

College of West Anglia
Minutes of
The Finance and General Purposes Committee
15 November 2023
8.30am
Meeting Room – Principal’s Suite

Present	Hein van den Wildenberg	Governor (Chair)	In person
	Carolyn Rand	Governor (Vice Chair)	Remote
	Malcolm Pearson	Governor (Co-opted)	In person
	Donna Woodruff	Governor (Staff)	In person
	David Pomfret	Governor (Principal/CEO)	In person
Attending	Paul Harrison	Vice Principal Corporate Services	In person
	Kerry Heathcote	Deputy CEO/Vice Principal Curriculum & Quality	In person
	Rob Petto	Assistant Principal Funding and Performance	In person
	Jenny Quaif	Head of Finance	In person
	Michelle Blake	Marketing Manager	In person
	Paul Smith	Head of Employer Liaison, Partnerships and Commercial Training	In person
	Adam Thompsett	Head of Property Services	In person
	Jules Bridges	Head of Governance	In person

No.		Action
1	<p>Apologies Apologies for absence were received from Alan Measures</p>	
2	<p>Declarations of Interests There were no declarations of interest.</p>	
3	<p>Minutes of the previous meetings held 27 September 2023 The minutes of the meeting held on 27 September 2023 were reviewed and agreed as being an accurate record of the meeting.</p>	
4	<p>Matters Arising The actions arising from the previous meeting were summarised in the progress report and all actions reported had either been resolved, or where appropriate, an update had been provided on progress elsewhere on the agenda.</p> <p>The partner at RSM UK LLP has been approached to discuss the value of retaining the two subsidiary companies and the VAT implications but no response has been received at this time. This will be chased.</p> <p>Discussions continue with Edu Lettings on their ‘lite’ proposal but their main interest is sports facilities so there is little confidence that this will generate much in the wider promotion/commercial interest of college facilities.</p> <p>All other items were completed and are to be removed from the report</p>	<p>VPCS</p> <p>VPCS</p> <p>HoG</p>
	M Blake joined the meeting at 8.35am	
5	<p>Annual Marketing Plan – Review of Progress 2023/24 The Marketing Manager reported that the autumn term is focused around 16-18 activities: applications and school liaison predominantly. With the feeder school and CAP school bookings for November there is confidence that the projected 96.3%</p>	

target will be achieved. The team continues to approach new schools and contacts each year.

Open days started in September and an increased footfall at the Wisbech campus was reported, 158 compared to 148 in 2022/23.

In terms of the employer engagement a reception survey was carried out and this will inform the marketing plan of where best to utilise resources to target this stakeholder group and respond effectively to the feedback/comments received. This may involve a digital LinkedIn awareness campaign for example.

The main piece of work around Higher Education for the team has been the successful graduation ceremony back in October 2023. For adults the team has been working closely with the AEB team, supporting them with lots of campaigns and events and staff recruitment is another area where the team are working cross college to deliver some events to help HR attract applicants into the FE Sector and into teaching.

Noting the increase in 16-18 students this academic year governors questioned if there was anything that the team had done differently that has driven the influx of student numbers. The team planned in year to introduce a 'late applicant' day delivered at all campuses the day after GCSE results day. A combination of the changes around GCSE grades and the ability of the college to capture this immediately meant that students getting their results who were now unsure about their plans could get the advice and guidance, and quick enrolment onto the right programme for them. These events are now planned into the marketing programme for the year. The Principal/CEO concurred that the rapid turnaround for young people in such a busy and chaotic time for them really made a difference. Statistics recently released show that 38% of colleges have seen at least a 10% growth in 16-18 study programme numbers and CWA is part of that percentage but this is a pattern across the sector. There is a higher profile of lower-level grade students this year as the government adjusted GCSE grade boundaries resulting in a national swathe of young people not achieving English and maths. The other pattern is HE which is haemorrhaging in FE colleges with a significant number of colleges seeing upwards 20% reduction in HE numbers and a good number of colleges are behind target on AEB.

Absent member, Alan Measures, had communicated with the Chair by email and asked how T Levels are being marketed relative to the other longer standing qualification alternatives. The career guide for young people is segmented into A Level, Vocational, T Level, and Apprenticeship options for school leavers and in addition this is available on the college website. As the T Level offer grows, the marketing among schools and other stakeholders will be increased to raise awareness of the career path opportunities and progression through this alternative qualification.

M Blake left the meeting and P Smith joined the meeting at 8.45am

6 Subcontractor/Partnership Activity 2023/24

The subcontractor performance for last year was good overall albeit one partner has withdrawn from the market. Regarding 2023/24 the college has tendered the contract previously delivered by Norfolk Fire and Rescue Service who have withdrawn, Art Academy East have also withdrawn and notice has been given to Solutions 4 Polymer to confirm that this will be the last year that the college will contract.

