

HARTLEPOOL COLLEGE OF FURTHER EDUCATION

Minutes of a meeting of the Finance & General Purposes Committee held on Thursday 7th May 2020 at 2.00pm via TEAMS

Present:

Mr M Ward
Mrs L Watson
Mr D Hankey

Also in attendance:

Mrs K Dales
Mr A Theakston [Clerk]
Mrs C Menzies [Minute Clerk]

1 Apologies for absence

Apologies from Lesley Monaghan [ESFA].

2 Declarations of Interest relevant to business of meeting

None.

3 Minutes of previous meeting held on 19th February 2020

The minutes of the meeting held on 19th February 2020 were approved and the Chair asked the Clerk to the Corporation to initial a copy as approved.

4 Matters arising and action points

Actions were completed and 1% pay award will be discussed under agenda item 10 of this meeting.

5 Cashflow

KD gave an overview of the various income areas:

- Adult Education and 16-18 income will be paid on profile
- There is uncertainty with apprenticeships due to the potential of redundancies/furlough by employers. If any learners were to be made redundant it would mean a break in learning which could be an issue as income would cease as soon as the break is initiated [there have been no breaks in learning yet due to redundancy]
- Adult Learner Loans and Adult Education needs evidence of learning which is coming in at the moment but could be a future risk area
- Catering/car parking – no income being generated but the cost of utilities will be reduced
- KD said figures are constantly being refreshed and is confident that figures reported until July are accurate but figures from September are less certain and will need to be reviewed as the situation evolves
- The College is hitting the 1.3m monthly minimum cash balance which is a loan covenant requirement

MW asked if the relevant agency for apprenticeships has been contacted. DH said discussions were ongoing to see if levy and non-levy apprentices would be dealt with differently as levy is linked to the Government and non-levy classed as an agreement between Colleges and Employers. DH said if income is affected significantly, then the College may need to consider furloughing Work Based Assessors supporting levy learners. DH is speaking to Tees Valley Combined Authority to see what help is available.

6 Barclays Bank [loan covenants]

Positive information has been received from Barclays and our auditors are happy with the

response.

7 2020/21 Budgets and key risks

DH gave an overview of the report circulated with the papers highlighting how the Covid19 pandemic may affect funding next academic year:

- 16-18 could see an increase in numbers or there could be learners with health conditions who refrain from enrolling – flagged amber
- AoC are lobbying for any extra numbers being funded in year as opposed to lagged funding
- Apprenticeships – for the reasons discussed in item 5 is flagged red
- Adult Education Budget is flagged green based on funding which will be available and rules are to be relaxed due to the current situation
- Adult Learning and HE could go either way so flagged amber
- Commercial is red – this will likely reduce as employers will likely avoid paying for training

KD is expecting the ESFA will want a revised plan for next year but there are no timescales for this as yet.

KD informed the original budget summary figures have been colour coded but will be in a better position to revise for the December Board meeting. Apprenticeships will still be a risk as learners due to start September may now start until December however it is unknown at this stage.

8 Financial Regulations

KD reported the only changes made are the procurement thresholds. The committee approved the updated regulations.

9 Approval of standing orders for recommendation to the Board [already circulated]

AT stated the standing orders have been brought up to date to incorporate the changes already agreed and asked they be approved. The committee approved the revised standing orders and the revised Instrument and Articles.

10 Any other business

The 1% pay award payment was discussed and given the level of uncertainty with figures this was not approved.

The decision has been made to furlough some staff which is agreed by F&GP members. DH said guidance allows this as an option for areas of operation not funded such as commercial areas [gym, hair salons etc.] and this has been agreed with staff Unions. DH informed that staff would have their income topped up to 100% of their usual income however by furloughing these staff it will save the College around £15k per month.

KD said the College has taken advantage of the VAT holiday to preserve cash.

11 To note the date of the next meeting

Tuesday 30th June 2020 at 5.30pm

..... **CHAIRMAN**

Action points from the meeting held on 7th May 2020

Minute	Action	By Whom	By When
	No actions		

