

## FINANCE & GENERAL PURPOSES COMMITTEE

**Minutes of the meeting held at 6.00pm on Wednesday 22 November 2017 at Gearies Centre**

**PRESENT:** Margaret Partridge (Chair), Kathleen Atkins (Vice-Chair), and Joni Cunningham.

**Also in attendance:** Gill Hails (Assistant Principal, Finance & Resources) Janis Lane, Clerk to the Governors.

**899. APOLOGIES for absence** were received and accepted from Deanna Clarke, Olive Hamilton-Andrews, David O'Donoghue, and Mo Rahee. Councillor Joyce Ryan previously gave apologies due to clash of Council commitments as raised and discussed.

**900. DECLARATIONS OF INTEREST** – there were none.

### **901. ANNUAL ELECTION OF CHAIR AND VICE-CHAIR OF F&GP COMMITTEE**

Election of Chair and Vice-Chair for Staffing Committee was due for the year from the first meeting of Staffing in the autumn term. Kathleen Atkins nominated Margaret Partridge as Chair seconded by Joni Cunningham and Margaret Partridge nominated Kathleen Atkins as Vice-Chair seconded by Joni Cunningham.

**ACTION:** Margaret Partridge was appointed as Chair of Staffing Committee and Kathleen Atkins appointed as Vice-Chair of Staffing Committee

### **902. F&GP COMMITTEE TERMS OF REFERENCE REVIEW**

Governors considered the Terms of Reference for F&GP Committee due for annual review. There were no recommendations for change.

**ACTION:** Governors reviewed the Terms of Reference for Staffing Committee and agreed there were no changes.

**903. MINUTES** of the meeting held on 21 June 2017 were confirmed and signed by the Chair.

### **904. CAR PARK & PARKING (Matter Arising: Minute 895a refers)**

Governors were updated that the new car park management arrangements were in operation and there was marked improvement with more spaces for learners and better behaviour of school users. The School had confirmed there had been no extra traffic causing problems in the local area. Governors were informed that if using a different car than registered to park in Gearies individuals needed to register the change in vehicle number.

**905. HEALTH & SAFETY REPORT February to June 2017 (Matter Arising: Minute 897 refers)**

Governors asked of the outcome of the accident involving a volunteer and open window at Gearies and the Principal confirmed that Governors suggestions had been taken into consideration and the best option had been for a painted line along the wall concerned to raise attention for individuals.

**906. BUDGET 2017/18 PERFORMANCE TO DATE**

Governors discussed the budget pressures and key expenditure items, including grading changes that had been approved as part of the Pay and Grading Review, that would incur additional costs to staffing budgets from September 2017 to March 2018; sales income was down slightly due to the car park machines being out of order with the introduction of new coinage but was expected to be offset by additional course fee income; IT smartboard replacements had cost £55,000 but would be met from project gains rather than reserves as approved by Governors so pleased with this outcome. Governors asked the proportion of car park income affected and informed this would be relatively low. Governors commended the increase in course fee income and efforts to achieve this particularly as did not have a negative impact on enrolments. The Principal advised that there were more learners in full fee paying classes and this had made a huge difference. Governors noted a year end balanced budget forecast and that overall project gains would result in an estimated surplus just over £160,000. Of this £100,000 would need to be carried forward in 2018/19 to meet additional staffing costs including the 1% pay award and additional agreed scale points and Governors would receive detailed breakdown of this before setting the budget for 2018/19. Governors noted that the 1% pay award had already been built in for the current year to cover costs from September 2017 to March 2018. Governors reiterated that the pay and grading review would be a major budget pressure for the Institute over the next 2 to 3 years and would be important to ensure sufficient balances available year end to carry forward. Governors discussed the variance report and noted that a redundancy payment would impact on the teaching costs but anticipated would still be within budget; the impact of pay and grading review in line with savings made in other areas; and although few vacant posts there was still some savings on salaries. There was no update on the Digital Skills entitlement and the outcome of the Government Budget Statement this week was awaited.

