



GREENHEAD COLLEGE CORPORATION
Minutes of the Finance & Estates Committee meeting
Monday 27 January 2020, 4.30pm

Govs present: Chantal Forrest (from 4.33pm); Craig Shannon; John Holroyd;
 Richard Armstrong (Chair); Simon Lett (Principal)

In attendance: Ian Leedham (Clerk)

Apologies: John Blake

AGENDA ITEM	DISCUSSION	ACTION
1. Apologies	None.	
2. Determine AoB	No items to discuss under any other urgent business.	
3. Declarations	No declarations of pecuniary/prejudicial interest.	
4. Minutes 23/9/19 & 18/11/19 (CFO arrived 4.33)	<p>4.1 Minutes 23/9/19 & 18/11/19, previously circulated, agreed by Committee, signed by Chair, returned to Clerk for filing.</p> <p>4.2 Matters arising not covered on agenda:</p> <ol style="list-style-type: none"> 1. (23/9/19 min 11.3, review of delegation arrangements): RAR reported that review has started, update to follow at Corporation 3/2/20 2. (18/11/19 min 6, financial reports): JHO will work with John Blake to help improve financial narrative 3. (18/11/19 min 7, funding): CSH questions about cost profile (staff/total costs ratio etc) methodology & reporting – work has been undertaken on this but still need to sharpen especially re single set of measures for staff costs 4. (18/11/19 mins 10, 11, 12, technicality): incorrect ordering of these minutes noted. 	<p>Clerk</p> <p>RAR(done)</p> <p>SLE</p>
5. Financial reports, budget monitoring, financial health	<p>5.1 ESFA meeting today 27/1/20 went well. Key points:</p> <ol style="list-style-type: none"> 1. ESFA Integrated Financial Model submission (new reporting model for sixth form sector with outturn, budget, forecasts focus) – deadline 28/2/20, draft to be emailed by SLE to Committee for comment/feedback before next F&E meeting 9/3/20 – hoping this will take College out of Early Intervention financial health status 2. Strategic Outline Case (proposed expansion & building capital development, see minute 6) was discussed 3. will be new FE capital fund; decisions could be via ESFA rather than Local Enterprise Partnership 	SLE, Clerk re agenda

	<p>4. ESFA supportive and keen to continue dialogue.</p> <p>5.2 FE Commissioners' final report published today 27/1/20, with 11 recommendations:</p> <ol style="list-style-type: none"> 1. SLE to circulate these recommendations, along with action plan to address them, for next week's Corporation meeting 3/2/20 2. FE Commissioners will visit in/around May 2020 and will want to see tangible progress re costed curriculum model and data dashboard, amongst other things. 	SLE(done)
<p>6. Proposed expansion & building capital development</p>	<p>6.1 Committee considered AA Projects Letter of Engagement, previously circulated. AA Projects have been used by other colleges, were mentioned positively by FE Commissioners, and impressed John Blake. (In response to CFO question: other colleges who have used AA Projects were not asked for feedback). 20 days of consultancy work to be undertaken; essentially preparatory work.</p> <p>6.2 CSH (also RKI, not at this meeting) concerned that Governors had insufficient involvement in considering and signing off engagement of AA Projects. RAR explained that SLE/J.Blake have delegated authority to engage consultants in instances such as these, and that he (RAR) had endorsed this engagement. CSH keen to clarify Governors' role in this context.</p> <p>6.3 CSH keen that Corporation addresses fundamental question (and subsequent decision) of financial case for proposed developments – RAR stated that AA Projects will provide useful information on this via its work on financial and economic case. JHO argued that availability of capital funding/grants also important as part of this (College attempting to be 'front of mind' for instance by means of RAR's letter to Secretary of State for Education and ESFA visitors to talk with their head office capital funding colleagues).</p> <p>6.4 CSH keen that AA Projects explicitly takes account of College's context and previous work (such as that undertaken by DarntonB3), rather than starting from scratch – RAR has pursued this with AA Projects.</p> <p>6.5 Discussion of AA Projects' timelines (in John Blake's absence), in response to JHO questions – SLE reported that much/most of AA's work will be undertaken in February & March, enabling Corporation to review options and choices in April.</p> <p>6.6 Discussion of Capital Development sub-committee Terms of Reference, previously circulated. To be sub-committee of F&E Committee (rather than of Corporation directly). Discussion of how this best fits within Scheme of</p>	

	<p>Delegation (how Corporation delegates authority/powers to SLE/J.Blake and to Committees), which is itself subject to ongoing review, and the extent to which Capital Development sub-committee is an advisory mechanism as opposed to (or in addition to) a decision making mechanism. Bottom line is that sub-committee currently has oversight and scrutiny of a business case, which will subsequently enable the Corporation to make informed strategic decisions; sub-committee could subsequently be given delegated authority/powers to make decisions around implementation issues. RAR to update Terms of Reference.</p> <p>6.7 Clerk to consider and advise on schedule of sub-committee meetings, between F&E meetings. Noted that not all meetings need be face-to-face.</p>	<p>RAR(done)</p> <p>Clerk</p>
7. Income generation	SLE reported that catering is main development in respect of income generation – see minute 8 below.	
8. Catering: strategic discussion & decision	SLE updated on rationale for and developments in potentially outsourcing College's catering. Rationale: poor quality provision now; profit margins down despite student numbers up; opportunity to do things better. Currently £250k budget. John Blake & Mark Mitchell background work undertaken. Formal tender process (meeting EU tender requirements), currently at exploratory investigation phase. Two companies to pitch in early March as part of ongoing tender process. SLE invited further questions from Governors via e-mail.	
9. F&E Deputy Chair	RAR is interim Chair. JHO to be Deputy Chair and will take over as Chair in due course.	Clerk note
10. Policies	No policies to review on this occasion.	
11. Management of current estate	No update in John Blake's absence. SLE reported a lockdown practice tomorrow morning (28/1/20).	
12. Staffing update	<p>12.1 Discussion of staff absence rate (low, similar to this time last year, envisaged will rise, emotional/mental health an important aspect) and cover arrangements for a specific long-term sickness.</p> <p>12.2 Update on John Blake's absence:</p> <ol style="list-style-type: none"> 1. six weeks' absence envisaged 2. he is attempting to work from home to greatest extent possible 	

	<p>3. John & SLE are ensuring that financial control mechanisms remain in place</p> <p>4. risk assessment to be undertaken on basis that he is working from home whilst on sick note: SLE to liaise with Jess Norcliffe HR.</p> <p>12.3 Discussion of implications flowing from minute 12.2, especially regarding estates where John has significant specialist knowledge. On wider level, discussion of (1) need to review estates function, (2) cover arrangements when key people are off, (3) succession planning implications.</p>	SLE
13. AoB	No urgent AoB (min 2 relates).	
14. Confidentiality	No confidential minutes or papers identified.	
15. Date next mtg	Mon 9 Mar 2020, 4.30pm.	Govs note

Minutes prepared by Ian Leedham (Clerk to the Corporation) on 26/2/20

Signed off by Richard Armstrong, Chair, at Finance & Estates Committee 9/3/20 with amendment (min 4.2.2) marked in green