

## **FINANCE & GENERAL PURPOSES COMMITTEE**

### **MINUTES OF MEETING HELD ON WEDNESDAY 10 November 2021, 1700 HRS, In Room G113**

#### **Present:**

Sophie Annett (Chair)  
Colin O'Donoghue (using Teams)  
Rupert Goodman (using Teams)  
Paul Cox (Chief Executive and Principal)

#### **In attendance:**

Kevin Jones, Vice Principal (Funding, Finance and Management Information)  
Chris Davis OBE (Clerk)  
Mickiela Blake, HR Manager (items 4ix, 5iii and 5iv only)

#### **F.17.21 GOVERNORS' MEETING TIME WITHOUT SMT** **See confidential Minute**

#### **F.18.21 COMMITTEE MATTERS**

##### **i Apologies**

There was one apology from Jon Sendell.

##### **ii Declaration of interests**

Governors were reminded that it was their duty to declare any interests financial or otherwise on any of the agenda items. There was one declaration of interest from Paul Cox who declared an interest in item 5iii, 'Redundancy Procedure for Senior Post Holders'. There were no other declarations of interest.

##### **iii Minutes of last meeting**

The minutes of the meeting held on 23 June 2021 were agreed as a true record of the meeting and signed by the Chair.

##### **iv Matters arising**

All the actions from the previous meeting had been completed or would be considered in a later agenda item to this meeting.

There were no other matters arising from the previous minutes.

##### **v Review operation of Committee**

The Clerk explained that as a result of a recent internal audit recommendation he had added the Whistleblowing Procedure to section 7 of the Terms of Reference, 'Policy delegation' which listed the delegated policies and procedures by the Board. The recommendation also asked for the review date and the frequency of the review to be added.

Sophie Annett asked for the following amendments to be made:

1.1, More clarity was required around the requirement 'To exercise'.

1.3, Further clarity around 'approve', what was the process.

2.1.2, Further clarity around 'approve', what was the process.

2.1.3 and 2.1 4, clarity concerning the word 'monitor' and refresh the statement required

Article 7:

- all dates for review required academic years
- inclusion of the Environmental & Sustainability Strategy and Action Plan

- inclusion of the Whistleblowing Procedure

The Clerk was asked to amend the Terms of Reference and distribute to the Committee by email for agreement, this agreed document will then go to the Board for approval at the December meeting.

**ACTION: CD**

*Post meeting: The Clerk emailed an amended version of the Finance and General Purposes Committee Terms of Reference to the Committee and these were agreed and recommended to the Board for approval.*

#### **F.19.21 GOVERNORS' MONTHLY REPORT (August/September 2021)**

##### **i Financial aspects and Matters arising**

There were no questions raised by the Committee or matters arising from the Governors monthly report August/September 2021 not already covered or elsewhere in the meeting agenda.

#### **F.20.21 TO REVIEW AND ENDORSE** **See confidential minute**

##### **ii Final Capital Spend**

Kevin Jones told the Committee that this was another paper which comes to this meeting annually and this year is fundamentally reporting that the College has spent more than its base budget last year (£500K) because the College received additional funding from FE Capital Allocation for condition work.

There was some work which will be carried forward, including:

- replacement heating system project
- Wi-fi, project (should have happened, but parts are not available)

Governors asked questions over grants the annual depreciation.

Kevin Jones responded by saying that these had been estimated annual depreciation and has been applied to how it will appear in the accounts; this is a professional estimate of how it will appear in the accounts.

Governors reviewed the Final Capital Spend.

##### **iii Financial Statements for 2021/22 (recommendation to Board for approval) including Board oversight – Accounting Estimates** **See confidential minute**

##### **iv International Standard on Auditing (UK) 540 – Auditing Accounting Estimates and Related Disclosures (Revised)**

Kevin Jones made the Committee aware that this report had come from the External Auditors and referred to the accounting requirements.

He said this was a document which helps from a Governors perspective to look at the accounting estimates and related disclosures and consider whether as Governors you approve the methodology being used to challenge the College where relevant.

What it is saying is that the College has applied the various accounting policies which is consistent with how it has been done in previous years, however there is an alternative basis for many of those assumptions. This paper should provide assurance from the Governors perspective that the accounting approach is appropriate.

Sophie Annett agreed that the right approach had been taken right across the disclosure.

Governors endorsed the accounting approach taken by the College under the International Standard on Auditing (UK) 540 and recommended that the Auditing Accounting Estimates and Related Disclosures document travels with the Financial Statements to the Board for approval.

**ACTION: KJ/CD**

- v **Loan Renewal Option**  
**See confidential minute**
- vi **Ongoing subcontractor matters**  
**See confidential minute**
- vii **Travis Perkins development**  
**See confidential minute**
- viii **KPM Owner Cross College Development Update: Digital**  
Governors noted the KPM Owner Cross College Development Update: Digital and had no further matters or questions to raise.

(Mickiela Blake joined the meeting)

- ix **KPM Owner Cross College Development Update: Values and Fairness, Respect, Equality, Diversity, Inclusion and Engagement, (FREDIE)**  
The Committee took this item as 'To note'.

