

**MINUTES OF THE MEETING OF THE CORPORATION HELD 14 DECEMBER  
2015**

Present: Mr Robert Hails (Chair)  
Mr Steve Oxlade (Executive Principal)  
Mr Del Attah  
Mr Ian Fortune  
Cllr Chris Wright  
Mr Mark Coleman  
Mr Brett Freeman (Principal)  
Ms Yvonne White  
Mr Andrew Booth  
Ms Phidelma Keating  
Ms Akua Apeagyei

In Attendance: Mr Richard Beales (Assistant Principal)  
Ms Kim Saw (Director of Finance)

**PREVENT TRAINING**

Prior to the start of the Corporation meeting, Mr Robert Hails, Mr Ian Fortune, Mr Del Attah, Cllr Chris Wright and Ms Phidelma Keating received training on 'Prevent Matters'.

**APOLOGIES, QUORACY & DECLARATION OF INTERESTS**

26. Apologies were received from Mr Jon Allen, Mr Michael Jones, Mrs Jennifer Tindle and Ms Sharmin Joarder. It was confirmed the meeting was quorate. Mr Ian Fortune, Mr Mark Coleman, Mr Steve Oxlade and Mr Robert Hails declared an interest in their capacity of being members of the Corporation of Reigate College. Councillor Chris Wright declared his interest of being an elected member of Croydon Council.

**MINUTES**

27. It was **RESOLVED** that the minutes of the Coulsdon Corporation meeting held 21 September 2015 (Paper 1) be approved as an accurate record of the meeting and to authorise the Chair to sign the minutes.

**MATTERS ARISING**

28. The only action point from the last meeting was for the Clerk to circulate to governors a role description for the designated governor with responsibility for Safeguarding and Prevent, and to seek a volunteer for the role. The role descriptor was circulated (Paper 2) and it was **NOTED** that Ms Phidelma Keating has agreed to take on the role for Coulsdon.

## FEDERATION UPDATE

29. The Executive Principal provided Members with an update on the Federation. The news from the Chancellor's [recent Comprehensive Spending Review](#) on funding was better than expected but the details needed to ascertain the exact effects for future years were unlikely to be available until the last day of term. The Executive Principal outlined in as much detail as currently available, the possible options around academisation. This subject will need to be addressed in connection with the upcoming Area Based Reviews, and he proposed that the Corporation's Strategy meeting in March should be entirely devoted to discussion on these subjects. This proposal was agreed. The update was **NOTED** and welcomed by Members.

## DATA DASHBOARD

30. The College report '*Data Dashboard*' was received (Paper 3). It was confirmed that the '*Data Dashboard*' would continue to be a standing agenda item at all Corporation meetings. The data dashboard made available a RAG rated assessment against each target to enable governors to monitor performance against agreed targets.

31. Targets for 2016-17 student numbers have been revised to keep in line with the financial projections previously discussed with the EFA. However, this will require an increase in new enrolments of 75 and an increase in progression from 80 to 83%. A considerable amount of work has been done this term to stabilise the student population and applications are up 36% (year on year comparison between 1 December 2015 and 2014). Maintenance of applications at this level would indicate that the revised targets though challenging, could be achievable.

32. The main KPIs were outlined briefly (having been discussed in some detail at the Planning & Performance Committee) and a proposal to simplify Table 2 by eliminating the "floor" targets was agreed.

33. It was **RESOLVED** to note the '*Data Dashboard*'.

## REPORT FROM THE PLANNING & PERFORMANCE COMMITTEE

34. In the absence of the Chair, the new incoming Chair of the Committee presented the draft minutes/report from the meeting of the Committee meeting held 02 November 2015 (Paper 4). The Committee reviewed the following:

- Recruitment Update
- Success Report
- College SAR
- College Quality Improvement Plan
- Attendance Report
- Teaching, Learning & Assessment
- Staff/Student Surveys
- Staff Development Plan

## College Self Assessment Report 2014/15 & Quality Improvement Plan 2015/16

35. It was confirmed the '*College's Self Assessment Report 2014/15 (SAR)*' (Paper 5) had been revised since the Committee meeting but was still a draft. This document builds on the self-assessment process that involved all staff, from the end of the summer term, completing their own SAR and Quality Improvement Plans (QIP) in their teaching or service departments. In the autumn term these are then moderated by senior managers which, in the case of teaching departments, include the Department Review with the Principal and then, for some, this also involves a Moderation Panel with Governors and an external peer reviewer from an outstanding College. There were still some aspects under consideration and it was agreed that the final document would be confirmed at the next Planning & Performance meeting in February. If any members of the Corporation had any specific comments on this draft version of the SAR, they should send them direct to the Deputy Principal.

