

MINUTES

Finance and Resources Committee No 22

Date: *19/06/2018* Time: *17:00–20:00*
(*Tuesday*)

Venue: *Rural* Committee: *Finance and Resources*
Business
Centre

Notes: *Refreshments will be available from 4.30pm*

Present: *Alison Robinson (Principal), Ian Higginbotham (Chairman), Martin Smith,
Richard Furnival and Stuart Heys*

Attending: *John Wherry (Deputy Principal) and Richard Morris (Deputy Principal)*

Clerks: *Ron Matthews (Clerk) and Susan Whiteside (Deputy Clerk)*

Apologies: *David Hall*

Public Minutes

Item number: (and category)	Item description:	Queries:
<p>26.18 <i>Information</i></p>	<p><i>Attendance of College Management Staff</i></p> <p>Section 8.2 of the current Constitution and Terms of Reference for the Finance & Resources Committee states:</p> <p>College management and / or consultants may attend meetings by invitation in an advisory capacity.</p> <p>Resolved:</p> <p>That College Management staff attend the meeting.</p>	
<p>27.18 <i>Record</i></p>	<p><i>Apologies for Absence</i></p> <p>An apology for absence was received from David Hall.</p>	
<p>28.18 <i>Decision</i></p>	<p><i>Public Minutes of Previous Meeting</i></p> <p>The public minutes of the Finance & Resources Committee meeting number 21 held on 20 February 2018 (published on the extranet) were signed and agreed as a true and accurate record of the meeting.</p>	
<p>29.18 <i>Record</i></p>	<p><i>Declarations of Interest</i></p> <p>There were no declarations of interest made in respect of items on the public agenda.</p>	
<p>30.18 <i>Decision</i></p>	<p><i>Appointment of Vice Chair</i></p> <p>The Committee was asked to consider the appointment of a Vice Chair for the remainder of the academic year following Sarah Burdaky's resignation from the Corporation.</p> <p>Following due process it was</p> <p>Resolved:</p> <p>That Martin Smith be appointed Vice Chair of Finance & Resources Committee for the remainder of the academic year.</p>	
<p>31.18 <i>Decision</i></p>	<p><i>Strategic Plan Progress Report</i></p> <p>The Committee gave consideration to the Strategic Plan Progress Report for the Finance and Resources Committee.</p> <p>We will continue to build and enhance our brand and reputation for excellence within the land-based & Sports sectors.</p> <p>Recruitment targets for Further Education were being met. Apprenticeship numbers had increased but were slightly behind target. As previously documented there was a shortfall in Higher Education recruitment.</p>	

	<p>Research income had been achieved.</p> <p>We will provide an outstanding teaching and learning experience.</p> <p>The human resources and capital plan statistics showed the relevant key performance indicators were being met.</p> <p>We will deliver great value for money.</p> <p>The financial key performance indicator statistics showed College to be mainly performing on target. The surplus after interest was slightly down and the Farm was significantly below target.</p> <p>In response to questions an explanation was received concerning the apprentice area income in relation to student numbers. A decline in timely achievement meant a number of students remained on courses whilst funding had expired. The national delivery of Sportsturf, a large area, was receiving management attention and undergoing restructure. It was anticipated there would be a 4% reduction in timely achievement against the previous year.</p> <p>It was confirmed recruitment was exceeding income target. The shift from frameworks to standards had impacted on admissions administration with much work involved in agreeing contracts.</p> <p>Overall the College was performing to target, though the Farm was below.</p> <p>The key discussion points were picked up throughout the meeting.</p> <p>Resolved:</p> <p>That the Strategic Plan Progress Report be received.</p>	
<p>32.18 <i>Decision</i></p>	<p><i>Financial Position Statement for the Period Ended 30 April 2018</i></p> <p>The Committee gave consideration to the Financial Position Statement for the period ending 30 April 2018. The report included information on investment funds and cash flow.</p> <p>The surplus as a percentage of income (pre FRS17) was 3% (2.3% April 2017). The balance sheet remained healthy. There was a current ratio of 1:1.3 and cash days of 65.</p> <p>Overall income was £241k (1%) behind budget though ahead of last year by £1,574k (7.2%).</p> <p>The DP Finance & Corporate Services responded to questions and provided detailed information on the accounts.</p> <p>The cash flow position was following forecast with the balance, at this stage, ahead of the previous year.</p> <p>Trends were consistent with descriptions at 6 months and at 9 months with performance closely tracking the Key targets.</p> <p>It was explained that the dip in tuition fee income from the age 19 plus</p>	

