



THE WINDSOR FOREST COLLEGES GROUP RESOURCES COMMITTEE

MINUTES OF A MEETING OF THE RESOURCES COMMITTEE OF THE WINDSOR FOREST COLLEGES GROUP HELD VIA ONLINE VIDEO CONFERENCE ON WEDNESDAY, 24 JUNE 2020

		<u>Meeting Attendance</u>
PRESENT:	David Knowles-Leak (Chair)	(5 out of 5)
	Kate Webb	(5 out of 5)
	Tony Dixon	(5 out of 5)
	Arden Bhattacharya	(5 out of 5)
IN ATTENDANCE:	Graham Try (Deputy CEO)	
	Pankaj Makwana (Head of Finance)	
CLERK:	Lynn Payne	(5 out of 5)

PART I

AGENDA ITEM

ACTION

The meeting started at 6.10pm.

1. Apologies for Absence
Apologies were received from Martin Pritchett who had tried unsuccessfully to join the Teams meeting.
2. Declarations of Interest
No Members declared a conflict of interest with an item on the agenda.
3. Minutes of the Previous Resources Committee Meeting Held on 6 May 2020
The Minutes of the previous meeting held on 6 May 2020, having been previously circulated to members, were agreed as an accurate record and the Chair's electronic signature was applied.
All Members were agreed.
4. Matters Arising from the Previous Resources Committee Meeting Held on 6 May 2020
It was noted that all matters arising had either been actioned, or would be considered within the agenda.
5. Standing Agenda Items
 - a) Risk Management Action Plan 2019/20
This item was presented by the Deputy CEO. Members were advised of the key risks within the committee's remit. There were six high risks included in the College's overall risk management action plan. These were noted as:
 1. Overspending the 2019/20 budget and the risk of breaking loan covenants.
 2. Meeting learner number targets.
 3. External funding and budget risks.
 4. Reputation risk.
 5. Inability to recruit and maintain high quality staff.
 6. Arrangements around Covid-19

In relation to the risk on inability to recruit and retain high quality staff, there was a discussion on the increased cost of staff related to the need to employ agency staff. The Chair of the Board asked how many vacancies currently existed and was advised there were currently very few, together with a very small compliment of temporary agency staff. The Deputy CEO advised Members that there had been a reduction in staff temporary cover as a result of

**AGENDA
ITEM**

ACTION

Covid-19 and this was also a reason for the reduction in overall staff costs as covered in the Management Accounts.

The report was noted.

b) Treasury Management Update & Annual Strategy 2020-21

This item was presented by the Head of Finance. He advised members he had continued to monitor the credit standings of the approved counterparties and their relationships with their respective governments. He presented the latest standings and relationships as they were currently, compared to the positions reported to the committee in May. Members were advised of the current profile of the College's investments.

The Deputy CEO confirmed he was still in discussion with Santander and the College's solicitor regarding formalising the extension of the ESCROW arrangement from July to November 2020, as previously agreed by the Board and Santander. He reminded Members this included the ability to invest the £4.5million until November 2020. It was noted that the Board would need to formally agree that the ESCROW funds remained in place until November 2020, the College could then make the appropriate investment. Governors asked who the money would be invested with and the Deputy CEO advised it would be one of the approved counterparties.

Members agreed to:

- a) **Note the latest credit ratings of the College's approved counterparties.**
- b) **Note the details of the College's current investments.**
- c) **The Annual Treasury Management Strategy for 2020-21.**

6. Period 10 Management Accounts to 31 May 2020

This item was presented by the Deputy CEO. Members were asked to consider and note the College's latest financial position reported in the Period 10 Management Accounts. The Deputy CEO advised Members that the College's forecast year-end income and expenditure position was for a deficit of £2.514million, which was £1.164million higher than the £1.350million approved deficit budget for the year. He said this was also £287,000 lower (better) than the forecast deficit for Period 9. The Deputy CEO said the reduction in the deficit compared to Period 9 was mainly due to a reduction in the staffing costs overspend of £157,000, due to a significant reduction in temporary teaching and support staff costs due to Covid-19 lockdown. Further, a saving in non-staff costs of £66,000 was noted due to reduced spend across a number of budget heads due to lockdown, and an increase in deferred capital grants of £56,000.

