



Aquinas College Resources Committee

Date: 7 June 2022

Time: 4.30 pm

Venue: College

Governors Present

Miss M Braithwaite, Mr C Green, Mr P Horton, Cllr T P McGee, Mr D Pearson and Mr M Quinney.

Miss M Braithwaite in the Chair

IN ATTENDANCE

Mrs D Blackburn

Senior Assistant Principal (Finance)

Miss E Bradbury

Head of Adult Education (Item 4)

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

Apologies for absence were received and accepted from Mr B Hickey, Mr J Mairs and Miss T Premph.

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. Charging Policy for Continuing Education Courses

Miss Bradbury introduced a paper that had been circulated prior to the meeting that gave details of the proposed fees to be charged for Adult and Continuing Education Courses for 2022/2023.

Governors noted the following:

a) Access to Higher Education Diploma Pathway in Psychology with: Human Biology or Criminology is free for those aged 19-23 if this is their first or full level 3 qualification and is claimed from the GMCA budget. Those aged 19 and above who already hold a level 3 qualification will have to pay the full cost of the course. The Advanced Learner Loan continues to be available or students can pay by instalments.

b) The college are assessing if there is sufficient demand for Functional Skills: Literacy and Numeracy at Level 1 and Level 2 before deciding whether or not to offer the courses.

c) GCSE English and Mathematics continue to be fully funded by the GMCA and are free for those students aged 19+ who have not yet achieved a Grade A* - C or 9-4. Others pay full fee.

d) GCSE Science Trilogy (combined) 50% of the fee is paid by the student and 50% is funded by the GMCA. Those on job seeker's benefits or low income would receive the course free i.e. the GMCA would cover the full course fee.

e) AAT Courses

- I. AAT Access Award in Bookkeeping Level 1
- II. AAT Access Award in Accounting Software Level 1
- III. AAT Foundation Certificate in Bookkeeping Level 2
- IV. AAT Foundation Certificate in Accounting Level 2
- V. AAT Advanced Certificate in Bookkeeping Level 3
- VI. AAT Advanced Diploma in Accounting Level 3

For level 1 and 2 courses, 50% of the fee is paid by the student and 50% is funded by the GMCA. Those on job seeking benefits or low income benefits would receive the course free using the GMCA budget. For level 3 courses the Advanced Learner Loan would be available or pay by instalments.

f) Leisure Course fees are in line with other providers and are paid in full by the student with subsidised rate for those on benefits. The various language courses are offered at beginner, intermediate and advanced. Dress making is being re-introduced.

g) All courses must cover the cost of the tutor. Miss Bradbury added that the college are looking at the possibility of running a sign language course and are in discussion with the local authority to see if there is enough demand for an ESOL course.

Mr Quinney asked if the possibility of running a course at the weekend had been considered. Miss Bradbury replied that there would be difficulties in getting staff to work at a weekend. Cllr McGee added that if the college was open there were a number of other factors that would have to be in place to cover health and safety regulations.

RESOLVED: That the fees as set for 2022/2023 be recommended for approval to the Governing Body.

5. Minutes of The Previous Meeting

The Minutes of the meetings held on 8 February 2022 were agreed as a correct record.

6. Matters Arising from The Minutes

a) Insurance – Minute 10 (I)

Mrs Blackburn advised Governors that a number of insurers were particularly concerned at insuring buildings that had cladding. Mr Pearson advised Governors that the cladding at the college would not burst into flames but would melt. There is a limited list of insurers on Crescent purchasing and the current broker goes out to the market so college is confident that we are being given a choice of providers. Therefore, the college had decided to stay with the current provider for another year and would look to go out to tender for the following year.

7. Management Accounts

Mrs Blackburn introduced the Management Accounts for May 2022 which had been circulated to Governors prior to the meeting. A discussion took place on the May Accounts with particular reference to the following:

i) There had been a trading surplus of £644,000 to date. The monthly results for May 2022 show a loss of £7,000. The forecast outturn for 2022/2023 is around £655,000.

ii) The college are waiting for confirmation of the insurance claim for £66,000 as a result of the major electrical fault early into the Autumn term which resulted in all electricity to the college being cut off. This has been delayed due to Electricity North West only just providing a statement concerning the matter. This has been passed on to the insurers.

iii) Two areas of the budget that are showing a loss are Adult Education and the Canteen. Adult Education numbers have been down but is hoped that from September 2022 recruitment will increase. The canteen will probably show a loss of around £46,000 but it is hoped that it will break even in 2022/2023.

iv) Miss Braithwaite sought clarification on who was the developer who had paid the college £54,000 to upgrade the MUGA lighting and provide new fencing. Mrs Blackburn replied that the developer was building 6 houses on adjacent land formerly owned by Stockport Sunday School.

v) Mr Horton asked what impact had De-pooling of the Greater Manchester Pension Fund had on the college. Mrs Blackburn replied that there is a re-evaluation every three years and that the employers contribution will increase next year. The budget has included an increase from 17.9% to 21.4% for 2022/23 but this is a guesstimate. The figures are accounting figures and do not reflect the actual cash deficit for the college.

vi)The financial health calculations show that the college will be classed as Outstanding at the end of the financial year.