36. The '*Quality Improvement Plan 2015/16*' (QIP) (Paper 6) addressed areas for improvement identified through the self assessment process. At the last Planning & Performance Committee meeting some additional detail was requested for the draft QIP on specific actions, times and targets. The updated version was discussed and it was agreed that it should be considered in detail by the Committee at its next meeting, and until then the level of assurance on the QIP should remain as medium (Amber).

37. It was **RESOLVED**:

- (i) To note the minutes of the meeting of the Planning & Performance Committee meeting held 02 November 2015; and
- (ii) To postpone approval of the Quality Improvement Plan 2015/16 to the next Planning & Performance Committee meeting.

## **REPORT FROM THE FINANCE & GENERAL PURPOSES COMMITTEE**

38. In the absence of the Chair of the Committee, the Chair of the Corporation presented the draft minutes/report from the Committee meeting held 09 November 2015 (Paper 7). The Committee reviewed the Management Accounts to September 2015 (Paper 8) – the review of the Financial Statement & Annual Report 2014/15 (Paper 11) was made under paragraphs 47 to 51 below.

39. Following a review of the Management Accounts, the Corporation noted:

- Surplus before non – cash items for August/September £11k (YTD actual surplus £11k vs. YTD budgeted loss £49k) .
- Retained loss (after deduction of depreciation and release of capital grants) for August/September £ 14k (YTD actual loss £14k vs. YTD budget loss £79k.
- Financial health grade (FHG) is good as at August/September due to the small surplus before non-cash items & the cash balances held at the month-end. The FHG is projected to be Satisfactory at 31st July 2016.  
Bank & Cash and Investments as at 30th September £2,481k, £277k more than the budgeted figure of £2,204k . Projected cash balances at 31st July 2016 are £765k vs. budget £871k.
- Net assets as at 30th September £29,080k

- Year-end Forecast remains as per the budget of a deficit of £1,376m before non-cash items.

40. The Management Accounts are based on 787 funded learners. Currently the College has 914 on roll after the 6-week enrolment rule. The College has applied to the EFA for exceptional in-year funding for 2015-16, although no additional income is included in the Income & Expenditure account. However, the impact of receiving additional funding is considered in the cashflow forecast shown on page 8 in the Management Accounts (this assumes that £590k would be made available in March 2016, being £5k for 118 additional students over the 2015-16 funded learner number). If the full in year additional funding were made available, it would be based on an extra 127 learners.

41. It was agreed to change the process for recommending the Financial Statements to the Corporation for approval and the terms of reference of this Committee and the Audit Committee were changed accordingly. The new process requires the Finance & General Purposes Committee in the first instance to review the financial information and commentary in the year-end accounts, and once reviewed, to inform the Audit Committee of the outcomes of their review. The Audit Committee then consider the outcomes of the review conducted by the Finance & General Purposes Committee and all the audit and assurance opinions received, on the adequacy of the operation of financial and other controls, before making any final approval recommendations to the Corporation regarding the accounts.

42. The Committee reviewed the text and financial figures contained within the report and the following key points were noted by the Corporation:

- (i) The Corporation is able to state that a formalised process for identifying, evaluating and managing the College's significant risks has been in place and operational during the year-ended 31 July 2015;
- (iii) The reports from the financial statement auditor confirmed an unqualified opinion is being offered on both the accounts and regularity audit; and
- (iv) The College's financial performance in 2014/15 recorded an operating deficit on continuing operations after depreciation of assets at valuation and tax of £1,004m. The year-end outturn was very much in line with the forecast of a year-end deficit reported in the last set of Management Accounts presented to the Committee;

43. There took place a lengthy discussion by the Finance Committee on 'Going Concern'. On Page 17 in the Financial Statements the following statement is made: '*After making appropriate enquiries, the Corporation considers that the College has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the Financial Statements.*'

44. At the meeting the Committee sought clarification on the timescale that applies to '*foreseeable future*'. In response the Director of Finance said 12 months was the general guideline but it was only a guideline. The Committee noted the cashflow forecasts, without any exceptional in-year funding, records the College will have no reserves from January/February 2017, and so within 13/14 months the College would not be a going concern.