	<p>learner group indicated this group of learners who co-funded or self-funded their study were less accepting of taking out student loans. Numbers had been maintained as this year there had been take up with the subcontracted provision which was beyond the budgeted amount.</p> <p>The Apprenticeship & Skills area though currently behind would achieve profiled income.</p> <p>Short courses income was down on the previous year. There had been a restructure and focus on the mix of courses and commercial viability.</p> <p>There had been significant savings in direct pay costs through robust procedures and other efficiencies.</p> <p>Members discussed how performance in the year to date and full year moved. it was agreed that from the six month point this could be indicated in the report.</p> <p>Resolved:</p> <p>That the Financial Position Statement for the period ending 30 April 2018 be received and approved as submitted.</p>	
<p>33.18 <i>Decision</i></p>	<p><i>Myerscough Ventures Report for the Period Ended 30 April 2018</i></p> <p>Consideration was given to the Myerscough Ventures Financial Performance Report for the period ended 30 April 2018.</p> <p>At the end of the period the income contribution from Myerscough Ventures provided a total contribution of £1,192,057 ahead of profile by £87,469. With inclusion of the Farm, the total was reduced to £1,071,509.</p> <p>Areas had performed well, mostly on or above target. A new golf professional had been appointed after a four month gap, this had partly resulted in a reduction in expected income. Commercial Horticulture had also fallen short of target.</p> <p>Contributions to overheads were shown after the allocation of the direct costs associated with the activities.</p> <p>The Farm - Performance was significantly below projections. A discussion took place and members asked questions on aspects of performance described in the monitoring plan. The original year end outturn would not be achieved and the team were working hard to manage expenditure during the final period of the year. Members noted the monitoring plan, farm staffing, and attention to the farm enterprises under the relatively recently appointed Farm Director who had been making changes since he came into post. They sought assurance that the financial elements of negative variances were scrutinised.</p> <p>The Food, Farming, Technical & Innovation Centre (FFIT) - Members gave consideration to the summary of progress against FFIT / LEP targets to May 2018. Overall project targets were due to be achieved by 31 March 2021. College had agreed to the LEPs invitation to review them. Some were being exceeded and some were not. The activity targets were based on 2014</p>	

	<p>data. It was confirmed the figures for student growth related to all students. There would be a further report in September 2018, the LEP would have met in July 2018.</p> <p>Members asked questions on FFIT financial and strategic performance. The external marketing of the FFIT on the College website was in development and expected to be launched in phases as the materials were developed, with the conference venue web page to be launched first shortly.</p> <p>Resolved:</p> <ol style="list-style-type: none"> 1. That the financial performance report on Myerscough Ventures for the period ended 30 April 2018 be received. 2. That the Farm Monitoring Plan be received. 3. That the FFIT Progress Report be received. 	
<p>34.18 <i>Decision</i></p>	<p><i>Capital Expenditure Report for the Period Ended 30 April 2018</i></p> <p>Total expenditure against the annual budget of £3,978k for 2017 / 2018 amounted to £2,836k at 30 April 2018.</p> <p>The Committee noted progress made on the capital projects and that expenditure was within the agreed tolerance.</p> <p>Resolved:</p> <p>That the report on Capital Expenditure for the period ended 30 April 2018 be received.</p>	
<p>35.18 <i>Information</i></p>	<p><i>Education and Skills Funding Agency - Financial Health Check</i></p> <p>Members gave consideration to a letter from the Education and Skills Funding Agency, which confirmed Financial Health for Myerscough College as "Good".</p> <p>The letter also included a financial dashboard compiled from the information that Myerscough and other colleges submitted. This incorporated various key performance indicators and measures against both target benchmarks and benchmarks achieved in the sector.</p> <p>Resolved:</p> <p>That The EFA report on the Financial Health of Myerscough College be noted.</p>	
<p>36.18 <i>Information</i></p>	<p><i>College Funding 2018/2019</i></p> <p>Finance & Resources Committee gave consideration to the updated report on the current situation with regard to funding for 2018/2019 which had been considered at the last Corporation meeting in March.</p> <p>Members noted an overall decrease in funding of £341,089k and gave</p>	