The Deputy CEO advised members that there remained uncertainties regarding the impact on the current year's budget, of Covid-19 which could affect the current forecast position for better or worse. He said the key impacts and risks were set out in the report and one particular item related to the adult education grant income. The ESFA had agreed to 'protect' Colleges adult education grant funding based on the ESFA funding allocations for this year, except for Colleges who were under-delivery on forecast in the mid-year ESFA return. He confirmed the College's forecast was an under-delivery at the mid-year and therefore, the College would be subject to a review and decision from the ESFA on further funding in this area. The Deputy CEO advised it was possible that the College may be able to retain its full funding allocation, and if this was the case then the forecast deficit position included in the Management Accounts presented would improve by around £300,000, to a deficit of approximately £2.2million.

The Chair of the Committee referred to the forecast deficit of £2.514million, which was forecast to reduce the College's financial health from 'Good' to 'Requires Improvement'. This was going to be the case because of the low EBITDA ratio, as a percentage of College income. However, following the recent completion of the Langley land sale and significant improvement in the college's cash, the underlying deficit represented the greatest future financial risk to the College. Members considered and discussed the potential input there might be from Government to assist Colleges, and how they could lobby for further funds.

**AGENDA
ITEM**

ACTION

The Chair of the Committee was concerned that if the College did not meet academic targets, there might be financial implications and sanctions. The Deputy CEO commented that the ESFA had said that colleges would not be penalised in future funding allocations for lack of achievement during the Covid period.

Members discussed the position on sub-contracting, but as no more sub-contracting work was proposed, the risk is low.

The Chair of the Committee spoke about the College's ranking in Edurank, and that the College was rated 93 in the list and asked if it was reflective of where the College was, and if it was good or bad? The Group Principal said it was much better than where the College had been and places us in a good relative position, and it measured the depth and breadth of social media engagement and penetration. The Chair thanked the Deputy CEO for his report.

The report was noted.

7. Enrolment, Funding & Growth

The Group Principal presented the report on the latest enrolment figures against all income streams. She confirmed that, at the time of reporting the 16-18 learner headcount across the College Group was 2,676, which was 207 below the 2,883 needed in November to meet the financial forecast target. Apprenticeship enrolments were at 371 and might be below target. Adult enrolment was at 3,449. Higher Education headcount numbers were at 153 and below target.

The Group Principal advised members that the application figures were showing a very small increase across all three Colleges, with a particularly strong performance at Windsor College and a relatively poorer performance at Langley. She spoke about how the College may benefit in 16-18 numbers arising from difficulties with other 16-18 provision in the area.

Members noted the report.

8. Health & Safety Summer Term Report 2019/20

Members were advised of the work and performance in the health & safety area at the College this term. It was noted that since the start of the academic year there had been 23 reported accidents or near misses at the Colleges, Strode's, Langley and Windsor. The categories of accident or incident were detailed. In all cases staff and/or students had returned to work or continued with lessons. It was noted one case was reported to the HSE, as required under RIDDOR and the appropriate support was now in place in relation to that accident.

Members noted the report.

9. Evaluation of Meeting

Members questioned and appropriately challenged throughout the meeting. The key points are at the end of the Minutes.

10. Dates and Times of Future Meetings and Events

The dates and times of future meetings were noted as follows:

Scheduled for 6.00pm on Wednesday 9 December 2020

11. Any Urgent Business

No urgent business was raised.

The meeting ended at 6.55pm



Key evaluation points from the meeting where Governors felt they provided appropriate challenge & added value:

- Length of the meeting was about right
- Length of agenda items: The time spent on each agenda item was appropriate to inform the Committee's decisions and recommendations.
- The structure of the papers was easy to follow.
- The papers were clear and the information to support the decision making was fully complete.
- This meeting was held via Microsoft Teams and some members had difficulty entering the meeting or maintaining the connection.

Chair

Date

DRAFT