

## EXETER COLLEGE FURTHER EDUCATION CORPORATION

### BUSINESS SERVICES COMMITTEE

Minutes of a meeting held on 22 November 2021 via Zoom

<b>Present</b>	Matt Roach	Chair
	Emma Webber	
	John Laramy	
	Carol McCormack	
	Simon Tapley	
	Sally Wolkowski	
	Stewart Noakes	
	Mike Owen	Co-opted
<b>Apologies</b>	Glenn Woodcock (retrospective)	
<b>Observers</b>	Bindu Arjoon	
<b>In Attendance</b>	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 and extended a particular welcome to Simon Tapley.

The Committee noted that this would be Emma Webber's final committee meeting as she had kindly agreed to take on the role of the Vice Chair of the Quality and Standards Committee to support the new Committee Chair. The Chair warmly thanked Emma for her expertise and commitment to the committee.

Glenn Woodcock gave apologies retrospectively and there were no declarations of interest received.

#### 2. **Minutes**

- 2.1 The minutes of the meeting held on 20 September 2021, as circulated, were agreed.

- 2.2 The confidential minutes of the meeting held on 20 September 2021, 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 2021.

The Committee noted that the Student Union had raised £1,528 for its chosen charities, the Devon Air Ambulance and Children with Cancer UK.

Totem card sales had reduced dramatically due to the impact of Covid and the restrictions on selling them at enrolment. Totem card sales for the current year are more positive.

Internal representation which included committee expenses and events was much reduced on the previous year. This was due to the traditional Freshers' Fair being replaced with a cross college event and therefore the cost was met from a College budget. Other events were online and therefore provided at no cost.

The Committee acknowledged the small surplus which had been achieved in a difficult year.

**The Committee agreed to recommend the Student Union Accounts to the Board on 10 December 2021 for noting**

**Clerk**

4. **Risk Management**

4.1 Risk Register

The Risk Register that had been scrutinised by the Audit and Risk Assurance Committee on 15 November 2021 was received. The Chief Financial Officer highlighted that several risks had been escalated from medium to high, which were mainly related to the growth of the College.

The Committee noted that two new risks had been added:

R64 – failure to accommodate large exam sittings due to space and any continued impact of Covid.

R65 – Uncertainty regarding 2021/22 exams dates and methodology due to further guidance being awaited and the fact that many students had no experience of exams.

It was noted that the risk register had been linked to the three key areas of the new strategic plan.

The Committee welcomed the fact that risks around growth and capacity are reflected on risk register and that the profile of risks appears to be realistic.

The Committee questioned whether the College had sought external validation related to the IT security risk. It was confirmed that the College is cyber essentials accredited and that a specific external cyber audit is underway. Cyber risk insurance is in place, multi factor authentication had been launched and back up procedures had been updated.

Governors recalled a benchmarking survey which was part of the HR Annual Report to the Board and questioned whether the survey outcome related to safeguarding influence the risk register. The survey does not reflect directly through to the risk register but in response to the survey the College had launched new mandatory safeguarding training for all staff.

The Committee sought clarification as to whether a specific risk should be added to the risk register linked to the estate should funding not materialise. It was confirmed that this risk is mitigated due to the College having secured temporary accommodation.

#### **The Committee noted the risk register**

#### **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 2021**

##### **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 15 November 2021 and the Audit and Risk Assurance Committee had agreed to recommend the KIDD to the Board on 10 December 2021. 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 their efforts.

#### **The Committee noted 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 noted that a change in guidance had resulted in the auditors being required to seek assurance over the College's income for

16-18 learners. An internal audit into learner numbers and the work undertaken by the external auditors had raised no issues.

The financial statements support a strong surplus which allows the College to have confidence in its delivery of planned capital projects.

The Committee sought assurance around the pension funds and noted the deficits. The College has no control over the pension position and governors noted that all covenants and the status of the College's financial health are decided before pension adjustments.

Governors questioned when the external audit function would be re-tendered and it was confirmed that this must be carried out every five years which for the College was this academic year. The internal audit function will also be re-tendered and both will be overseen by the Audit and Risk Assurance Committee.

The Principal expressed his thanks to the Chief Financial Officer and the team for their work to ensure a clean audit and impressive set of financial statements. The Committee endorsed the Principal's comments.

**The Committee agreed:**

**a) to recommend the Exeter College financial statements to the Board for approval on 10 December 2021**

- 6.3 A Plus Training Ltd, Exeter College Apprentices Ltd and Exeter College Services Ltd (including letter of support) 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. Exeter College Apprentices Ltd has had some legacy movement going through it but will again be dormant the following year.

Exeter College Services Ltd (the nurseries) had experienced a difficult year due to the impact of Covid and recruitment challenges. Although there are plans to improve the financial independence of this subsidiary, the Committee was asked to agree to recommend that the Board approves of a letter of support from Exeter College.

The Committee questioned what plans are in place to improve the financial position of Exeter College Services Ltd and acknowledged the incentives being offered to new staff, as well as recruiting College students where appropriate. However, social value was also considered an important element to the nurseries.

Following the Audit and Risk Assurance Committee deep dive into the nursery provision, the Committee suggested that an external, expert review may be a worthwhile consideration.



**The Committee agreed to:**

- a) recommend the A Plus Training Ltd, Exeter College Apprentices Ltd and Exeter College Services Ltd financial statements to the Board for approval on 10 December 2021**
- b) recommend approval of a signed letter of support from the Principal, on behalf of the College, to assist Exeter College Services Ltd to the extent necessary to ensure it can meet its operation liabilities as they fall due.**

**6.4 Letters of Representation**

The Committee received the letters of representation, which will be recommended to the Board on 10 December 2021 by the Audit and Risk Assurance Committee. The Committee noted that the letters of representation were straightforward and consistent with previous years.

**The Committee noted the letters of representation**

**6.5 Going Concern paper**

The Committee received the going concern paper and the Chief Financial Officer explained the College's strong cash position. Referring to Blocks B&C, the Committee was reassured that additional capital expenditure had been included to provide a buffer against rising costs.

**The Committee noted the going concern paper**

**7. Finance Matters**

**7.1 Management Accounts (September 2021)**

The Management Accounts for September 2021 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.

*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 that the underlying theme remains around growth and capacity.

The risk associated with the number of HE and Adult learners reducing was discussed and it was confirmed that this market had been decreasing over time. It was noted that this is a permanent change in the market and the College is adapting to the different needs.

10 **Future Meetings**

10.1 Items to take to the Board

- Student Union Accounts
- Financial Statements
- Subsidiary Financial Statements
- Letters of support
- Masterplan Update

**Clerk**

10.2 Items for the next meeting

The Committee reviewed the cycle of business for the 28 March 2022 meeting and agreed the items to be included on the agenda.

**Clerk**

10.3 Dates meetings for 2021/2022

- Monday 28 March 2022
- Monday 13 June 2022

11 **Minutes/reports for information**

11.1 Safety Health and Environment Minutes



Signed by the Chair

28 March 2022