If Governors had any questions on the May Accounts they were asked to contact Mrs Blackburn.

RESOLVED: That the Accounts for May 2022 be received.

8. Budget 2022/2023

Mrs Blackburn introduced a set of papers in relation to the proposed budget for 2022/2023 that had been circulated to Governors prior to the meeting. The papers contained a) a spreadsheet of cash income and expenditure b) the same converted into accounting format and c) a written summary.

The ESFA have now confirmed that the income from them for 2022/2023 will be £12,069,682 compared to £10,675,133 for 2021/2022 and is an increase of £1,397,549. The funding is based on 2,413 students compared with 2,297 for last year an increase of 116 students. The funding band increases for 2022/23 are now giving a top rate of £4,542 compared with £4,188 for 2021/2022. 96.8 % of students are at that rate. The ESFA funding above contains £300k for 50 students; this element of funding provides the first £6,000 additional support funding per High Needs students who need one to one support. In addition, the budget includes Local Authority high needs funding of £247,399. This covers the assessment of the additional costs over £6k. The college has already secured £65,000 from Stockport MBC for continuing students with high needs. They are about to submit claims for new students starting in September 2022.

The Teacher's Pension Grant will continue until 31 August 2023 and is confirmed at £440,142.

The draft budget shows a contingency reserve of £185,318 compared to £225,264 last year, a decrease of £39,799. Whilst the initial trading surplus is £397,992.

All aspects of staffing and non-pay costs will be monitored to ensure the running of the college as efficiently as possible.

Mrs Blackburn drew Governor's attention to the Financial Health calculated from the initial budget where the overall outcome is that it is classed as Good at 230 within the range 180 to 230.

The college is experiencing supply issues in relation to the purchase of IT equipment and to secure some of the hardware equipment it may arrive before the end of the current financial year and be accounted for in the fixed assets for 2021/2022. This is simply a cash and depreciation effect.

Cllr McGee added that the college was in a good position compared to many colleges who were facing financial difficulties.

RESOLVED: i) That the draft budget for 2022/2023 as presented be recommended to the Governing Body for approval.

ii) That approval be given to the purchase of the IT equipment which will stay within the overall budget for 2022/2023.

Mr M Quinney left the meeting whilst this item was being discussed.

9. National Funding Position

Governors noted the increases that are detailed in the budget for 2022/2023.

10. Financial Regulations

Mrs Blackburn advised Governors that Cllr McGee had reviewed the Financial Regulations and had submitted some minor changes to the policy.

RESOLVED: That the revised Financial Regulation be recommended to the Governing Body for approval.

11. Authorisation of Two Year Financial Plan

Mrs Blackburn advised Governors that the two year financial plan has to be submitted to the ESFA by the end of July 2022. The plan includes the outturn for 2021/2022, the budget for 2022/2023 and the forecast of 2023/2024.

The plan may be ready for the Governing Body meeting scheduled for 28 June 2022. If not the Chairperson would need to sign the two year Plan on behalf of the Governing Body.

RESOLVED: That the Chairperson be authorised to sign the two year Plan on behalf of the Governing Body.

12. Any Other Business

i) Financial Assessment and Governors Dashboard

Mrs Blackburn circulated a letter and a paper that had been issued by the Education and Skills Funding Agency. The paper gave details of the college's financial health, underlying financial health, financial control, financial intervention and college dashboard information for May 2022.

Based on the financial plan the college's financial health is:

- Outstanding for 2020/2021 (the outturn year), and
- Good for 2021/2022 (the current budget year).
- Good (Forecast) for 2022/2023

If Governors had any questions they were asked to contact Mrs Blackburn.

ii) Reclassification of Sixth Form and FE Colleges

The ONS has announced that it will be reviewing the private sector status of Sixth Form and FE colleges. In 2010 the ONS reclassified Sixth Form and FE colleges as public sector institutions (the former became part of local government, the latter part of central government). The government of the day opposed this and introduced a series of “freedoms and flexibilities” that led to the ONS reversing its decision.

There are lots of unknowns. The ONS review will conclude by the end of the year (hopefully well before) and the government response should be pretty immediate. There are financial implications of reclassification, for example:

a) Colleges will no longer be able to borrow commercially. Dealing with existing debt is a major issue.

b) However, colleges should be able to benefit from the financial advantages of being in the public sector (e.g. access to a VAT refund scheme)

iii) Feasibility Study

Mr Pearson advised Governors that there will probably be a need for a further meeting of the committee this term to discuss the outcome of a feasibility study that is being undertaken in relation to additional accommodation at the college.

15. Date of Next Meeting

The next meeting to be held on Tuesday 8 November 2022 at 4.30pm, subject to the Calendar of Meetings being agreed by the Governing Body at its meeting on 28 June 2022.

Signed _____
Chairperson

Date _____