45. The Finance Committee resolved to inform the Audit Committee that there were no issues of concern to report to the Audit Committee other than on the matter relating to 'Going Concern'. The recommendation from the Finance & General Purposes Committee was that Financial Statements could only be approved and signed by the Chair and Chief Accounting Officer on receipt of written confirmation from the EFA of a commitment to receive in-year exceptional funding.

## **REPORT FROM THE AUDIT COMMITTEE**

46. The Chair of the Committee presented the draft minutes/report from the meeting of the Committee meeting held 23 November 2015 (Paper 9). In addition to the Financial Statements, the Committee reviewed in detail the Annual Report 2014/15 from the Audit Committee to the Corporation and Chief Accounting Officer (the Executive Principal) (Paper 10).

47. The Audit Committee at its meeting on 23 November 2015 agreed the following resolution:

*Following the opinions made available to the Audit Committee from the auditors and the Finance & General Purposes Committee, and taking into account the issues on 'Going Concern' and for the need of in-year exceptional funding, it was **RESOLVED** to recommend to the Corporation the Financial Statements can only be approved and signed by the Chair and Chief Accounting Officer on receipt of written confirmation from the EFA of a commitment to receive in-year exceptional funding.*

48. The Corporation received an update on the meeting held with the EFA that took place on 26 November. At this meeting the Executive Principal and Chair of the Corporation put forward the strong case that exceptional in-year funding should be received as the Federation has delivered on all of its milestones and targets agreed with the EFA when the Federation was formed; and in-year growth of student numbers for 2015/16 had exceeded the EFA's own 15% growth figure for triggering exceptional in-year funding. The EFA were informed that without a written commitment from them on their agreement to exceptional in-year funding being available, the Corporation would not be in a position to sign and approve the Financial Statements 2014/15, due to concerns over the College's "going concern" status. The additional financial information requested by the EFA had been supplied subsequent to the meeting. However, the only response received from the EFA to date was an email that included insufficient assurances over the provision of in year funding.

49. Once confirmation has been received from the EFA on the funding available for 2015/16, the wording included on page 17 of the Financial Statements in connection with the basis on which the "going concern" statement can be signed off, needs to be crafted very explicitly.

50. In the Annual Report 2014/15 from the Audit Committee to the Corporation and Chief Accounting Officer (the Executive Principal), Audit Committee confirmed the following opinion:

*Based upon the work and professional opinions made available to the Committee from the Internal Audit Service and the Financial Statement Auditors, and in particular after considering the Audit Findings Report and the report from the internal audit service, the Committee is satisfied that the College's whole system of internal control are adequate and effective. The Committee is satisfied that where weaknesses have been identified they have been responded to in an appropriate and timely manner.*

51. It was **RESOLVED:**

- (i) To note the minutes of the meeting of the Audit Committee meeting held 23 November 2015;
- (ii) To approve the Annual Report 2014/15 from the Audit Committee; and
- (iii) To authorise the Chair and the Chief Accounting Officer to sign the Corporation's Financial Statements and the Chair to sign the 'Letters of Representation', only after receipt of written confirmation from the EFA of a commitment to receive full in-year exceptional funding for 2015/16 based on 914 learners

#### **ANY OTHER BUSINESS**

59. This was to have been the last Corporation meeting to be attended by Mrs Jennifer Tindle, but unfortunately she had sent her apologies as she is recovering from injuries suffered in a car accident last week. The Chair confirmed that he had had a telephone conversation with her earlier that day, and she had appeared to be in good spirits but frustrated by the restrictions put on her by the doctors. Nevertheless, in Jennifer's absence the Chair wanted to place on record the sincere appreciation for her contributions since March 2013 not just to the Corporation, but also to the Planning & Performance Committee that she chaired effectively, and to the College in her capacity as the nominated safeguarding governor. Corporation members wished Jennifer well for her future plans.

#### **DATES OF NEXT MEETING**

60. Strategic Board Meeting Monday 07 March 2016 @1730  
Board meeting Monday 14 March 2016 @ 1800

Signed: \_\_\_\_\_

Date: \_\_\_\_\_