



GREENHEAD COLLEGE CORPORATION

**Minutes of the Finance & Estates Committee meeting held virtually using Teams
Monday 26 April 2021, 4.30pm**

Govs present: F&E members: Craig Shannon; Ian Lavan; John Holroyd (Chair); Lisa Wilkinson (Associate) (to 6.04pm); Richard Armstrong; Simon Lett (Principal) (from 4.41pm) / other Govs: Stuart Irving; Daniel Bellanfante (from 5.16 to 6.15pm)

In attendance: John Blake; Ian Leedham (Clerk)

Apologies: none

AGENDA ITEM	DISCUSSION	ACTION
1. Welcome, apols	JHO welcomed participants. No apologies.	
2. Declarations	No declarations of pecuniary/prejudicial interest.	
3. Minutes 8/2/21	<p>3.1 Minutes 8/2/21, previously circulated, agreed by Committee, signed by Chair, returned to Clerk for filing.</p> <p>3.2 Two matters arising not covered on agenda:</p> <ol style="list-style-type: none"> 8/2/21 min 3.2.2 (ESFA meeting): discussion of potential timeline for Ann Marie Edwards meeting 8/2/21 mins 5.4 & 9.3 (SFCs' Capital Fund & whole-site maintenance plan): awaiting DfE details on Fund & Mace/DfE feedback on what is within/without DfE scheme scope – to update at next F&E 14/6/21 – JBL to bring whole-site maintenance plan for consideration at F&E 14/6/21. 	<p>Clerk</p> <p>JBL; Clerk re agenda items</p>
4. Financial update	<p>4.1 JBL summarised Feb 2021 management accounts and narrative, both previously circulated. No cause for concern viz income, spend, positive net assets, bank balance, cash days. Liquidity ratio 1.76:1, improvement on this time last year. Staff costs to income ratio 72.3% compared with 75% last year & target 71%. Gov discussion points included:</p> <ol style="list-style-type: none"> CSH questioned basis of pay award budget calculations – JBL to include clear narrative in subsequent accounts RAR questioned staff costs to income ratio trajectory – projected outturn c.72.3% – looking closely at staffing costs 2021/22 now – to feed back at F&E 14/6/21 RAR questioned 'other income' ALS students line (income down) alongside learner support (spend up) – JBL confirmed that additional spend has been on IT staff – JBL will include clear narrative in subsequent accounts discussion of ESFA payment schedule across year, in response to RAR question: 12 equal payments would be 	<p>SLE>JBL</p> <p>Clerk re agenda</p> <p>SLE>JBL</p>

	<p>be arranged for Oct/Nov.</p> <p>6.4 JHOL has reviewed financial statements from some other specific SFC's, and felt most were stronger in respect of balance sheets & net assets – he will circulate details.</p>	<p>agenda</p> <p>JHOL</p>
7. Barclays loan: waiver & variation letter	<p>JBL introduced Barclays loan <i>Waiver and Variation Letter</i> dated 29/3/21, previously circulated, to avoid defaults and unnecessary paperwork. Committee agreed this is in College's interests and agreed JBL to contact Barclays to find out precisely how to progress, whether this involves this Committee or Corporation per se to accept T&C's, and in what format. This Committee, as a Committee of the Corporation, endorses signing up per the above.</p>	JBL
8. Policies	No existing policies to review/refresh on this occasion.	
9. Catering, cleaning, premises, estates update	<p>9.1 Premises/estates: (1) Highfields Road (sports field). Discussion of improvements needed e.g. viz drainage, changing rooms (floor, showers, etc), security. (Related, JBL received quotes from Portakabin: rent c.£39k+VAT p.a., purchase £195k + ground works c.£40k). Sport England would like provision to be hired out to local community and could contribute to support this. Following discussion, mindful of interface with capital development scheme, agreed RAR to [<i>confidential action</i>] in respect of Highfields.</p> <p>9.2 Premises/estates: (2) replacement of central heating boilers x 2 (30 years old). JBL referred to 2019 guideline prices from consultant colleague and Clifford Cooper contractors (c.£95-100k for boilers & pumps plus strip-out costs at c.£35-40k) and £35k Salix Energy Efficiency interest free loan over 9 years secured against this (recently replaced by Public Sector Decarbonisation Scheme), which needs to be spent by Mar 2022. Discussion of options. Agreed to hold fire to enable full options appraisal (including potential link-up with capital development scheme) and tender exercise, even though this will mean losing Salix loan. JBL to feed back to consultant colleague.</p> <p>9.3 Premises/estates: (3) cleaning procurement. Tender exercise undertaken – Tenet analysing the 2 tenders received – feedback to come in c.2 weeks, which JBL will use to compare with current arrangements and discuss rationalisation of service with Cleaning Supervisor. JBL to feed back to JHOL and subsequently to F&E 14/6/21.</p> <p>9.4 Catering. JBL happy with latest version of Aramark contract. Aramark to take over 7/6/21, initially on same</p>	<p>RAR</p> <p>JBL</p> <p>JBL>JHOL; Clerk re agenda</p>

	<p>basis as current offer & testing student market in Jun/Jul & Sep, then:</p> <ol style="list-style-type: none"> 1. Y1 Oct 2021 to Sep 2022 (nil cost to College apart from VAT charge-back c.£15k, which is less than current College loss) 2. Y2 Oct 2022 to Sep 2023, envisaged College profit share will be greater than VAT charge-back 3. contract renegotiation Sep 2023 based on 2 years of performance; option to pull out or agree further 2 years, which would include additional outlets in new build 4. confirmed Aramark would need to give 6 months' notice of intention to pull out, and College would retain any facilities improved as result of Aramark investment up to that point 5. Committee agreed Aramark contract on above basis. <p>9.5 Update on recent capital development business:</p> <ol style="list-style-type: none"> 1. Galliford Try architects are re-shaping some specific design aspects, e.g. new building stonework, in response to Planners' requirements, before formal Planning submission 2. plans will be shared with Committee before submission 3. drilling under main car park will inform how foundations are laid for new building 4. SLE has chased Mace today in respect of timescales for receipt of 'scope of works' mini-feasibility document; SLE hoping to receive before end of academic year. 	SLE, JBL
10. AoB	None.	
11. Confidentiality	<i>Minute 9.1, RAR Highfields Road sports field, is a confidential action.</i>	
12. Date next mtg	Next F&E Committee Mon 14 Jun 2021, 4.30pm, Teams.	Govs note

Minutes prepared by Ian Leedham (Clerk to the Corporation) on 7/5/21

Signed off by John Holroyd, Chair, at Finance & Estates Committee 14/6/21