

MINUTES OF THE MEETING OF THE CORPORATION HELD 10 JULY 2017

Present:

Mr Robert Hails (Chair)
Mr Michael Jones
Cllr Chris Wright
Ms Yvonne White
Ms Sharmin Joarder
Mr Del Attah
Ms Dawn Hughes
Mr Ciaran McSharry
Ms Phidelma Keating
Mr Steve Gooch (Joint Head of College)
Mr Richard Beales (Joint head of College)

In Attendance:

Mr Jon Allen (Clerk)
Ms Kim Saw (Director of Finance)
Mr Chris Whelan (Chief Executive Officer, Reigate College)

The meeting commenced at 1800.

APOLOGIES, QUORACY & DECLARATION OF INTERESTS

147. Apologies were received from Mr Andy Booth. It was confirmed the meeting was quorate. Robert Hails, Michael Jones, Dawn Hughes, and Ciaran McSharry 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

148. It was **RESOLVED** that the minutes of the Part I Coulsdon Corporation meeting held 13 March 2017 (Paper 1) be approved as an accurate record of the meeting and to authorise the Chair to sign the minutes.

149. It was **RESOLVED** that the confidential minutes of the Part III Coulsdon Corporation meeting held 13 March 2017 (Paper 2) be approved as an accurate record of the meeting and to authorise the Chair to sign the minutes.

MATTERS ARISING

150. It was reported that Lloyds Bank have extended the deadline for the signing of the 2015-16 Financial Statements to 31 August 2017 and a further update on the process to follow for signing the accounts is a later agenda item. There were no other matters arising.

COLLEGE UPDATE

151. The joint Heads of College made available a presentation on College matters, College performance, and the key messages outlined to staff at the recent end of year staff meeting. The presentation reported very favourably on the performance of the College and the good progress made on several fronts during the academic year 2016-17.

152. The Board asked for the minutes to record thanks to the senior management team and to all staff for the good progress made in 2017-18. However, the year-end examination results are required to confirm whether the good progress made has had a positive impact on student outcomes.

REIGATE MULT ACADEMY TRUST - REIGATE LEARNING ALLIANCE

153. The following reports were received and **NOTED**:

- (i) Investment Plan submitted to the EFSA for a loan to pay off the Lloyds Bank loan of £2.3m;
- (ii) Financial Due Diligence Report conducted on the College by RSM; and
- (iii) RSM's VAT report on the College.

154. It was noted that the Legal Due Diligence report on the College has yet to be issued. It was **AGREED** that receipt of the report has to be a condition for dissolving.

155. Received for information purposes were the outcomes of the consultation exercise required before the College can join the Reigate Learning Alliance. It was confirmed five responses were received, four from College staff and one for the National Union of Teachers. There were no issues arising from the consultation exercise.

156. The College does not have sufficient funds for the repayment of the VAT due on the change of the ownership of the new building, as regulations require VAT repayment on a zero rated building used for charity purposes to be repaid to HMRC if sold within 10 years of the build. The repayment has to be made to HMRC and then reclaimed by the Reigate Learning Alliance. The Transitional Unit has confirmed that it would make available the funds required to repay the VAT. It was confirmed that this payment must be received before the College dissolves. It was **AGREED** that dissolution has to be conditional on receipt of the VAT payment and for this condition to be included in the resolution required for dissolving the College.

157. Scheduled for this meeting was to seek Corporation approval on resolutions to be drafted by the College's legal advisors (Blake Morgan) for the dissolution of Coulsdon College on 31 August 2017 and transferring the assets and liabilities to the Reigate Learning Alliance with effect from 00.00.01 on 01 September 2017. However, these had yet to be drafted. Instead, the meeting received similar resolutions and a copy of the 'Transfer Deed' that were drafted by another legal firm (Eversheds) for the dissolution of Reigate College and the transfer of its assets to the Reigate Learning Alliance.

158. Following a thorough review of the draft 'Transfer Deed' and the wording for the draft resolutions required for the Corporation to dissolve and to transfer its assets and liabilities to the Reigate Learning Alliance, it was **RESOLVED** for the amendments proposed at this meeting to be made available to the legal advisers and

for agreement to be sought from both Blake Morgan (legal advisers for Coulsdon College) and Eversheds (legal advisers for Reigate College) on a final draft of the 'Transfer Deed' and required resolution.