Governors commended the project gains in view of the amount of work and challenging work involved that was successful, had benefited a lot of learners and also led to other Institute programmes. Governors agreed that more work may be needed now on sustainability to follow on after the project had finished. The Principal informed that this would be followed through and alongside this events, such as the 'Mental Health Festival,' would continue as the recent one that attracted over 200 visitors with lots of networking going on and to which the Student Governor had attended. Governors referred to Health & Wellbeing Assessments and the need to remind people to work through on a regular basis. Governors asked about subsidies for targeted provision for those with mental ill health and informed these were not on mainstream provision to help with the transition from fee to fee paying and the longer term impact would need to be considered. 'Recovery Programmes' had recruited well overseen by the Curriculum Manager Health & Wellbeing alongside NELFT and One Place East. The Learner Welcome booklet was discussed by Governors who commended the Health & Wellbeing section giving useful information and self-

assessment exercise (NHS based tool) targeting courses for pre and post course. Governors would like to see this developed further with evidence outcome and anticipated could also bring out any safeguarding issues. Governors recognised the importance of legacy of projects and commended how as an outcome the Institute had developed new ways of working to support learners and more could be done. Governors were pleased to note that the Speaking with Confidence project was being carried forward with new volunteer training for club facilitators. Governors were informed that MOP Committee had considered the RISE project viability due to the amount of evidence of expenditure required by the Big Lottery Fund. Although this was a 3 year project of potential funding of £65,000 the work involved was unreasonably excessive and detailed to the point that would result in a financial loss for the Institute and for relatively few learners and furthermore did not cover for staff time while on annual leave. Governors asked of any penalty fees or costs to withdraw from the contract and informed that this was not a requirement of the sub-contract in place. In response to Governors asking whether this was anticipated or found out in year, the Assistant Principal Finance & Resources confirmed that the Institute had not had to deal with the level of requirements previously across the vast number of successful projects undertaken and funding was disproportionate to the amount of excessive work involved on a monthly basis and this could not have been predicted. Furthermore there was no guarantee of referrals and in view of the potential financial loss the best option was to withdraw at this stage so that the project finished at the end of December 2017. Governors asked if this feedback had been given in writing to the Funders and the Principal confirmed she had written to Renaisi the prime contractor and that a representative was due to visit in the next few weeks to discuss the points she had raised in a letter to them. Secondment of a member of staff from the ESOL team, as previously discussed, would be transferred to a secondment in Community Learning to look at issues in Community ESOL that had arisen from performance review and this would add benefit. The post holder understood the reason for the decision and other staff involved were being deployed elsewhere. Governors understood there may be some anticipated clawback but agreed it would be the best option to withdraw and a report would be made to the full Governing Body.

Governors considered outstanding instalment payments of £1,140 to be written off and that this related to 8 learners with balances of £80 and less and 4 learners with larger balances totalling £803. Governors noted that 109 learners had taken advantage of an instalment plan in 2016/17 academic year with an initial total debt of £50,800 representing an increase learner take up of 42% over the previous year (77 learners). Governors noted that although there was a lot of work involved for the Institute in instalment arrangements there was benefit for learners particularly with more taking up and was of benefit to the Institute. Governors congratulated staff for their efforts on instalment arrangements and collection of monies and were pleased to hear feedback from learners that the follow up with outstanding payments was well received and seen as supportive by students.

**ACTION:** Governors

- (i) noted that a balanced budget was forecast for 2017/18 with funds to carry forward estimated at over £160,000
- (ii) write off outstanding instalment debts of £1,140

## 907. FINANCIAL ASSESSMENT/ INTERNAL FINANCIAL CONTROL/ RISK REGISTER

Governors considered the Financial Management and Control Evaluation (FMCE) Report for 2017 and used the self-assessment to evaluate financial management and as evidence to underpin the Statement of Control and was also cited when submitting bids. The areas covered were Accountability Arrangements; Financial Planning Arrangements; Internal Control Arrangements; and Financial Monitoring Arrangements. There were 4 sections in the areas that had been graded Good and 4 sections graded Outstanding resulting in an overall grade of Good with some outstanding features.