*Confidential item under Instrument 17(2) of the Instrument and Articles of Government
This item was deemed to be confidential*

The report detailed the partners that the college is in contract with this academic year. It was noted that the size of delivery can flex and some AEB provision has been shifted to the Norwich School of Beauty and to Family Action. Some AEB has also

been held back for the Princes Trust contract, currently out for tender. There is confidence that the two providers who have tendered would be competent to deliver on this contract.

As reported previously the college has been approached by St Edmunds Society [St. Eds] of Norwich who are seeking a funding partner to provide alternative learning provision for young people aged 16-25 on Construction, Transport Maintenance, Catering and Hospitality, and Hair and Beauty. They have entered into a relationship with East Coast College but none-the-less are still interested to also partner with CWA but this may not transpire until the 2024/25 academic year.

The Chair asked to receive a copy of the subcontracting standard internal audit report. HoG

P Smith left the meeting at 9.05am

7 CWA Accounts for the year ended 31 July 2023

1. Draft members report and financial statements

This is the first year that RSM UK Audit LLP have undertaken the external audit work, and there is still some field work yet to complete. The draft year end position is around £140K surplus after some audit adjustments and there are no substantive/material findings found to date. It was noted that technical clearance is awaited on the FRS102 Pension position as many clients are showing a net asset on the balance sheet and stating a value down to zero. The committee received a reconciliation that tracks the management accounts position to the corresponding position of the income and expenditure statement.

Noting that auditors are still to complete their field work the committee questioned if there was a risk that the year-end accounts may not be prepared in time for filing at the end of December 2023. The annual report is expected this week for the Audit committee meeting to be held next week and no concern has been raised by RSM UK Audit LLP that their work could not be concluded. They had flagged that PwCs funding audit is continuing, and they are concerned for the late delivery of the results of that, and possible implications for their audit work and ability to sign off the accounts. An update is expected later this week, but the accounts are due to be presented to the Corporation for approval at the meeting to be held on 6 December 2023.

2. Draft letter of representation

RSM UK Audit LLP are still to prepare the draft letters of representation. These will be shared with the committee as soon as they are received. HoG

The Chair is particularly interested to receive assurance on the position of the going concern of the college. HoF

8 Management Accounts – September 2023

The management accounts show a surplus of £431K against a budget of £13K however based on so many revisions since the budget it would be prudent to recast the budget. Primarily the surplus is due to wages and salaries being a positive variance and unbudgeted income received. In addition, the ESFA has announced an in-year growth funding allocation (due in April 2024) anticipated to be around £600-£700K. The final return in early December will lock in the value of the in-year growth allocation. The committee agreed with the proposal to recast the budget and the Chair suggested to convene a special meeting of the Committee in January 2024 to consider the new budget position and the corporation will be informed. Chair

9 Financial Dashboard

The ESFA monitors college finances and their controls and measures have been increased. The college is debt free, with good levels of cash against liquidity, resulting in good financial health determined for 2022/23 and 2023/24.

There are financial dashboards available on the portal for governors to access.

It was noted that the model that generates financial health is up for debate and the ESFA is considering introducing a new model, but this has not been determined yet.

The Chair postponed for a short interlude at 9.25am. R Petto joined the meeting at 9.30am

10 Funding Position and Data Control

It was reported that study programme recruitment has been strong with 3,048 learners on programme. All bar 96 of those (2592) have passed the census point and numbers are starting to slow down with those learners with lower attendance being managed. If the college retains 2,975 learners, this will attract c.£635K in-year growth allocation.

The AEB income line is looking challenging and as reported above there will be some redistribution of some subcontracted provision. AEB recruitment has not been strong but is largely on par with last year although the budget requires £150K to £200K growth. The college has been awarded a Skills Boot camp contract at Wisbech for £30-50K income which will be 19+ adult delivery for a 60 hour course. This is a Level 3 engineering boot camp for 10-15 learners. This pilot will position the college well for future bootcamp tender opportunities expected next year. Funding will be dependent on all learners achieving all three milestones, so it was noted that this funding stream is a riskier income line and not as secure as other funding streams.

It is too early to make any solid considerations on apprenticeship income other than that the budget remains ambitious. Learner loans are on track to achieve or maybe slightly exceed budget income.

Most funding streams have been finalised with both audit firms and apprenticeship evidence provided to satisfy auditors queries on income testing. It was noted that no funding adjustment is likely to arise from the full funding audit with PwC and any adjustment with RSM is likely to be under the material threshold enabling sign off of the accounts.

