

**MINUTES OF THE PART I MEETING OF COULSDON COLLEGE  
CORPORATION HELD ON 06 JULY 2015**

Present: Mr Robert Hails (Chair)  
Mrs Jennifer Tindle (Deputy Chair)  
Mr Andy Booth  
Mr Mark Coleman  
Mr Paul Brightly-Jones  
Mr Ian Fortune  
Mr Michael Jones  
Ms Phidelma Keating  
Ms Yvonne White (up to and including agenda item 8(iii))  
Mr Chris Wright  
Ms Akua Apeagyei (Student Governor)  
Mr Steve Oxlade (Executive Principal)  
Mr Brett Freeman (Principal)

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

**GOVERNOR TRAINING SAFEGUARDING & PREVENT**

Prior to the start of the Corporation meeting, seven governors receive training on Safeguarding & Prevent, delivered by Melanie Pearl the Director of External Pastoral Liaison and Intermediate Pastoral care at Reigate College. The members in attendance were Robert Hails, Michael Jones, Ian Fortune, Jennifer Tindle, Chris Wright and Phidelma Keating.

**APOLOGIES, QUORACY & WELCOMES**

124. Apologies were received from Mr Del Attah, Ms Sharmin Joarder and Mr J Allen. It was confirmed the meeting was quorate.

**DECLARATION OF INTERESTS**

125. The interests of Robert Hails, Jennifer Tindle, Mark Coleman, Ian Fortune, Michael Jones and Steve Oxlade were declared given their membership of the Corporation of Reigate College.

**MINUTES**

126. It was **RESOLVED**, subject to minor corrections, to approve the minutes of the meeting held 16 March 2015 as an accurate record of the meetings and to authorise the Chair to sign (Paper 1)

127. It was **RESOLVED**, subject to minor corrections, to approve the minutes of the meeting held 03 May 2015 as an accurate record of the meetings and to authorise the Chair to sign (paper 2)

### **SUMMARY ACTION LIST & MATTERS ARISING**

128. The '*Summary Action List*' was received (Paper 3) and the following updates were noted:

Minute 77: Next year strategy meetings on separate dates have been arranged for the two Corporations and the Clerk has included this in the annual cycle of business for 2015/16.

Minute 86: Principal confirmed to the Corporation that Cristel Hartland is the current nominated senior college manager with responsibility for safeguarding, following the departure in May of Karen Coles. Paul Brightly-Jones, the current designated Safeguarding Governor, is retiring from the Corporation after this meeting – a governor to replace him will be confirmed at the September Corporation meeting.

Minute 98: Director of Finance has made available a copy of the Management Accounts considered at the F&GP Committee - Agenda item 8(ii) at today's meeting. This will be a standard future agenda item.

Minute 102: College's Risk Champion has made the revised Risk Management Policy & revised Risk Register available for approval by the Corporation under agenda item 9(iii) at today's meeting.

129. There were no matters arising that were not covered elsewhere on the agenda.

### **FEDERATION UPDATE**

130. The Executive Principal confirmed that Federation matters would be covered in later agenda items.

### **DATA DASHBOARD/MONITORING OF COLLEGE PERFORMANCE**

131. The College report '*Data Dashboard*' was received (Paper 4). This '*Data Dashboard*' is a standing agenda item at all Corporation meetings.

132. The Dashboard included a RAG (Red/Amber/Green) rated assessment to highlight key issues or changes to enable governors to monitor performance against agreed targets. The main point noted was whilst retention rates for 2014/15 were lower than for 2013/14, they were generally still above national averages and it was felt that the earlier year's figures were flattered by the students who had left the College at the end of 2012/13 following the management changes introduced during that year.

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

### **PLANNING & PERFORMANCE COMMITTEE**

134. The Chair of the Committee presented the draft minutes/report from the meeting of the Committee meeting held 18 May 2015 (Paper 5). The Committee had reviewed the following:

- College's progress against KPIs
- College Quality Improvement Plan 2014/15
- Progress against Minimum Target Grades
- Attendance Report
- Success, Retention & Achievement
- Teaching, Learning & Assessment
- Staff Development Plan 2014/15

135. It was **RESOLVED** to note the minutes.

### **QUALITY IMPROVEMENT PLAN (QIP)**

136. The College '*Quality Improvement Plan*' (QIP) was received (Paper 6). The College QIP takes forward the actions from areas for improvement identified during Ofsted Inspections and the College's self-assessment activities. The QIP is presented around three key strands: outcomes; quality of provision and teaching, learning & assessment; and leadership and management.

