes of the Finance & Resources Committee meeting number 35 held on Tuesday 29 June 2021 (published on the extranet) were agreed and signed as a true and correct representation of the meeting. |
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| **57.21** | ***Declarations of Interest*** |
| ***Record*** | There were no declarations of interest made in respect of items on the public agenda. |
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| **58.21** | ***Election of Chair and Vice-Chair of the Finance and Resources Committee*** |
| ***Decision*** | |  | | --- | | Members gave consideration to the election of a Chair and Vice-Chair of the Committee for the academic year.The Committee decided to opt for continuity and following due process re-elected the current Chair and Vice-Chair to serve for a further year.  **Resolved:**  **1. That Sue Collinge be re-appointed Chair of Finance & Resources Committee for the academic year 2021/22.** |   **2. That Clare James be re-appointed Vice-Chair of Finance & Resources Committee for the academic year 2021/22.** |
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| **59.21** | ***Strategic Plan Progress Report*** |
| ***Decision*** | The Committee considered the Strategic Plan Progress Report for the Finance and Resources Committee. The key performance indicators related to income, the Capital Plan, Human Resources Statistics and Financial Performance. The report was based on the new Strategic Goals of People and Sustainability.  Staff sickness and retention were better than target. The remaining targets under People related to student satisfaction and in general these expressed good/strong responses in light of the Covid lockdowns. The recent NSS survey results were below both target and the previous year's performance but this was mainly due to the various lockdowns.  Sustainability indicated that Myerscough Ventures contribution was behind target due to the pandemic and lockdown. The remaining financial indicators were on, close to, or above target apart from HE part time, again mainly due to the Covid situation. Recruitment to FE was approximately 164 above target. The Capital Plan was anticipated to be delivered within target.Further information on the financial position of the College would be given as part of the report on the financial position statement.  **Resolved:**  **That the report be received.** |
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| **60.21** | ***Financial Position Statement for Period Ended 31 July 2021*** |
| ***Decision*** | The report was presented by the Director of Finance.  The report included a statement of comprehensive income together with a detailed analysis. The statements showed the actual results for the period up to 31 July 2021, together with the outturn for 2019/20, the budget for 2020/21 (revised January 2021), which was approved by the Board in July 2020 and the Forecast for 2020/21. The Balance Sheet as at the period end was also included, together with details of Cash Flow for the year to 31 July 2021 and forecast Cash Flow to July 2022.  The financial report included the agreed £400k retention payment.  Year-end adjustments and reconciliations were still to be completed and there was likely to some changes prior to the conclusion of the accounts.  Overall, College income was £31,796m compared to an original budget of £32,186m and a forecast of £31,426m.  Surplus income of £2,408k was £2,311k ahead of the control budget and £1,388k ahead of forecast. This was a continuation of the promising start to the year taking into account the current financial climate. A reduction in income owing to limited commercial and student related activities (due to reduced footfall on campus) had been offset by cost savings. EBITDA to income percentage had reduced slightly to 14.16% against a forecast of 12.9% and remained healthy.  The actual payroll to income ratio was 57.4% compared to the budgeted ratio of 59.4% and a forecast of 58.7%.  Cash balances at the period-end were £11.7482m whilst cash days stood at 125 days.  Ventures and Farm income was down to control budget by £331k against a budget of £689k and a forecast of £455k.  The financial heath grade for 2021 was likely to be Outstanding.  The report also confirmed that the College remained a Going Concern.  The report included the full details of capital expenditure. This was currently £1.905m against a revised budget of £2.904m, which included the additional funding of £695k from the ESFA.  The report also included information on the Pension Liability and Valuation as at July 2021. The estimated liability was £27,418m, an increase of £1,798m on the previous year. However, this was less than originally anticipated. Reports from the Actuary were attached as appendices to the report.  The impact of the recent Government announcement of an additional 1.25% National Insurance contributions was likely to impact on the College by approximately £140k.  Finally, a letter from the ESFA was attached to the report indicating that they had selected Myerscough College (10004478) for an assurance review of ESFA funded provision for the 2020/2021 funding year. Following questions it was  **Resolved:**  **That the reports be received.** |
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| **61.21** | ***Counter Fraud Policy and Response Plan 2021-2022*** |
| ***Decision*** | The Committee considered the report of the Deputy Principal, Finance and Corporate Services, on a Counter-Fraud Policy and Response Plan.  The Policy outlined a definition of fraud, although the list was for illustrative purposes and not intended to be exhaustive, the role of the Corporation, the Senior Postholders, Managers and Staff and also internal and external auditors.  Amendments to the report had been highlighted, the basis of which was to increase the zero tolerance approach.  **Resolved:**  **That the Counter-Fraud Policy and Response Plan be agreed.** |
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| **62.21** | ***Overseas Visits Annual Report for the Year Ended 31 July 2021*** |
| ***Decision*** | The Deputy Principal, Finance and Corporate Services, reported that due to Covid-19 and the various lockdowns no overseas visits had taken place during 2020/2021.  **Resolved:**  **That the report be noted.** |
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| **63.21** | ***College Value for Money Policy Review*** |
| ***Decision*** | The Deputy Principal, Finance and Corporate Services, presented a report on a review of the College Value for Money Policy. The report included details of the Government Guidance during Covid-19, how this affected contracts, and savings achieved during the last twelve months.  The part-time Procurement Officer had assisted in the achievement of the savings listed.  **Resolved:**  **That the revised Value for Money Policy be approved.** |
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| **64.21** | ***Strategic Risk Register*** |
| ***Decision*** | |  | | --- | | The Committee considered the Strategic Risk Report for 2020/2021 as presented by the Deputy Principal, Finance and Corporate Services. Included in the report were references to the risk appetite statement, risk assessment framework and risk heat map.  The report identified the top five risks for the College. |   **Resolved:**  **That the report be received.** |
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| **65.21** | ***External Audit Regularity Questionnaire*** |
| ***Decision*** | |  | | --- | | The Committee considered the above questionnaire and the responses provided by the College. The document would be used as the basis for the Regularity Audit by the Independent Auditors. It was required to be signed by the Chair of Corporation and the Accounting Officer in advance of the reporting of the audit in compliance with the Post 16 Audit Code of Practice.  **Resolved:** |   **That the Committee note the responses to the questionnaire and authorise the Chair and Accounting Officer to sign the document.** |
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| **66.21** | ***Review of Health and Safety Policy*** |
| ***Decision*** | |  | | --- | | The Committee considered the review of the College Health and Safety Policy.  There were no significant amendments to the policy other than to update contacts and job titles, otherwise it was judged to remain fit for purpose.  **Resolved:** |   **That the Health & Safety Policy be approved.** |
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| **67.21** | ***Annual Cycle of Business for 2021/2022*** |
| ***Decision*** | Finance & Resources Committee considered its Annual Cycle of Business for 2021/2022.  **Resolved:**  **That the Annual Cycle of Business for 2021/2022 be agreed.** |
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