



GREENHEAD COLLEGE CORPORATION
Minutes of the Finance & Estates Committee meeting
Monday 9 March 2020, 4.30pm

Govs present: Chantal Forrest; John Holroyd; Richard Armstrong (Chair);
Richard King (for item 2 only); Simon Lett (Principal)

In attendance: Jess Norcliffe (for item 2 only); Ian Leedham (Clerk)

Apologies: Craig Shannon; John Blake

AGENDA ITEM	DISCUSSION	ACTION
1. Apologies	CSH (family health reasons); John Blake (off sick).	
2. Determine AoB	<p>2.1 Procedural note. RAR as chair agreed to deal with an additional item of important business at the changeover from the preceding Capital Development sub-committee meeting to the full Finance & Estates Committee meeting, relating to planned restructure of premises team. Jess Norcliffe (HR Manager) attended for this item according to pre-agreed timings. Consequently, RKI (from Capital Development sub-committee) was present during discussion of this item and departed immediately afterwards, and CFO was present for most of this item.</p> <p>2.2 Planned restructure of premises team, moving from Caretakers x 3 to proposed new structure. Jess tabled paper containing proposed structure chart and JD/PSs for Premises Manager, Skilled Site Assistant (Maintenance), Site Assistant, Cleaning Supervisor. Rationale is more highly skilled, significantly improved service and greater efficiency. Overall additional cost £25k p.a. plus potential one-off redundancy costs. Benefits to include more maintenance work done in-house (to a planned schedule), less reliance on external contractors (and some cost savings), reduce pressure on Director of Finance & Resources.</p> <p>2.3 Discussion of Cleaning Supervisor role in context of any potential future outsourcing of cleaning service (no current proposals on this); decided to keep this role in proposed restructure.</p> <p>2.4 Jess described process going forward, including conversations with existing staff, consultation period, notice period, internal and potential external application process. Aim is for new structure to be in place 22/6/20.</p> <p>2.5 RAR to report back on above to Corporation 23/3/20, to enable discussion/decision.</p>	
(RKI+Jess		RAR, Clerk re agenda

departed)		
3. Declarations	No declarations of pecuniary/prejudicial interest.	
4. Minutes 27/1/20	<p>4.1 Minutes 27/1/20, previously circulated, agreed by Committee (with one minor amendment: 4.2.2 JHO will work with John Blake, rather than has worked), 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. (27/1/20 min 4.2.3, staff costs profile): SLE ongoing 2. (27/1/20 min 5.1.1, ESFA Integrated Financial Model submission): new deadline now 31/3/20; SLE to further liaise with John Blake 3. (27/1/20 min 5.2.1, FE Commissioners' recommendations): further update at Corporation meeting 23/3/20; return visit May 2020 4. update: John Blake signed off for another 3 weeks from 4/3/20. 	<p>Clerk</p> <p>SLE</p> <p>SLE; Clerk re agenda</p>
5. Capital Development sub-committee	Three urgent requirements being progressed from Capital Development meeting (immediately prior to this F&E meeting): measured survey of estate; condition survey of estate; statutory compliance review. See Capital Development 9/3/20 minutes for detail.	
6. Financial reports, budget monitoring, financial health, ESFA	<p>6.1 Consideration of January management accounts, January finance report narrative, ESFA funding allocation statement 2020/21, and budget headline comparison 2019/20-2020/21, all previously circulated (Annexes 4-7). Noted ESFA Integrated Financial Model submission deadline extended to 31/3/20.</p> <p>6.2 ESFA funding allocation statement 2020/21 (Annex 6) explained by SLE. Budget of £11.2m based on existing assumptions. STEM uplift very helpful and is likely to be confirmed in Autumn for future years too. Main risk perceived to be 'disadvantage funding' (based on deprivation and additional needs), £409k. Agreed SLE will update all Governors on this at Corporation 23/3/20.</p> <p>6.3 JHO questioned basis of total income figures in budget headline comparison 2019/20-2020/21 (Annex 7). Figures should be consistent with those in Annex 4 (management accounts). In similar vein, JHO keen to ensure data in management accounts and narrative (Annexes 4 & 5) are valid/meaningful and as understandable and useful as possible for Governors. The Association of Colleges new financial model could be helpful as an analytical framework.</p>	<p>SLE; Clerk re agenda</p>