Paul Cox informed Governors that this is an area which the College is working closely with the National Centre for Diversity.

He continued by saying that all the policies coming to this Committee are all transforming to align to College values and those of FREDIE.

Mickiela Blake said she is heading up a cross-college steering group which includes Governor membership (Alison Caplin) and discussion and is moving forward well.

Sophie Annett said that she had seen this type of survey before and it always gave a balanced opinion of the top five improvement areas and also the top five areas needing improvement. She felt this report only provided positive aspects and no areas that needed improvement.

Mickiela Blake said there were areas of fine tuning and development required, perhaps the biggest aspect was around the gender pay.

Rupert Goodman asked a question about the principal around the freedom to speak up especially related to the staff engagement approach. He said he would be happy to discuss this further with the HR Manager.

Mickiela Blake said that this was imbedded elsewhere within the Dignity at Work process, which under the FREDIE banner is moving the Dignity at Work advisors to become our FREDIE champions with a wider role.

Governors noted the KPM Owner Cross College Development Update: Values and FREDIE.

(Mickiela Blake retired from the meeting)

**x KPM Owner Cross College Development Update: Green**

Governors noted the KPM Owner Cross College Development Update: Green and had no further matters or questions to raise.

**F.21.21 TO APPROVE**

**i Sub-contracting Policy (for approval and signature: Board to note)**

Paul Cox said the policy is a requirement that applies to all sub-contracted activity funded through the College's Education & Skills Funding Agency (ESFA) 16-19 Study Programme and Adult Education Budget grant allocations.

He reiterated that the Policy has had many changes to it from the previous versions reflecting the College's new strategy and commitment to reduce subcontracting.

There were questions over the statement "providers of training wishing to sub-contract with the College must have been subject to a direct inspection by Ofsted".

Paul Cox said this was a requirement within the procurement letter that he and the chair had sent out at the start of the procurement process.

Paul Cox said he would share the procurement letter with committee.

**ACTION: PC/CD**

*Post meeting: The Clerk sent out the Procurement letter to the Committee for information. The action is now complete.*

There were also questions around the re-contracting.

Paul Cox responded by saying that the College issues new contracts for new starts every year. The Eversheds subcontracting version will be used from this year for all new starts.

It was felt that the wording in the final paragraph on page 3 "*All contracting is done on an annual basis and agreements will be recalculated and negotiated each year at contract renewal.*" Needed to be further clarified, distinguishing between carrying learners and new starts.

**ACTION PC**

Governors approved the Sub-contracting Policy (Board to note) with the minor changes discussed above. The Chair of F&GP will then sign the Policy before putting onto the College's website.

*Post meeting: The final paragraph on page 3 was amended to read "All contracting for 'new starts' is done on an annual basis with agreements negotiated annually. Contracts for 'carried in' learners will be recalculated annually based on the projected funded value of each learner for whom the subcontractor is providing training". This was approved by the Committee in an email which sent to the Committee on the 16 November 2021. The action is now complete.*

**(Confidential item)**

**ii Partnership working – approval of increased or new contracts (to include Travis Perkins)**

**See confidential minute**

(Mickiela Blake re-joined the meeting)

**iii Redundancy Procedure for Senior Post Holders**

Paul Cox had already declared interest in this agenda item and therefore was not able to vote.

Mickiela Blake asked if there were any further questions outstanding from the paper.

There were no further questions raised.

Mickiela Blake thanked Rupert Goodman for his input on the procedure.

Governors approved the Redundancy Procedure for Senior Post Holders.

**iv Parental Care & Statutory Flexible Working Procedure (Establishment Procedure Appendix 2)**

Mickiela Blake said there had not been many updates included and those that had been added were highlighted in red. She concluded by saying that the procedure had now been aligned to the Working from Home procedure.

There were no further comments.

Governors approved the Parental Care & Statutory Flexible Working Procedure (Establishment Procedure Appendix 2).

(Mickiela Blake retired from the meeting)

**v Environmental & Sustainability Strategy Action Plan 2021**

Sophie Annett asked whether this was the right thing to be doing now with the amount of bandwidth.

Kevin Jones said there was a need to have it to enable the College to apply for further funding and most importantly for reputation and brand.

Governors approved the Environmental & Sustainability Strategy Action Plan 2021.

**vi Strategic Development Fund**

See confidential minute

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**F.22.21 TO CONSIDER**

**i Confidential items (confirmation)**

Governors agreed that agenda item 4i, 4iii, 4v, 4vi, 4vii, 4.vi, 5ii and 5vi would be determined as a confidential agenda items and will be annotated as such within the minutes of the meeting.

**F.23.21 DATE OF NEXT MEETING**

**Wednesday 16 February 2021 commencing 1700**

Governors' Monthly Report – including financial aspects and matters arising

Franchise and partnership provision - annual report 2020-21

Eastleigh College Ltd – interim report

Support Services SAR outcomes and improvement plan

Review Risk Reduction Plan

Review Finance & General Purposes' items on Risk Register

Partnership working (approval of increased or new contracts)

Review Financial Regulations & Procedures (for approval by the Board)

There being no further business, the meeting closed at 1930 hrs.