R Petto left the meeting, and A Thompsett joined the meeting at 9.45am

11 Tower Roof Repairs Update

The Head of Property Services provided a background history for the benefit of newer committee members on the repairs necessary in respect of the roof of the Tower. The Tower Block was refurbished back in 2012 and everything was taken back to its bare structure. The roof that had previously been redone, two/three years prior to that with a bituminous layer left, with an overlaid rubberised membrane. In 2013 the roof failed due to storm damage and under insurance the roof was replaced however there was an agreement that the college would do an enhancement at that time with some additional fixings put around the outside of the parapet upstand and this was completed at the colleges cost. Fast forward to 2021 another failure of the roof occurred, similar to that of the failure back in 2013, with rippling of the rubberised membrane and air getting underneath and blowing over the roof at high-speed causing the foil facing to rip away.

This item was deemed to be confidential

The report to the committee proposes a Bauder system to try to mitigate any recurrence. The advantage of using Bauder is that they design the system and manufacture their own insulation for example and use their own specialist contractors on the installation. Bauder have been onsite to see the roof and have proposed four different systems with the top two identified as BTRS and BTRS Plus which are both bituminous solutions (not rubberised membranes). Both products come with a warranty to cover product workmanship and design of the total system. The BTR option has a 20-year warranty period and 25 years for the BTRS Plus option. With Bauder flex option, again this is bituminous solution with a 20-year guarantee on workmanship, but this does not cover the system design.

The college is keen to tender the works with the Bauder specialist installation contractors noting that this could take up to six months to complete as there would be some temporary works required to keep services running and the Tower Block operational. There may be some impact for the eighth floor and a compound on the ground floor on the grass area and access via an external lift/staircase. Once insurers have been consulted with, the college is intending to tender the works with the view to start in April 2024 with a completion for September 2024.

The committee acknowledged that the proposal preference is the BTRS solution as opposed the BTRS Plus option as costs are likely to be cheaper however if costs are not too different the committee would like to consider the plus option.

This item was deemed to be confidential

A Thompsett left the meeting at 10.05am

12 **Contracts £100k - £500k and Single Payments >£1m**

The report was noted by the Committee with no arising questions given that single payments more than £1m between 25 May 2023 and 8 September 2023 was a nil return.

13 **Financial Regulations**

The financial regulations have been separated out from the governance elements which will become the standing orders. The substantial changes to the financial regulations include the ONS reclassification and requirements under managing public money. A section has also been added to detail the arrangements if a deviation from procurement regulations is required and aligned with the scheme of delegation would require the approval of the corporation if over £75K.

Committee members were encouraged to provide comments/amendments/feedback on the regulations to the VPCS. The Chair mentioned that the gifts and hospitality section could be tighter, and it was agreed that this would be something that the VPCS and HoG would research and weave into the college's anti-fraud/anti-bribery policy. The Chair asked that the table of terminology/definitions at the beginning of the document is reinstated as this was tracked to be removed. Noting the changes highlighted by the committee and proposed by the Chair in an email ahead of the meeting these will be updated, and a copy shared with the corporation for approval at the meeting to be held on 6 December 2023.

All
VPCS/HoG
VPCS

14 **Treasury Management Policy**

The committee received version 3 presented as the investment criteria and categorisation of investments have been revisited and then the requirements under managing public money around borrowing are now also included. The VPCS thanked governor, Cally Rand, for her help and support to improve the policy which the committee was content to now **approve**. The Chair asked for a note to be included in the management accounts to highlight the investment percentage for that period.

HoF

15 **Strategic Targets 2023/24 Progress Review**

Reasonable and good progress has been achieved with just one behind target relating to in year carbon reduction which is difficult to measure particularly so early in the academic year. Comments had been made by absent member, Alan Measures, by email on targets 4.4 and 4.6 which will be shared with the relevant strategic target owners to respond noting that the Head of Property Services will be asked to consider target 4.6 as part of the college property strategy.

HoG

The Chair noted that the commentary against target 4.8 mentions that the intention is to relocate the Foundation provision from Providence Street by December 2023 and questioned if this was on track, and under 4.9 cyber essentials plus was mentioned as being underway, but this has been achieved. It was confirmed that this was the position at the time of writing/updating the report so the next progress update will note the relevant completed aspects of these targets.

16 Any other business

There were no other items of business.

17 Chair's items for briefing to Corporation

- Good progress and positive impact of the Marketing Strategy
- Notice has been given to Solutions for Polymer for the subcontracted work. The college will support S4PL to transition learners onto alternative provision
- The draft year end accounts were received but some audit testing remains incomplete
- The September management accounts have been considered but a special meeting will be convened for January 2024 as the budget will be recast
- The college remains in good financial health
- The PwC audit is unlikely to require any funding adjustment
- Costings have been requested for a roof solution with Bauder for the Tower Block
- The financial regulations will be recommended to the Corporation to approve
- The Treasury Management Policy has been finalised and agreed

18 Date and time of next meeting

Special meeting in January 2024

Regular next meeting: Wednesday, 28 February 2024 at 8.30am

Chair

Meeting ended at 10.25am