	<p>SLE to discuss with John Blake.</p> <p>6.4 SLE pointed out that all-staff payroll costs were 80% of total expenditure, are now 76% after the restructure, and in 2020/21 will drop to 66% (helped by the increased ESFA income) – against a sector average 2020/21 of around 60%.</p> <p>6.5 Teaching costs relative to total costs or total income – RAR argued that teaching costs as percentage of total income would be best measure – SLE to discuss this with ESFA prior to next FE Commissioners’ visit in May.</p> <p>6.6 Additional points included:</p> <ol style="list-style-type: none"> 1. increased investment required for non-teaching functions (which are historically and currently under-invested) will be partly offset by underspend on teaching staffing 2. Finance staff member who is retiring at Easter will be replaced by a joint HR/Finance post; interviews held earlier today 3. need for medium/longer-term succession plan for Director of Finance & Resources – potentially apprentice-type appointment with person being trained up (as Deputy Finance Manager) over the next 5 years or so, to be in a position to succeed John Blake when he retires – SLE to discuss with John when he returns to work. 	<p>SLE</p> <p>SLE</p>
7. Catering	<p>7.1 RAR reiterated context (poor quality provision now, opportunity for significant improvements via specialist contractor). Following exploratory market testing, two companies pitched – both scored highly – one (named) selected with strong track record & references – to be recommended to Corporation 23/3/20, with view to starting work after Easter, collecting intelligence from students, contractor significant capital investment over Summer, full service in place from Sep 2020.</p> <p>7.2 Concerns of current catering staff, who value being College staff, being addressed – assured that all existing terms & conditions will be retained as part of TUPE process. Union meeting scheduled for 16/3/20.</p>	<p>Clerk re agenda</p>
8. Policies	<p>No policies to review on this occasion.</p>	
9. Management of current estate	<p>One brief update in John Blake’s absence: problems with Cooksey Building heating controls in past few weeks, following modifications made last summer – had to get external contractors in – OK now.</p>	

<p>10. Staffing update</p>	<p>10.1 SLE verbal proposal for staffing changes/additions starting Sep 2020, in context of healthy student numbers and historical under-investment in non-teaching services:</p> <ol style="list-style-type: none"> 1. increase tutor groups (& reduce numbers in each group) 2. modest increase in Chemistry and Maths staffing 3. increased capacity for marketing & liaison, PaWS, and social area staffing 4. increase senior leadership capacity by reducing Assistant Principals' (Kate Abel, Usman Anwar) teaching commitments from two blocks to one. <p>Total cost £200k p.a. recurring, including oncosts.</p> <p>10.2 Committee's initial feedback:</p> <ol style="list-style-type: none"> 1. important to consider above proposals in context of overall budgetary picture – minute 10.3 relates 2. RAR suggested that SLE consider phasing-in the proposals over a period of time 3. based on their interaction with teaching staff, who report feeling under increased pressure, CFO & JHO argued that strong rationale and business case for adding to senior management capacity would be needed. <p>10.3 SLE to work up outline business case for Corporation 23/3/20; this can then feed into overall budget focus at Corporation 18/5/20.</p>	<p>SLE; Clerk re agendas</p>
<p>11. AoB</p>	<p>No urgent AoB beyond that referenced in minute 2 above.</p>	
<p>12. Confidentiality</p>	<p>Confidential matters taken into account in drafting these minutes. No confidential papers identified.</p>	
<p>13. Date next mtg</p>	<p>Mon 8 Jun 2020, 4.30pm.</p>	<p>Govs note</p>

Minutes prepared by Ian Leedham (Clerk to the Corporation) on 18/3/20

Signed off by Richard Armstrong, Chair, at Finance & Estates Committee 8/6/20