Governors discussed the Grade Evaluation and how to get the Good sections to Outstanding and were of the view that Sub-contracting arrangements (Accountability Arrangements) added to the strengths in the self-assessment as considered there was rigorous monitoring of the sub-contractor performance. Governors suggested further evidence in the self-assessment regarding RCVS should include annual performance review in place with Governing Body oversight; and well structured, clear and well publicised fees policy. Governors also suggested adding PRB in the section as included in the agreement for RCVS to attend relevant PRB along with quality monitoring visits and paired observations. Governors agreed that based on this there was enough evidence for this section to be Outstanding and that the overall self-assessed grade for financial management and control arrangements resulted in Good with 'many' outstanding features. The Governors agreed that the Long Term Planning section would remain as Good due to the difficulty in not having guaranteed 3 year funding; similarly Operational Oversight to remain as Good based on working towards better management of funding forecasting, managing risk, potential risk and clawback.

Governors considered the Statement of Internal Control and were satisfied that the internal control systems in operation at the Institute during the year were adequate and effective.

Governors considered the impact of the updated Risk Register in relation to Devolution of Funding and implementation of recommendations following the Area Reviews that could lead to a reduction in Adult Skills funding; Implementation of the Pay and Grading Review; Funded Value Forecasting. Governors noted minor changes to update the Risk Register and the addition of Adult Skills performance in that the overall AEB budget was likely to be strong enough to avoid clawback but the funded value target for Adult Skills had not been achieved. The Principal advised that in relation to implementation of recommendations following Area Reviews it was not possible to do more at present and awaited the outcome of talks of the Skills Strategy by the end of this week and the following consultation period. The Principal would be reporting further to the full Governing Body in December 2017.

**ACTION:** Governors

- (i) confirmed the Financial Management Control and Evaluation Report and agreed the change to Outstanding grade for sub-contracting arrangements and the overall grade to Good with many outstanding features
- (ii) approved and signed the Statement of Internal Control
- (iii) considered the impact of the current risk register and agreed the changes.

## 908. HEALTH & SAFETY REPORT

Governors discussed the accidents and incidents reported during June 2017 and November 2017 and informed of a subsequent accident that had recently taken place in the Art room where a learner had tripped over their bag stored on the floor. The individual had originally stated that the circumstances had been her fault but she had broken her arm and the Institute immediately reported to the HSE (Health & Safety Executive), via LBR, as required and the accident would be investigated. Governors asked of due diligence of staff to ensure appropriate risk assessment and the Principal responded that this was in the process of being investigated and included a reminder to all from the Facilities Manager for everyone to be careful when storing bags. Governors also referred to course induction information and that this did include information to raise awareness of H&S and the FM had given a timely reminder.

Governors further considered Fire Safety follow up actions taken since the last report; car park safety including new management arrangements with Creative Parking Solutions with new signage and security; IT and Internet Safety where new software had been installed to increase security of the network and the purchase of Impero software that would provide an additional layer of monitoring. In December 2016 Governors asked about firewalls that were in place and Governors questioned whether individuals were able to access sites and at that time an appropriate system was not in place. The Principal updated Governors that the Institute had since researched this and had led to purchase of the Impero Software for more robust monitoring and raising alerts where needed. A protocol was now crucial to closely determine who would be responsible for the role of monitoring this system and Governors agreed would need careful consideration with the level and kind of information to be dealt with. The Principal did not anticipate this would be an onerous task perhaps once per day but would check this. Governors noted it was possible to track alerts to a classroom/time and in the Resource Centre was possible to track to an individual. Governors wanted to receive further information on the Impero system in terms of keeping people safe and robustness.

