

BUSINESS SERVICES COMMITTEE

Minutes of a meeting held on 23 November 2020 via Zoom

Present	Matt Roach	Chair
	Heather Ancient	Vice Chair
	David Allen	
	Stewart Noakes	
	Emma Webber	
	Glenn Woodcock	
	John Laramy	
	Carol McCormack	
	Mike Owen	Co-opted
Apologies	None	
Observers	None	
In Attendance	Rob Bosworth	Deputy Principal/CEO
	Richard Church	Chief Financial Officer
	<i>From item 6</i> Kate Barczok	College Accountant
	<i>Item 8 only</i> Steve Strang	Director of Estates and IT
	<i>Item 3.1 only</i> Megan Snell	Deputy Head of Student Experience
	Alison Layton-Hill	Clerk to the Corporation

1. **Welcome, Apologies and Declarations of Interest**
The Chair welcomed colleagues to the meeting. There were no apologies or declarations of interest received.

Following Board approval, the Committee Chair thanked Heather Ancient who had now taken on the role of Vice Chair of the Committee.

2. **Minutes**
 - 2.1 The minutes of the meeting held on 21 September 2020, as circulated, were agreed.
 - 2.2 The confidential minutes of the meeting held on 21 September 2020, as circulated, were agreed.

Megan Snell, Deputy Head of Student Experience joined the meeting

3. **Matters arising**

3.1 Student Union Accounts

The Deputy Head of Student Experience introduced the Student Union accounts for the year ended 31 July 2020. The Committee noted the significant reduction in income compared to previous years due to the commission from student union cards decreasing from 47% to 12.5%.

There had also been a reduction in expenditure for events due to the impact of Covid-19 although the Committee was pleased to note that despite the challenges, students had raised £4,958 for their two chosen charities.

The Committee questioned whether income is likely to recover in the future. The decrease in commission from student union cards had been challenged but without success. However, the budget is secure for the current academic year with the focus on maintaining a balance of £15k to £20k to support students.

The Committee agreed to recommend the Student Union Accounts to the Board on 11 February 2020 for noting **Clerk**

3.2 Teacher pay scales/Pay award

Item 3.2 was dealt with as a confidential item in accordance with the College's confidentiality policy and recorded in the confidential minutes.

4. **Risk Management**

4.1 Risk Register

The Risk Register that had been scrutinised by the Audit and Risk Assurance Committee on 16 November 2020 was received. The Chief Financial Officer highlighted the high-risk areas as failure to recruit 16-18 learners for 2021/2022, adverse publicity and reputational damage and the negative impact of Coronavirus.

Two risks had been added to the risk register. Insufficient capacity within IT hardware and infrastructure to adapt fully to Covid-19 demands (medium) and failure to maximise opportunities from the Future Skills Centre (low). Four risks had been removed from the risk register to reflect that mitigations had resulted in these becoming very low risk.

The Committee engaged in a robust discussion in terms of the risk register and suggested areas for improvement and focus, which would give additional clarity and assurance to governors.

The Committee agreed that the Chief Financial Officer will undertake a review of the risk register **RC**

5. **Strategic Matters**

5.1 Opportunities and Developments Risk Register

Item 5.1 was dealt with as a confidential item in accordance with the College's confidentiality policy and recorded in the confidential minutes.

Kate Barczok, College Accountant joined the meeting

6. **Statutory Accounts for Year Ended 31 July 2020**

6.1 Key Issues Discussion Document (KIDD)

Bishop Fleming, the external auditors were not in attendance, however they had attended the Audit and Risk Assurance Committee on 16 November 2020 and the Audit and Risk Assurance Committee had agreed to recommend the KIDD to the Board on 11 December 2020. Bishop Fleming had received all that was required to be able to issue a clean audit opinion and the Committee thanked Kate Barczok and the team for enabling completion within a tight timescale.

The Committee sought assurance around the pensions issue. It was confirmed that the main driver for the increase was the reduction in the discount rate, which is an issue consistent across all Colleges.

The Committee noted that the KIDD

6.2 Exeter College Financial Statements

The Committee received the Exeter College Financial Statements and noted that they were consistent with previous years.

The Committee questioned the absence of more detail around the impact of Covid-19 and felt the achievements of the College in this respect were understated.

The Committee suggested more detail would be useful as part of the assurance of the going concern of the College. The Principal reassured governors that the College performance is benchmarked by the ESFA and the College is predicted to be in good financial health for the current year.

The Committee agreed:

a) a new financial strategy would be produced for the College to give further reassurance to governors.

RC

b) to recommend the Exeter College financial statements to the Board for approval on 11 December 2020, subject to the Board receiving a supporting going concern paper

RC

6.3 A Plus Training Ltd and Exeter College Services Ltd Financial Statements

The Chief Financial Officer explained that A Plus Training (SW) Ltd is a dormant company, however it is still a requirement to submit financial statements.

The Committee was informed that the financial statements for Exeter College Services Ltd and Exeter College Apprentices Ltd will be completed in December 2020 for submission to the DfE before the end of January 2021. It was confirmed that this delay will not impact the signing of the Exeter College accounts.

The Committee agreed to recommend the A Plus Training Ltd financial statements to the Board for approval on 11 December 2020.

Clerk

- 6.4 Letter of Representation
The Committee received the letter of representation, which will be recommended to the Board on 11 December 2020 by the Audit and Risk Assurance Committee.

The Committee noted the letter of representation

7. Finance Matters

- 7.1 Management Accounts (September 2020)
The Management Accounts for September 2020 were received. This item was further dealt with as a confidential item in accordance with the College's confidentiality policy and recorded in the confidential minutes.
- 7.2 Student Recruitment
Item 7.2 was dealt with as a confidential item in accordance with the College's confidentiality policy and recorded in the confidential minutes.
- 7.3 Debt Management
Item 7.3 was dealt with as a confidential item in accordance with the College's confidentiality policy and recorded in the confidential minutes.
- 7.4 College's Reserves, Borrowings and Capital Developments
Item 7.4 was dealt with as a confidential item in accordance with the College's confidentiality policy and recorded in the confidential minutes.

Steve Strang, Director of Estates and IT joined the meeting

8. Property Matters

- 8.1 Estates Masterplan
8.2 Property Update
Items 8.1 and 8.2 were dealt with as confidential items in accordance with the College's confidentiality policy and recorded in the confidential minutes.

9. Emerging Risks

The Committee considered additional risks that had emerged from the discussion and it was agreed to consider:

- The volume of capital projects and ability to fund them

- The continued ability to provide the most effective support to the local economy against a potential backdrop of significant unemployment and re-training needs

10 **Future Meetings**

10.1 Items to take to the Board

- Student Union Accounts
- Financial Statements including the additional going concern paper
- Banking Update
- Masterplan Update
- Emerging risks

Clerk

10.2 Items for the next meeting

The Committee reviewed the cycle of business for the 29 March 2021 meeting and agreed the items to be included on the agenda. It was also agreed to add an agenda item to have a more substantive discussion on sustainability.

Clerk

10.3 Dates meetings for 2020/2021

- Monday 29 March 2021
- Monday 21 June 2021

11 Minutes/reports for information

11.1 Safety Health and Environment Minutes

11.2 HR Annual Report