

Approved

EXETER COLLEGE FURTHER EDUCATION CORPORATION

BUSINESS SERVICES COMMITTEE

Minutes of a meeting held on Monday 28th November 2016 in the Board Room, Hele Road, Exeter College

Present	David Allen	Chair
	Matt Roach	
	John Laramy	
	Bindu Arjoon	
	Philip Bostock	
	Sarah Brampton	
	Mark Goodwin	
<i>To item 8.1</i>	Michelle Pugh	
	Jo Matthews (co-opted)	
	Michelle Pugh	
	Glenn Woodcock	

Apologies

Observing

In Attendance	Rob Bosworth	Vice Principal
	Steve Campion	Vice Principal
<i>Item 5 only</i>	Kate Baczk	Management Accountant
<i>Item 6.2 only</i>	Alison Heard	Acting Head of People
<i>Item 5 only</i>	Paul Putnam	Grant Thornton
<i>Item 7 only</i>	Steve Strang	Head of Estates
	Barbara Sweeney	Clerk to the Corporation

- 1. Welcome, Apologies and Declarations of Interest**
The Chair welcomed colleagues to the meeting, particularly Glenn Woodcock who was attending his first meeting of the Committee.

There were no apologies

Bindu Arjoon declared an interest in agenda item 4.1, Opportunities and Developments Register and item 7, Property Matters, as Assistant Director, Exeter City Council.

Mark Goodwin declared an interest in agenda item 4.1, Opportunities and Developments Register and item 7, Property Matters, for any items relating to the University of Exeter.

2. **Minutes**

2.1 Minutes of meeting held on 26th September 2016, as circulated, were agreed and signed by the Chair.

2.2 Confidential Minutes of meeting held on 26th September 2016 as circulated, were agreed and signed by the Chair.

3. **Matters arising**

The Chair confirmed that the final version of the Strategic Plan would be received by the full Board at its meeting on 9th December 2016. There were no other matters arising which were not elsewhere on the agenda.

4. **Strategic Matters**

4.1 Opportunities and Developments Risk Register

This item was dealt with as a confidential item in accordance with the College's confidentiality policy and recorded in the confidential minutes.

The agenda was re-ordered to take item 6.1 before item 5

6. **Financial Matters**

6.1 Management Accounts – September 2016

The September 2016 Management Accounts were received and considered and Steve confirmed that they were the first of the new academic year. The accounts showed a surplus better than forecast due to apprenticeship and HE growth, which would be further built on. An application for in year growth funding would be made. Given the position, a further £50k would be released for staff development which would support challenging changes to curriculum in A level reform, vocational and technical provision and apprenticeships. Responding to questions, it was confirmed that there was no direct metric linking spend on development with staff turnover, but that staff surveys supported the case for investment.

Turning to the accounts report headlines, operating surplus was shown excluding FRS17, as agreed by the Committee. New reporting requirements for the Skills Funding Agency (SFA) showed metrics confirming the financial health of the College as good. Current ratio showed a healthy cash position. The cash flow forecast included the proceeds from the sale of Wear Barton. Earnings before interest, tax, depreciation and amortisation (EBITDA) was RAG rated as green, as was borrowing as a percentage of total income. The College was in a good position and early indications were that the October outturn would also be strong.

The Committee commended the result but questioned whether the budget was too prudent. Set the previous May, the budget had reflected the reduction in demographics, and growth in HE and apprenticeships had not

be anticipated. Furthermore, there was low confidence in the sector and the budget was realistic, given the knowledge at the time. There was no doubt that the College was bucking the trend. The budget had been agreed to realise a surplus of 1%. However, going forward the Board would need to be mindful that capital would be needed to support the Property Masterplan.

Steve updated the Committee on the covenant arrangements, confirming the usual covenant conditions and citing a particularly advantageous agreement secured by the College. Through the monthly Management Accounts, scrutinised by the Committee and the Board, forecasts were judged and reassessed against covenants. He reminded the Committee about the lagged funding model, with the disadvantage of no automatic in year additional funding to support growth, requiring submission to the funding agencies as a special case.

The Committee agreed to

Note the report

5. Statutory Accounts for Financial Year ended 31st July 2016

5.1 Audit Findings Report

This item was dealt with as a confidential item in accordance with the College's confidentiality policy and recorded in the confidential minutes.

5.2 Exeter College

This item was dealt with as a confidential item in accordance with the College's confidentiality policy and recorded in the confidential minutes.

5.3 Aplus Training Ltd

This item was dealt with as a confidential item in accordance with the College's confidentiality policy and recorded in the confidential minutes.

5.4 Ecole Ltd

This item was dealt with as a confidential item in accordance with the College's confidentiality policy and recorded in the confidential minutes.

5.5 Letter of Representation

This item was dealt with as a confidential item in accordance with the College's confidentiality policy and recorded in the confidential minutes.

6. Financial Matters

Alison Heard, Acting Head of People, joined the meeting for item 6.2 (part)

6.2 Policies for recommendation

i. Treasury Policy

ii. Local Government Pension Scheme Policy (LGPS)

The policies were received and considered. Both were reviewed as part of the normal biennial cycle and there were no significant changes other than updating job titles.

The Treasury Policy confirmed that deposits were across three banks, so spreading the risk. Alison confirmed that the LGPS Policy made explicit the position in relation to LGPS regulations regarding additional payments on redundancy. There had been no cases when this had been evoked, but in exceptional circumstances, any decision would go to the Board, on the recommendation of this Committee, for ratification.

The Committee was concerned that decisions of the LGPS were imposed without representation, given that no trustees were from the FE sector.

The Committee agreed to

Recommend the following policies to the Board on 9th December 2016.

a) Treasury Policy

b) Local Government Pension Scheme Policy

6.3 Student recruitment
This item was dealt with as a confidential item in accordance with the College's confidentiality policy and recorded in the confidential minutes.

7. Property Matters

- 7.1 Wear Barton
- 7.2 Nursery Collaboration
- 7.3 Student residential accommodation
- 7.4 Property Update including Masterplan

Item 7.1-7.4 were dealt with as a confidential item in accordance with the College's confidentiality policy and recorded in the confidential minutes

8. Reports and Minutes for Information

The following items were received and **Noted**.

8.1 Safety, Health and Environment Meeting 051016 *draft*

8.2 KPIs

The most recently populated balanced score card had been received at the last meeting. The Committee requested an update to the next meeting. SC

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8.3 Risk Register
Risk Register - **received and Noted**. Steve confirmed that the revised updated version had been considered by SLT and would be scrutinised by the Audit Committee and recommended to the Board.

8.4 Items to take to Board
The Committee reviewed the agenda and agreed on the items to be reported to the Board at its next meeting on 9th December 2016.

The Clerk confirmed that all items were included on the Board agenda either as items for recommendation or information.

8.5 Items for next agenda
The Committee reviewed the cycle of business for the January 2017 meeting and agreed on additional items to be included.

The Committee requested an update on the Balanced Scorecard, Risk Register and a Marketing update, together with updates on key property matters. Compliance with the Modern Slavery Act would be addressed as a matters arising.

9. **Dates of Next meetings**

Monday	30 January	2017
Monday	24 April	2017
Monday	26 June	2017
Wed	5 July	2017 at 8.30am if required