The Principal advised that all risk assessments in classrooms and offices at Gearies had been reviewed and updated. Governors noted that risk assessments had been completed for 48 external venues and questioned 3 external venues that remained outstanding and informed that these included 2 schools and RCVS who had moved offices. The Principal confirmed that these were being looked at further. It was reported that the Institute had withdrawn from one Centre as not fit for purpose and in response to Governors, the Principal confirmed that this was Loxford Youth Centre and the Orchard Estate and even though there had been attempts to maintain provision there had still been no recruitment at the Centre.

Governors were informed of H&S training that had taken place including H&S induction training for new staff, Fire Marshall Training and First Aid training with 7 members of staff. Training for key staff on the Impero software would be arranged once installed.

<p><b>ACTION:</b> Governors to receive a demonstration of the Impero software for all Governors at the Governing Body meeting in December 2017.</p>
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#### **909. FUNDED VALUE PERFORMANCE 2016/17**

Governors were informed that the final funding returns for 2016/17 had been submitted and these indicated 98.43% achievement (just under 100% last year) against the total Adult Education Budget (AEB). As this was 1.43% above the tolerance level, clawback on the main grant had been narrowly avoided but Governors noted that the underspend in Apprenticeships and Loans Bursary would have to be repaid as in previous years. Governors questioned the percentage drop compared to last year and informed that this was the first year of combining the 4 areas in AEB Programme Funding; DLSF; Community Learning; and Mental Health resulting in the overall 98.43%. The Assistant Principal Finance and Resources confirmed that significant effort by staff had been undertaken over the summer term to boost funding and further improvements and checks being put in place by teams.

**ACTION:** Governors reviewed and noted the funding outturn.

#### **910. FEES POLICY 2018/19**

Governors considered changes to the Fees Policy due for annual review together with the scale of charges for the next academic year. Governors were of the view that there had been an increase in fee charges for the past 2 years and there had been no subsequent adverse effect and the previous trend of falling income had been reversed; the fee increase of 1% approved November 2016 had been implemented for courses starting in September 2017 and this had not affected enrolments which had increased on fee paying courses; this was in line with Government expectation that more income would be raised through Community Learning courses where learners could afford to pay; and fee income prior to the start of classes indicated an increase of 24% compared to the same time last year. SLT after full consideration had recommended an increase of 1.25% in standard course fees and a corresponding increase in other fees and charges to be introduced for 2018/19. Governors asked of the underlying trend for increased income improving and the Principal responded this was undoubtedly helped by increased enrolments in Community Learning Programmes with about 200 learners ahead of target and maintained to date from September 2017. There had also been an increase in applied arts fee paying courses and Institute marketing efforts were a major contribution.

Governors noted (section 2.3.2) inclusion to the policy of 'No Fee for learners on priority family learning programmes' and agreed with fully subsidised provision for Family Learning STEM and Health & Wellbeing. Governors were pleased that this would address targeted groups including the legacy for mental ill health programmes such as the 'Chill with your Children' programme to help parents with stress and anxiety. Governors would like to see this well-articulated and incorporated and developed into vision for the future.

Governors considered discounts for 2018/19 and an 'early bird' discount of 10 % off a second course booked before 31 August as this would be a simple price incentive for 2018/19 and agreed this would be looked at closely for those relevant.

**ACTION:** Governors

- (i) approved a 1.25% increase in standard course fees, with a corresponding increase in other charges where appropriate
- (ii) approved the revised Fees Policy
- (iii) noted early bird discount of 10% off a second course booked before 31 August and that this would be looked at closely for those relevant
- (iv) noted fully subsidised provision for Family Learning STEM provision Health & Wellbeing

**911. DATE AND TIME OF NEXT MEETING**

Governors noted that the next meeting of F&GP Committee was scheduled for  
**Wednesday 7 March 2018 at 6.00pm**

**Meeting closed 7.20pm**

**Chair**.....

**Date**.....