



**MINUTES OF A MEETING OF THE CORPORATION  
2.30PM, WEDNESDAY 26 FEBRUARY 2020, in the Pengelly Room**

<b>Members :</b>	*Tom Amery; *Richard Barker; Hanna Baxter (FE Student Governor); Michael Clarke; Andrew Davies; *Andy Foot; *Alex Jackson; Jim Kenderdine; *Robert Lassetter (Vice Chair); *Graham Ledden; *Annetta Minard; *Ben Murphy; Vicky Prior; *Luke Rake (Principal); *Andrew Robinson; Andy Stillman; *Elaine Taylor; Bethany Thompson (HE Student Governor); *James Tirrell (Chair); *Linda Wyatt
<b>In attendance:</b>	*Richard Bourne (Co-opted Member F&R Cttee (Observer)); *Dan Knight (Observer); *Catriona Wood (Deputy Principal (Finance & Commercial Services)) (DPFCS); *Oliver Symons (Deputy Principal (Learning & Performance)); *Vanessa Gifford (Clerk)

ITEM NO.	DETAIL
	<b>This meeting was an extraordinary meeting at the end of the Governors' Strategy Day to approve urgent items.</b>
1.	<p><b>APOLOGIES</b></p> <p>Apologies were <b>RECEIVED</b> and <b>NOTED</b> from Michael Clarke, Andrew Davies, Jim Kenderdine, Vicky Prior and Andy Stillman.</p>
2.	<p><b>INTEGRATED FINANCIAL MODEL</b></p> <p>The draft Integrated Financial Model was <b>SCRUTINISED</b> and the DPFCS advised that this was the first year that this document had had to be completed, to be approved by the Corporation and submitted to the ESFA by the 28<sup>th</sup> February 2020. She considered it to be a good concept to fully integrate financial information to inform the ESFA. However, the current model was unwieldy and the timing was inappropriate. Initially the timing should have been in January to enable the ESFA to foresee any issues, but this had now been moved to the end of February which was too late for any advance warning signs and too early to provide an accurate budget forecast. Also, approval of the submission did not fit in with Board schedules, however the AoC was taking up representations with the ESFA, and this year's submission was being seen as a trial run.</p> <p>The following points were noted during discussion:</p> <ul style="list-style-type: none"> <li>• The data was for the first five months of the financial year.</li> <li>• The DPFC was expecting commercial income to come through, and hoped it would not decline any further.</li> <li>• The current deficit to budget would mean that the proceeds of the recent house sale would be consumed.</li> <li>• The release of the deferred capital grant was not included within income but appeared further into the report.</li> <li>• The DPFCS had met with the banks to advise of the forecast and they</li> </ul>

	<p>were supportive.</p> <ul style="list-style-type: none"> <li>• The model presumed that course weightings remained the same following a current review.</li> <li>• The DPFCS considered the data to be prudent based on known information, and included the additional £188 per student that had been promised by the government.</li> <li>• The submission showed an honest position for this year and how the College was mitigating it.</li> <li>• It was agreed that although the sector had been encouraged to be overly optimistic and set high targets this would not do the College any favours and could trigger intervention.</li> <li>• It was unfortunate that the College was heading towards a breach of the Bank Covenants as this could make renegotiation of the upcoming loan renewal difficult.</li> <li>• The Principal had met with the ESFA, at his request, and it had confidence that the College had issues under control. The College was now on its radar but there were many colleges in a lot worse position.</li> <li>• The DPFCS had included some growth at the previous year's level.</li> <li>• The College had commenced the early stages of Budget setting for 2020/21 with curriculum planning and costing underway.</li> <li>• The DPFCS advised that the College was not held to the data within the Model, but she would be mindful to it during Budget setting.</li> <li>• Members questioned how January month end was looking and the DPFCS advised that the variance had slipped further into deficit but she considered it to be mostly due to timing and would not change significantly to the end of December out-turn. The end of year out-turn was predicated on delivery of budget.</li> <li>• Apprenticeships continued to decline, but the DPFCS considered that with the information she had available the £620K income would be met.</li> <li>• It was noted that there was a vulnerability around Apprenticeships and the delivery of commercial activity.</li> </ul> <p>The Corporation <b>APPROVED</b> the Integrated Financial Model for submission to the ESFA.</p> <p>Discussion continued and the following points were <b>NOTED</b>:</p> <ul style="list-style-type: none"> <li>• It was agreed that consideration of the Integrated Financial Model had been a useful exercise although the timing was not appropriate.</li> <li>• Members questioned whether cashflow was acceptable and the DPFCS advised that it was at the current time although March was the low point for income, and she was carefully monitoring the BAC's payments.</li> </ul>	
	<p><i>Senior Post holders, Staff and Student Members left the meeting for the next item. The Corporation <b>AGREED</b> that the Principal and Clerk should remain in the meeting.</i></p>	
<p><b>3.</b></p>	<p><b>CONFIDENTIAL ITEM</b></p> <p>This item was minuted confidentially.</p>	
	<p><i>The meeting closed at 3.50pm with no further business.</i></p>	

Chair.....Dated.....