137. The Assistant Principal confirmed that the majority of targets had been achieved. There were some aspects that would continue and be included in the next QIP for 2015/16, which would soon be created by the SLT. The Corporation noted that no issue of concern was reported to the Committee.

138. It was **RESOLVED** to note the '*Quality Improvement Plan*'

### **FINANCE & GENERAL PURPOSES COMMITTEE**

139. The following items were received:

- Unconfirmed minutes of the meeting of the Finance & General Purposes Committee held 08 June 2015 (Paper 7)
- College March Management Accounts for information purposes that were subject to detailed review from the Finance & General Purposes Committee (Paper 8)
- College Budget 2015/16, with amendments requested by the F&GP Committee (Paper 9)
- 2 Year Financial Plan 2015/16 and 2016/17 (Paper 10)

140. The following points were noted by the F&GP Committee when reviewing the proposed budget for 2015-16:

- The EFA have confirmed funding for 2015-16 of £3.94m, based on 787 students.
- No provision had been made in the budget for exceptional in-year funding, which may be available if actual student numbers for 2015-16 increase by more than 15% of lagged student numbers, which equates an increase of 118 students or 905 students in total.
- Based on the number of applications received to date, expected progression and improved retention, student numbers may exceed 905 for 2015-16.
- The pay budget includes all known staffing requirements, as well as increases in the rates of National Insurance and Pension contributions and a 1% pay award (pensionable).

- Other non-pay costs not mentioned above are based on current year forecast levels plus some allowance for inflation in certain areas.

141. The Director of Finance confirmed the EFA requires a 2 Year Financial Plan to be submitted to cover the period 2015/16 and 2016/17. Preparation of the 2016/17 plan figures using the assumptions in the 2015/16 budget considered at the F&GP meeting revealed that the College's cash reserves would become negative during the 2016/17 financial year (around January 2017), with a closing cash balance at 31.7.17 of -£802k. The F&GP Committee requested the Director of Finance to do a detailed review of the draft budget to confirm whether any overly conservative assumptions were still included. The resulting slightly amended budget has therefore been prepared as follows:

#### Proposed amended budget 2015/16

	£000
Total income	4,221
Pay	(4,182)
Other operating costs incl interest	(1,416)
<b>Cash based operating deficit</b>	<b>(1,377)</b>
Non-cash items	(181)
<b>Retained deficit</b>	<b>(1,558)</b>
<b>Closing cash reserves at 31.7.16</b>	<b>871</b>
<b>Capital expenditure budget:</b>	<b>NIL</b>

The amendments made to the 2015/16 draft budget comprised:

- **Other operating costs:** reduction of £85k; all costs frozen at 2014/15 forecast levels other than those associated with the Futsal programme (£117k)
- **Non-cash items:** reduction of £74k; estimate of FRS17 costs removed in order to be consistent with the 2Y Plan.
- **Capital expenditure budget:** Removed as insufficient cash flow

142. If the 2015/16 budget is amended as above, and the same assumptions used for 2016/17, then the College's cash reserves would still become negative during the 2016/17 financial year (around March 2017), with a closing cash balance at 31.7.17 of -£232k. This is a significant issue since the question of the College remaining a "going concern" will be assessed when the Report for the year 2014/15 is considered at the December Corporation meeting. Going concern status could only be confirmed if the college's financial position was seen as satisfactory for a minimum period of 12 months following the December meeting date.

143. Based on the latest details, the forecast number of students on roll for 2015/16 is 930, which is 18.2% higher than the number of 787 at enumeration date in the current academic year. From recent discussions with the EFA, the College understands for 2015/16, that where the number of students on roll exceeds the funded number by at least 15%, the EFA will provide exceptional in-year funding based on current student numbers. In these circumstances that would amount to an extra £715k of EFA funded income in 2015/16. If this additional funding were received prior to 31.7.16, then cash reserves would remain positive throughout 2016/17 with a closing cash balance at 31.7.17 of +£483k – which could remove any concerns next December over the College's "going concern" status.

