



Minutes of a meeting of the **F&GP Committee** held on 22 April 2021 at 1100 hrs.

Present Jonathan Beake Steven Blackshaw Sally Townsend
(Chair)
Kevin Watson
(Principal)

In Attendance Ralph Devereux Adrian Cottrell
(Clerk) (VPFR)

Apologies

27/20 ELIGIBILITY, QUORUM, DECLARATION OF INTERESTS, AND URGENT BUSINESS

- a. No notice had been received of any member becoming ineligible to hold office, the meeting was quorate, and no interests were declared.
- b. There were no requests for Urgent Business.

28/20 MINUTES OF AND ACTIONS FROM THE LAST MEETING

- a. The minutes of the meeting held on 15 March 2021, were confirmed for electronic signature; the Clerk to action. **(Action 1)**

- b. Actions from the last meeting were complete or in progress.

See referenced minute for full detail.		Status
Action 1	19/20a. Last minutes confirmed for signature.	Complete
Action 2	20/20. Mgt accounts recommended to the Corporation	
Action 3	21/20. Outturn Tracker to be amended.	
Action 4	22/20. Amended financial Plan to next meeting.	
Action 5	23/20. Provider list in spreadsheet format to Members.	
Action 6	23/20. Greater detail on IT costs to be included.	To next meeting
Action 7	24/20. "pay for naming" facilities to be investigated.	Complete

- c. Matters Arising. There were no matters arising.

The information was received.

Actions had been identified. (Table 36/20 below)

29/20 FINANCIAL REPORT

- a. Management Accounts. The financial report referencing the March position was then considered; the comprehensive document comprised a narrative informed by graphical and tabulated detail including all variances. The accounts, drafted on 19 April 2020, showed an increased deficit end of year forecast of c(£260k), which, however, was an improvement of c£76k over budget, the now confirmed and welcomed in-year growth funding of c£503k had been included (pro-rata) in the numbers. The forecast surplus and the adjusted surplus were discussed and further detail was requested, a full breakdown would be determined and circulated. **(Action 2)** Furthermore the last meeting forecast savings had not been realised and the need for realistic and reliable predictions to enable meaningful planning was re-iterated. Covid associated forecast costs of c£72k had now been substantially increased through the IT issue previously discussed and which would cost c£270k. Earned income related to adult skills had been c£134k below expectations, there was a possibility of increased GLA income of c£150k which was not included but, if achieved, the net end of year effect would be under delivery of c£67k. The Adult Education Budget (AEB) was again considered as a possible source of additional income; the need for dedicated facilities, staff and whether this was a suitable market for a Sixth Form College (SFC) motivated against

pursuing the matter; should the £150k be included in the budget then appropriate costs would also be required. Pay costs stood at c£148k over budget with an annual c£238k overspend, due to a combination of the support staff pay increase and additional temporary Covid testing staff. During general considerations it was confirmed that costs associated with the testing had been £33k, some had been refunded and more was expected. Non-pay costs had been c£51k over budget and would translate into a c£119k underspend including the effect of a specially designed savings plan, which was explained and discussed. Key Performance Indicators (KPI) were considered and noted: the EBITDA v Income was 2.21% and the financial health assessment, provisionally graded as "Requires improvement" (RI) was likely to improve to "Good" by year end. The cash flow rolling forecast was discussed and the low point (13 April) of -£698k was noted; the overdraft facility had recently been increased from £500k to £750k, the process however had taken longer to complete than had been hoped. Bank Covenants were considered and discussed and the need to comply with all requirements was again stressed, a report would be passed to the Corporation Chair for information. **(Action 3)**. Indicative CFF information would be submitted to the Education and Skills Funding Agency (ESFA) on the following day. Members welcomed the additional in - year growth funding, which would ease the situation, applications for 2021.22 remained well above the same point last year. Capital expenditure stood at £388k/£287k. The management accounts were recommended to the Corporation. **(Action 4)**

b. Outturn. The outturn tracker was considered, discussed and noted.

The information was received.

Actions had been identified. (Table 36/20 below)

30/20 PROCUREMENT

The Procurement Report was considered and discussed. There had been little significant procurement activity in the last few months. However, invitations to tender for both internal and external audit services had been circulated; the response had been disappointing and, in discussion with the Audit Committee (AC) Chair, it had been decided to go to the market again. Changed audit requirements, particularly for external audit, was the likely reason. In extremis it may be necessary to complete a negotiated renewal with the existing agencies, but that would deny the market testing. The tabulated list of current providers was noted. Further detail on IT associated providers had been delayed and would be presented to and discussed at the next meeting. **(Action 5)** During general considerations it was confirmed that credit reports had been on 17 providers and work continued on a further 12. It was also agreed to consider the introduction of "contract management" processes for those >£100k annual value.

The information was received.

Actions had been identified. (Register 36/20 below)

31/20 CAPITAL

A brief outline report on capital finding had been drawn together and was discussed. This was the preliminary detail, not yet been considered by management, that was scheduled for June when it would closely consider the information for prioritisation. A condition survey would be valuable to inform that process.

The information was received.

32/20 POLICIES TRACKER

The Policies Tracker was discussed, the information was still being collated, however it was clear that some Policies needed action, for example IT Security; that was noted and would be actioned. **(Action 6)** The HR Manager was unwell and was not at work and could not work on union negotiation. There were a number of Policies, which only required minimal amendment and these should be brought to the committee for necessary action and to bring them "in date". **(Action 7)**

The information was received.

Actions had been identified. (Register 36/20 below)

33/20 COMMITTEE CYCLE OF BUSINESS

A draft annual cycle of Committee business had been detailed and was considered. Content of the “staffing report” was queried and it was confirmed that would be a comprehensive report on personnel related matters in 2 sections: Staffing (morale, wellbeing etc) and Human Resource (more statistical) issues. The business schedule was approved. **(Action 8)**

The information was received.

Actions had been identified. (Register 36/20 below)

34/20 URGENT BUSINESS

There had been no urgent business requested.

35/20 DATE OF NEXT MEETING

The next meeting would be at 1300 on 16 June 2021, Members were asked to note the change of start time.

36/20 ACTION REGISTER

See referenced minute for full detail.		Resp	Date
Action 1	28/20a. Last minutes confirmed for signature.	Clerk	wie
Action 2	29/20a. Detailed surplus report to be circulated.	VPFR	
Action 3	29/20a. Bank Covenant report to SB.		
Action 4	29/20a. Mgt accounts recommended to the Corporation.	Chair	06.07.21
Action 5	30/20. IT provider detail to next meeting.	VPFR	16.06.21
Action 6	32/20. IT Security Policy to be actioned.		
Action 7	32/20. Policies with minimum amendment to next meeting.		
Action 8	33/20. Committee business cycle approved.		wie

Ralph Devereux (Clerk) for Sally Townsend (Chair)





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Final Audit Report

2021-06-21

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