

AQUINAS COLLEGE

RESOURCES COMMITTEE

Date: 11 February 202
Time: 4.30 pm
Venue: The College

GOVERNORS PRESENT

Miss M Braithwaite, Mr P Carter, Mr P Horton, Cllr T P McGee, Miss K O'Callaghan and Mr D Pearson.

Miss M Braithwaite in the Chair.

IN ATTENDANCE

Ms C Vitti Vice Principal

Mrs D Blackburn Assistant Principal

Mr T Conlon Clerk to the Governing Body

1. OPENING PRAYER

The meeting began with a prayer led by Miss Braithwaite.

2. APOLOGIES FOR ABSENCE

There were no apologies for absence.

3. DECLARATION OF INTERESTS

Governors and Staff were asked to declare any interest, which they may have in any of the items on the Agenda for this meeting. No interests were declared.

4. MINUTES OF THE PREVIOUS MEETING

RESOLVED – That the minutes of the meeting held on 5 November 2019 were agreed as a correct record.

5. MATTERS ARISING FROM THE MINUTES

a) Management Accounts – Minute 7(e)

Mr Horton asked if there was any up date on the pay awards. Cllr McGee replied that the teacher unions had rejected a 1.5% offer and that there is a meeting next week to discuss the pay increase for support staff.

Governors noted that whatever the pay settlements are they will be backdated to 1 September 2019.

6. MANAGEMENT ACCOUNTS

Mrs Blackburn introduced the Management Accounts for January 2020 that had previously been circulated. The Management Accounts were consistent with the budget update. Miss Braithwaite sought clarification on the student numbers that would determine the funding for 2020/2021. Mrs Blackburn replied that funding will be based on the number of students at the college on the census date in October 2019.

A discussion took place on the January 2020 Accounts with particular reference to the following:

- a) Pay Expenditure – Mrs Blackburn advised Governors that no agreement had been reached on the teachers pay award but an allowance has been included in the accounts year to date to reflect the budgeted pay awards.
- b) The surplus year to date is currently shown as £232,000. The monthly results for January 2020 show a surplus of £43,000. The revised outturn for 2019/2020 is £42,000.
- c) A bank deposit of £1.750,000 matured in December 2019 generating £18,000 interest. £1,250,000 has been reinvested at 1.05% which will generate £13,000 interest. The balance of £500,000 has been placed on 32 day deposit at 0.85% because this will be released into the current account in March to cover the drop in cash and to cover large examination fees. The £500,000 will then be reinvested.
- d) The cash flow drops from January 2020 to March 2020 but this will be mitigated by the release of the £500,000 above and from April 2020 onwards ESFA income increases.
- e) The Performance indicators show that the college's financial health rating will be good by the end of the year.
- f) The high needs income from the Stockport Council and Cheshire East Council has been received for the first two terms.

If members had any questions on the January 2020 Accounts they were asked to contact Mrs Blackburn.

RESOLVED: That the Accounts for January 2020 be received.

7. BUDGET UPDATE 2019/2020

Mrs Blackburn advised Governors that the budget had been re-forecasted at the end of January 2020 to take account of the increase costs for utilities. Other minor adjustments have been made. The main points to note are as follows;

- a) The teaching staff and support budgets are being monitored but there is an element of risk until the actual pay awards are known.
- b) An allowance for the teacher's and support staff pay award has been included in the budget
- c) The high needs budget is being monitored.
- d) The budget is running as expected.

RESOLVED: That the budget position be noted.

8. INITIAL INCOME 2020/2021

Mrs Blackburn introduced the paper that had previously been circulated. The paper gave an overview of the ESFA funding for 2020/2021. The overall effect is that the college should receive up to an additional £900,000 in 2020/2021.

The budget for 2020/2021 will be based on a slight increase in student numbers plus an increase in the number of students in Band 5. Students who are studying a full time programme of more than the 540 hours shown in Band 5. The amount of funding per student has increased by 4.7% for 2020/2021 and there have been changes in the weighting that is given for some subject areas i.e. STEM. The funding for core maths has not yet been confirmed but it anticipated that it will remain at its present value.

The SFCA campaign to increase funding for sixth form colleges will continue.

9. THREE YEAR FINANCIAL PLAN

Mrs Blackburn introduced the paper that had previously been circulated. She advised Governors that the ESFA want colleges to provide a Three Year Financial Plan instead of the Two Year Financial that had previously been required. The last Two Year Plan had been submitted July 2019.

The paper showed the following information:

- i) The Statutory Accounts for 2018/2019
- ii) The current year accounts for 2019/2020
- iii) The forecasted accounts for 2020/2021 which included the additional £900,000 and assumptions on pay awards and an increase in the minimum wage.
- iv) The forecasted accounts for 2021/2022 assume growth of 20 students and that the new funding initiatives would continue.

The Three Year Plan had to be submitted by the end of February 2020. The information had been provided in the old format because there are still issues with the proposed new format. Mr Horton said it was disappointing that the new model did not work for planning purposes. Mr Pearson added that he felt it was unreasonable to expect colleges with a good financial health to have to provide the additional information just because some colleges are failing. The ESFA are assuming that planning will identify those college that are in financial trouble.

Governors noted that the financial health of the college is shown as follows:

| | | | |
|------------------|-----------|-----------|-----------|
| 2019 Outstanding | 2020 Good | 2021 Good | 2022 Good |
|------------------|-----------|-----------|-----------|

Cllr McGee advised Governors that it was important to note the following:

- a) The new Government may take a different view on funding.
- b) There is a budget statement due in March 2020.
- c) The impact of long term pay awards

d) William Wragg, MP for Hazel Grove is the Vice Chair of the All Party Parliamentary Group for sixth form colleges.

Mr Pearson undertook to circulate to Governors a paper produced by the SFCA in its submission to the Government for increased funding to be included in the March 2020 budget.

Miss Braithwaite asked if the college had undertaken a building inspection. Mrs Blackburn replied that the ESFA had recently undertaken an inspection of the fabric of the building and their report showed it to be in a good condition.

10. REVIEW OF COMMITTEE TERMS OF REFERENCE

A copy of the current Resources Committee Terms of Reference had been circulated to all members prior to the meeting. After a full discussion it was agreed that item 9 be amended to read as follows:

“Provisionally approving the final budget for the following college year, along with a longer term plan”. The previous note referred to a two year plan.

Cllr McGee added that in accordance with 10 (f) of the Committee Terms of Reference the college needs to think about planning for the next five years and identify what will be needed.

Miss Braithwaite asked when the college Letting Policy was last reviewed. Mrs Blackburn replied that the college only has 3 lettings with partners of the college and that nothing had changed.

11. ANY OTHER BUSINESS

There was no any other business.

12. DATE OF NEXT MEETING

Tuesday 2 June 2020 at 4.30pm.

Signed _____
Chairperson

Date _____