159. On the basis that this will be the final draft of the 'Transfer Deed" and required resolutions with no material changes expected, it was **RESOLVED**:

- (i) To make available by email to all governors the final draft of the 'Transfer Deed' and resolution required for dissolving the College;
- (ii) To make available by email to all governors the legal due diligence report on Coulsdon College;
- (iii) To confirm to all governors that the documents referred to in paragraph 2.1.3 of the proposed resolution have been approved by the Department for Education - these being:
 - The academy articles;
 - Master funding agreement
 - Supplemental funding agreement for Reigate College
 - Land questionnaire and land transfers to effect the Conversion
- (iv) Once (i), (ii) and (iii) have been made available to governors, and as permitted by the Instrument & Articles of Government, governors to be asked to approve by email the 'Transfer Deed" and the resolution required for dissolving the College on 31 August 2017 and the transfer of its assets and liabilities to the Reigate Learning Alliance at 00:00:01 on 01 September 2017; subject to there being no objection raised by any governor on either the 'Transfer Deed' or resolution wording; and
- (v) In the event of an objection being made, to task the Clerk to arrange a special meeting of the Corporation to consider further the 'Transfer Deed' and required resolution to dissolve the Corporation and to transfer its assets and liabilities to the Reigate Learning Alliance.

PLANNING & PERFORMANCE COMMITTEE REPORT

160. The report from the meeting of the Committee meeting held 15 May 2017 were received, and the Committee reviewed the following:

- College SAR
- College Quality Improvement Plan
- Recruitment Report
- Attendance Report
- In Year Retention Report
- Progression Report
- Staff Development Plan

161. It was **RESOLVED** to note the minutes of the meeting held 15 May 2017.

JOINT COULSDON & REIGATE FINANCE COMMITTEE REPORT

162. The following reports were received:

- (i) Unconfirmed minutes of the Joint Meeting of the Coulsdon & Reigate Finance Committee meeting held 20 June 2017;
- (ii) Management Accounts and year end forecast; and
- (iii) Coulsdon College Budget 2017/18

163. The following key points were noted from the review of the Management Accounts:

- Surplus before non – cash items for April £309k [YTD actual loss (£605k) vs. YTD budgeted loss (£791k)]. Year-end forecast loss (£379k) against a budgeted loss of (£274k).
- Retained deficit (after deduction of depreciation and release of capital grants) for the year is forecast to be (£511k) vs. the budgeted loss of (£420k).
- Financial health grade is projected to be Inadequate at 31st July 2017
- Bank & Cash and Investments as at 30th April are £893k. Projected cash balances at 31st July 2017 are £988k

164. It was **RESOLVED** to note the Management Accounts.

165. The following key points were noted from the review of the College Budget 2017-18:

- Surplus before non – cash items £5k
- Retained deficit (after deduction of depreciation and release of capital grants) £163k
- Financial health grade is Satisfactory
- Bank & Cash and Investments as at 31st July 2018 are projected to be £797k

166. As it is not a requirement for Academies to provide a two-year financial forecast to the EFSA, there were no financial forecasts to submit for Corporation approval.

167. It was **RESOLVED** to approve the College Budget 2017-18.

168. It was confirmed the Reigate Learning Allowance Budget 2017-18 will consist of the combined Coulsdon 2017-18 budget and the Reigate College 2017-18 budget.

REPORT OF THE COULSDON COLLEGE AND REIGATE COLLEGE JOINT AUDIT COMMITTEE REPORT

169. The '*Unconfirmed Minutes of the Audit Committee held 27 June 2017*' were received. The Chair presented the minutes and confirmed the Committee considered the following;

- The Financial Statement & Regularity Audit Plan
- The Internal Audit Reports
- Internal Audit Arrangements 2017/18
- Board Assurance and Risk Management

170. The Chair confirmed the Corporation is being asked to approve the Financial Statement & Regularity Audit Plan for the Year-end Accounts 31 July 2017.

171. It was **RESOLVED** to:

- (i) Approve the Financial Statement & Regularity Audit Plan for the Year-end Accounts 31 July 2017; and
- (ii) To note the report from the Audit Committee.

FINANCIAL STATEMENTS YEAR ENDED 31 JULY 2016

172. An update was received from the Director of Finance on the process for signing off the 2015-16 Financial Statements. It was confirmed that when there is a degree of certainty on when the Transitional Unit will pay off the Lloyds bank loan, from this point the Financial Statements for the year ended 31 July 2016 can then be subject to final audit. The aim is to complete the required audit and to have the accounts signed by the Chair (through already approved delegated authority) by 31/8.

VOTE OF THANKS TO GOVERNORS

173. As this was the last scheduled meeting of the Corporation before the planned dissolution of the Corporation and the transfer of the College's assets and liabilities to the Reigate Learning Allowance on 01 September 2017, the Chair thanked all current and past governors for their contributions and support given to Coulsdon College.

174. The Chair placed on record appreciation and thanks to those governors involved in discussions with the EFSA on the financial support package required for the College to join the Reigate Learning Alliance. The Chair also thanked the Chief Executive Officer of Reigate College and the two Joint Heads of Coulsdon College for their efforts in securing the financial support package.

The meeting closed at 19.30

Signed: _____ Date: _____