



**MINUTES OF A MEETING OF
THE CORPORATION'S FINANCE AND RESOURCES COMMITTEE
4.00PM TUESDAY 3 MAY 2022
Held in the Pengelly Room, Main House**

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| Members: | Richard Barker; *John Bullen; *Henry Cox (co-opted); *Robert Lasseter; *Graham Ledden (Chair); *Luke Rake (Principal); *Dee Vickers |
| In attendance: | Dan Knight (Chair of A*A Committee); *Anna Bowen (Finance Director); *Vanessa Gifford (Clerk) |

** Indicates actual presence at this meeting [Quorum = 3 Committee Members]*

| ITEM NO. | DETAIL | |
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| 1. | DECLARATIONS OF INTEREST There were no Declarations of Interest NOTED . | |
| 2. | APOLOGIES FOR ABSENCE Apologies for absence were NOTED from Richard Barker. | |
| 3. | MINUTES OF THE MEETINGS HELD ON 1 MARCH AND 13 APRIL 2022 It was noted that there was one small error on Page 2 of the draft minutes of 13 April 2022, and agreed that these minutes should be Confidential. The Committee AGREED the minutes of 1 March and 13 April 2022 as a true and accurate record, subject to the amendment above, and APPROVED the non-confidential minutes for website publication. | |
| 4. | MATTERS ARISING The following matters arising from the meetings of 1 March and 13 April 2022 were NOTED : <ul style="list-style-type: none"> • It was pleasing to note that the re-profile with the ESFA had not been required but was prudent to put in place. • Discussion took place on the vertical column that had been requested within the cashflow. The Finance Director advised that a lot of cleansing had been undertaken within the accounts and she assured the Committee that postings were correct. It was noted that the Reserves data was updated monthly and could be used to check. • The Re-Finance negotiations were progressing, with a discussion on timings to ensure that the costs were posted in the correct way. The Finance Director agreed to chase the Barclays Waiver letter and Variation. • The Finance Director advised that the Finance Record had been | AB |

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| | submitted to the ESFA by 30 April 2022, suitably caveated. | |
| 5. | <p>MANAGEMENT ACCOUNTS TO 31 MARCH 2022</p> <p>The Management Accounts to 31 March 2022 were CONSIDERED and the following points NOTED:</p> <ul style="list-style-type: none"> • The variances to income were questioned, and the following points noted: <ul style="list-style-type: none"> ➤ HE funding had been budgeted too high and would be reviewed, taking into account the uplift that had been included in the cashflow for the UCBH. ➤ Sub-contracting was being considered later on the agenda in respect of the Adult Funding. ➤ It was noted that students spending on catering had declined due to the cost of living crisis and was a national trend. The principal suggested that options should be reviewed. It was also noted that staffing was a challenge at the current time. It was noted that following the students request, the Courtyard Café had been re-opened for limited hours and would be monitored. ➤ The Principal was confident that Commercial Income would pick up with the wedding season now in full swing, with the Barn and Shop fully re-opened. ➤ It was noted that 'Other Income' would be reviewed quarterly. • It was noted that the £80K Transport cost detailed later in the agenda had been included in the re-forecast. • It was considered that there was a lot of work to do in 3 months and the targets were ambitious, but the Principal considered it was achievable. A break even EBITDA was important for the SPA Standalone case. • The Committee questioned whether there were any Transport debtors and the Finance Director advised that now FlexPay was being utilised there were no issues. • Potential overspends on the capital projects had been included. • The Financial Health calculation was considered noting that 180 points was required to achieve an improved grading, with a positive EBITDA being the key. • The Committee was pleased to note the improved Cash days in hand. | |
| 6. | <p>TRANSPORT</p> <p>The Committee NOTED the details of the additional transport costs of £80K. The College was in discussion with the provider especially around the lack of communication around the costs at this late stage. It was noted that the transport provision was due for renewal in July 2023 and all options would be considered.</p> | |
| 7. | <p>SUB-CONTRACTING</p> <p>The Committee NOTED the details of the Sub-contract to deliver AEB. The Principal advised that he had been open and transparent with the ESFA and it was agreed that discussions should continue taking into account that the college was interested in developing a relationship being mindful of the sub-contracting guidelines and timings. Full details would be presented to the Corporation in due course, when consideration was required.</p> | |
| 8. | <p>VAT CLAIM</p> <p>The update on the VAT Claim was NOTED. The Finance Director advised that</p> | |

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| | since the update a letter from the HMRC had been received requesting a different methodology. It was noted that the VAT Consultant would decline and continue his negotiations. | |
| 9. | <p>CAPITAL PROJECT UPDATE</p> <p>GSHP: this project had been a challenge but was now nearing completion with practical completion expected on all 8 work packages by 23 May 2022. It was noted that there could be further Low Carbon Dorset funding available, which would be investigated. £40K had been provided for in the cashflow for over-run, with retentions held.</p> <p>University Centre: a delay of 6 weeks had just been reported on this project, with the Estate Committee closely monitoring. It was considered that this could be pulled back to 3 weeks, noting that if delays dragged into July it increased the percentage of retention by the LEP which would amount to additional costs of £16K. The target for completion was 23 June.</p> | |
| 10. | <p>COMMERCIAL UPDATE</p> <p>The Principal reported that the Easter holidays had been successful and the wedding season was now in full swing, and the majority of commercial activities were doing well. The Principal suggested that the Cellar Bar may have to be re-considered due to income v staffing costs. Easter activities within the Animal Park and shop had been very successful with a 48% gross contribution and additional funding for students, however this sort of activity was reliant on good weather. Parking had been the biggest challenge and more signage was being provided to manage the situation. The Principal confirmed that insurance was in place for car parking, and the insurers were aware and received regular updates. The college had to be mindful of safeguarding and health and safety (H&S) guidelines and this was being monitored by the H&S Committee.</p> | |
| 11. | <p>PROCUREMENT/TENDERS/VALUE FOR MONEY/CONSULTANCIES</p> <p>It was NOTED that the bus contracts would be reviewed in 2023.</p> | |
| 12. | <p>PROJECT BID UPDATE</p> <p>It was NOTED that a bid had been submitted to the DfE to replace the condemned Outdoor Education Centre.</p> | |
| 13. | <p>RISK MANAGEMENT</p> <p>It was noted that the Audit & Assurance Committee would be reviewing the updated Risk Register the following day, and the Principal agreed to check whether sub-contracting was sufficiently covered.</p> | LR |
| 14. | <p>ANY OTHER BUSINESS</p> <p>The following further business was NOTED:</p> <ul style="list-style-type: none"> • The Chair of the Corporation suggested that there should be a discussion on Pensions in the near future. • The Finance Director was requested to check where the re-financing one-off costs should sit in the accounts. • It was agreed that the draft Financial Statements for the year ending 31 July 2021 could be shared with the Banks subject to the necessary caveats being included. | AB |

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| | <ul style="list-style-type: none"> The Letter from the ESFA on the Apprenticeship clawback had been NOTED, however to allow proper consideration would be considered at a later date. | |
| 15. | <p>MEETINGS 2021/22</p> <p>The following dates for future meetings were NOTED:</p> <ul style="list-style-type: none"> 21 June 2022 | |
| | <p><i>Meeting closed at 6.20pm with no further business.</i></p> | |

APPROVED 21 June 2022