144. The 2- Year Financial Plan 2015/16 & 2016/17 that has to be submitted to the EFA confirms the College is rated as **Satisfactory** for 2014/15 (although the number of points should generate a financial health assessment of **Good**, the maximum grade which can be obtained with a negative performance ratio is **Satisfactory**) and **Satisfactory** for 2015/16, but **Inadequate** for 2016/17.

145. An **Inadequate** financial health assessment for 2016/17 would trigger the EFA to issue a Financial Notice of concern after the 2015/16 Financial plan is submitted to the EFA (31<sup>st</sup> July 2016) – this situation is dependent on whether additional in-year funding is made available during 2015/16

146. There was a detailed discussion of the current state of offers and acceptances for new students for 2015/16 in the context of the more general situation of sixth-form provision in the Croydon area. There could be opportunities for increasing the number of “partner status” schools at Coulsdon which could add to and stabilise future demand for places. Since the current prospects for a greater than 15% increase in student numbers were very favourable, and with this the possible increased funding for next year, the meeting was less concerned with the details in Papers 9a, 9b and 10.

147. Following review, it was **RESOLVED**:

- (i) To note the March Management Accounts;
- (ii) To approve the revised College Budget 2015/16 including a 1% non-consolidated <sup>1</sup> (and non-pensionable) pay award for all staff;
- (iii) To approve the 2 Year Financial Plan 2015/16 & 2016/17; and
- (iv) To note minutes of the meeting of the Finance & General Purposes Committee held 08 June 2015.

## **AUDIT COMMITTEE**

148. The unconfirmed minutes from the meeting of the Audit Committee meeting held 15 June 2015 were received (Paper 11). The Committee had reviewed the following:

- Internal Audit Report
- Financial Statements & Regularity Audit Plan Year Ended 31 July 2015 (Paper 12)
- 2014/15 Accounts Direction
- Risk Management & Board Assurance Framework (Paper 13)

149. The Internal Audit Report had outlined the four recommendations arising from the audit on learner number systems. Of the four recommendations, two were ‘High’ recommendations needing immediate attention. It was confirmed the Committee had reviewed in detail the two ‘High’ recommendations and the Corporation noted that the Committee welcomed the agreed management actions that had already been put in place to correct them.

150. The Corporation noted the financial statement audit would be focussing on the following key business and audit risks:

- Going concern
- Management override of controls
- Restructuring costs

151. The Board Assurance Framework 2015/2016 had been developed by the Risk Champions at Coulsdon and Reigate Colleges using the template presented and agreed by their respective Audit Committees. The Framework covered all key operational area and components of the College where Governors need assurance. It summarised management oversight (Executive Lead, where and when this oversight occurs) and Governance oversight (which Committee and when this occurs).

152. The Corporation noted that Committees have a key role to play in the Board Assurance Framework, and, in particular, Committees will:

- Review and approve those elements of Board Assurance Framework and Risk Management Action Plan which have been assigned to them at their Autumn Term meeting;
- With the help of the Clerk, plan the reporting to their Committee in line with these timings outlined in the Board Assurance Framework; and
- Rate their level of assurance (Red = low assurance; Amber = medium assurance; Green = high assurance) for each report, having taken into consideration any management actions.

153. It was **RESOLVED:**

- (i) To approve to approve the Financial Statements & Regularity Audit Plan for the year-end accounts 31 July 2015 at a fee of £13,900 plus VAT;
- (ii) To approve the Board Assurance Framework, the Risk Register, and the Risk Management Action Plan; and
- (iii) To note minutes from the meeting of the Audit Committee meeting held 15 June 2015.

#### **DATES OF NEXT MEETINGS**

154. The Corporation noted the program of committee meeting dates for 2015/16.

#### **ANY OTHER BUSINESS**

155. As this was the last meeting to be attended by Mr Paul Brightly-Jones, the Chair, on behalf of the Corporation, placed on record sincere appreciation and thanks for the contributions made by Paul during his tenure of office. In reply, Paul thanked the Chair and fellow governors and in particular, the Principal and management team from Reigate College, for their hard work and direction under the 'Federation' that has enabled Coulsdon College to move forward for the benefit of students and staff.

#### **DATE OF NEXT MEETINGS**

156. Corporation meeting Monday 21 September 2015 @ 18.00

The meeting closed at 19.50.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_  
(Chair)

**Action Points:**

**Minute 86: To nominate a governor for safeguarding responsibilities**

**Minute 98: Management Accounts to be a standing agenda item at all Corporation meetings.**