	<p>attention to the various elements in the report.</p> <p>In response to questions Members noted the College course mix did have an effect on income as some courses, eg Agriculture and Equine had higher cost weightings.</p> <p>The appeal for additional funding for the College's High Needs learners from the Lancashire County Council was rejected. College would now seek extra allocation through negotiation with local authorities though this would be to a lesser amount.</p> <p>The ESFA had broadened the funding eligibility via a pilot for 2018 / 19 to provide full funding for level 2 courses to those aged over 19 who were in receipt of a low wage.</p> <p>Resolved:</p> <p>That the FE funding Report be received and the decrease in the funding allocation for 2018/19 of £341,089k be noted.</p>	
<p>37.18 <i>Decision</i></p>	<p><i>HE Tuition Fees 2019-2020</i></p> <p>Finance & Resources Committee gave consideration to the proposed Higher Education Tuition Fees for 2019/2020.</p> <p>To ensure compliance, Myerscough was required to work with UCLAN to agree the fee structure for new entrants in 2019/20 as part of the Access Agreement.</p> <p>The government had implemented a cap on full time degree fees of £9,250 so no increase was available. It was proposed to apply an inflationary increase to the fees for part time programmes for 2019/20.</p> <p>There was a discussion around part time International course fees with members noting these were in step with the market place and so no increase was recommended.</p> <p>Resolved:</p> <p>That the HE tuition Fees be submitted to Corporation for approval.</p>	
<p>38.18 <i>Decision</i></p>	<p><i>Statutory Risk Register</i></p> <p>Finance & Resources Committee gave consideration to those elements of the Statutory Risk Register applicable to the Committee. Changes were highlighted.</p> <p>Risk 3E, 'Failure to maintain and increase apprenticeships funding either from Levy payers/and or ESFATB learners in College' came under discussion due to CITB being unsuccessful with some non levy procurement. The matter was</p>	

	<p>under appeal. There was potentially a small risk of a lack of income for a group of learners.</p> <p>A revised treasury policy would be submitted to a future meeting to enable more opportunity to increase returns.</p> <p>It was agreed to incorporate 'impact of discussions to staff moral' concerning budgetary and staffing discussions.</p> <p>Resolved:</p> <p>That the Risk Registers relevant to the Finance & Resources Committee and associated actions be agreed.</p>	
<p>39.18 <i>Decision</i></p>	<p><i>Student Bursary Fund Allocations</i></p> <p>Finance & Resources Committee gave consideration to the Student Bursary Fund Allocations for the academic year 2018 / 19 and the revised FE and HE Student Bursary Policies.</p> <p>In response to questions members noted that bursaries were fully disbursed in year, a small carry over can be made to the next year. The audit last year gave a clean bill of health regarding disbursing bursary funds and so provides assurance of effective management and operation in this area.</p> <p>There was a discussion on the criteria for financial support travelling to and from College.</p> <p>Bursaries were paid in stages and linked to attendance.</p> <p>The FE and HE Bursary policies included minor updates to reflect the latest guidance from the ESFA and to provide clarity to applicants.</p> <p>Resolved:</p> <ol style="list-style-type: none"> 1. That the Student Bursary Fund Allocations for academic year 2018 / 19 be agreed. 2. That the FE and HE Student Bursary Policies be approved. 	
<p>40.18 <i>Decision</i></p>	<p><i>Human Resources Report for the Period Ended 30 April 2018</i></p> <p>Finance & Resources Committee gave consideration to the Human Resources Report for the Period Ended 30 April 2018</p> <p>The statistics indicated overall staff sickness percentage was ahead of target for this quarter though the overall sick pay total had increased for the year. Staff turnover at 15.48% was below the national benchmark. The largest group of leavers was from the support staff category.</p> <p>The stability index had reduced to 67.49% mainly due to a number of long serving staff retiring.</p> <p>Pay continued to be the main reason for leaving.</p> <p>Analysis of the statistics enables further analysis to identify areas where</p>	

	<p>attention is required. No particular trends to cause concern were identified in this period.</p> <p>Finance & Resources Committee received information on the wellbeing strategy and management approach to staff surveys. Members commented on the importance of investigating mechanisms to 'measure' staff feelings concerning any cultural impact, future staffing changes and reshaping may have.</p> <p>Resolved:</p> <p>That the Human Resources Report for the period ended 30 April 2018 be received.</p>	
<p>41.18 <i>Decision</i></p>	<p><i>Health and Safety Report for the Period Ended 30 April 2018</i></p> <p>Finance & Resources Committee gave consideration to the Health & Safety Report for the period ended 30 April 2018.</p> <p>There was an increase in reported accidents at 119 compared to 94 in the same period the previous year.</p> <p>The highest area for accidents was Equine with 45 overall (including Liveries and stables) which was an increase of 19 from last year. There are no obvious trends that would suggest the reason for this increase. There has been improved reporting of near misses which do sometimes get reported as accidents. New online reporting systems were being developed which would help distinguish between accidents and near misses. Off campus was the second highest this period with a number of sporting incidents being reported</p> <p>There had been 4 reported RIDDOR accidents.</p> <p>The information gathered this period showed that females are more likely to be injured and that the majority of them are residential and over the age of 18. This trend changes every period and the only category that stays the same is that females are most likely to be injured whilst at college.</p> <p>As requested details of insurance claims were included in the report.</p> <p>Members questioned awareness of mental health and safeguarding issues in the accident reporting and received information and assurance of processes in referring and recording matters.</p> <p>There had been three terrorist related threats via email. Procedures had been followed, all were hoaxes.</p> <p>Resolved:</p> <p>That the Health and Safety Report for the period ended 30 April be received.</p>	

Signed:

Date: