

# AQUINAS COLLEGE RESOURCES COMMITTEE

Date: 5 November 2024

Time: 4.30 pm

Venue: College

## **GOVERNORS PRESENT**

Ms H Donelon, Mr C Green, Mr B Hickey, Mr T P McGee, Ms J Paton and Mr D Pearson.

Mr T P McGee in the Chair.

## **IN ATTENDANCE**

Mrs A Lindsay	Parent Governor
Mr R Peacock	External Reviewer
Mr A Bailey	Vice Principal
Mrs D Blackburn	Senior Assistant Principal (Finance)
Mr T Conlon	Clerk to the Governing Body

## **1. INTRODUCTIONS**

Mr Peacock outlined his career background and advised Governors that he was undertaking an external review of Governance at the college. The purpose of the review was to determine how effective the Governing Body and its committee are, it is not an audit of Governance. For the benefit of Mr Peacock everyone introduced themselves.

## **2. OPENING PRAYER**

The meeting began with a prayer led by Mr McGee.

## **3. CHAIRPERSON OF THE COMMITTEE**

Mr McGee advised Governors that following the resignation of Miss Braithwaite as a Governor he would Chair the Committee until such time as a new Governor with financial expertise was appointed to the Governing Body. Mr Pearson reported that he had recently met Paul Carpenter a former Foundation Governor and Chair of the Audit Committee who had expressed an interest in re-joining the Governing Body. Mr Pearson undertook to pursue this with Mr McGee.

## **4. APOLOGIES FOR ABSENCE**

Apologies for absence were received and accepted from Mr L Byrne, and from Ms H Donelon for her late arrival.

## **5. 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.

## **6. MINUTES OF THE PREVIOUS MEETING**

The Minutes of the meeting held on 10 June 2024 copies of which had been circulated previously, were agreed as a correct record.

## **7. MATTERS ARISING FROM THE MINUTES**

There were no matters arising that were not covered by the agenda for the meeting.

## **8. HEALTH AND SAFETY ANNUAL REPORT 2023/2024**

Mrs Blackburn introduced a paper that had been prepared by Neil Lowe, Assistant Facilities and Compliance Manager, which had been circulated to all members prior to the meeting. The report was in a slightly different format than previous years and covered the academic year 2023/2024 and the main points were as follows:

- a) There have been no significant regulatory changes affecting the college.
- b) In 2023/2024, 353 actions were raised as a result of active monitoring. 347 had been completed and 6 were in progress and within their agreed target date at the end of the academic year. 1 was in progress but beyond the target date.
- c) Accidents reported for the period 1 September 2023 to 31 August 2024 were summarised by cause. The number of accidents was 9 compared to 7 in the previous year. No incidents had been reported under RIDDOR and no time had been lost due to accidents.
- d) Work related ill health – 2 members of staff had been absent due to work related ill health resulting in 4 days absence including weekends and bank holidays. Both absences were attributed to work related stress. In the previous year 3 members of staff had been absent from work with work related ill health for a loss of 11 days.
- e) Benchmarking data had been provided that showed that the college was performing well in comparison to other colleges and that the college is a safe place to work and study.

Within the review of departments carried out to advise the college of any remedial action needed, findings are classed as follows:

Low – There is scope for enhancing control or improving efficiency and quality

Medium – Internal control risk management issue that could lead to: hospital treatment or financial loss which could affect the effective function of a department or loss of controls or process being audited or possible reputational damage or negative publicity in local or regional media.

High – A serious internal control or risk management issues that may lead to: major injury or substantial losses or violation of corporate strategies, policies or values, reputational damage or negative publicity in national or international media or adverse regulatory impact such as loss of operating licences or material fines.

Extreme – Permanent disability/fatality, serious internal control or risk management issue that may lead to catastrophic loss.

The college risks included on departmental action plans are mainly low with a few classed as high or medium.

Four departments, Art and Design, Facilities, Kitchen, Biological Science and Physical and Earth Science were classed as high risk departments. Earth Science is now managed by Physical Science but is not itself classed as high risk. Whilst IT, Physical Education, Performing Arts and Pathways were classed as medium risk departments.

Mr Green reminded Governors that in addition to safety, the health of staff also needs to be considered and is an important part of "health and safety".

RESOLVED: i) That the Health and Safety Report for 2023/2024 be received and ii) That the Governors record their appreciation to all staff for their work in this regard.

## **9. MANAGEMENT ACCOUNTS**

Mrs Blackburn introduced the Management Accounts for September 2024 that had been circulated to Governors. Mrs Blackburn added that the accounts covered 3 months. The results show a trading surplus of £268,000 year to date and the monthly result for September shows a surplus of £194,000. The Management Accounts for October 2024 had just been finalised and there was little to report on results to date but a re-forecast of the budget will be undertaken based on the information below.

- i) The High Needs budget had just been agreed with Stockport MBC and will be included in a re-forecast of the budget.
- ii) Changes to the Employer's National Insurance contributions will add an additional cost to the budget, but there will be a subsidy to help offset the increase.
- iii) Whilst the teachers pay award has not yet been agreed, the claim is for 5.5% and 2% has been offered. Any increase will not be subsidised. The college will pay what is agreed by the SFCA National bargaining but there is 5% included in the budget. Mr Pearson suggested that the settlement could be in the region of 3.5%. Mr McGee added that the unions want parity with the schools sector but that would require the government to increase funding.
- iv) The support staff unions are waiting to see what happens with the teachers pay claim. They want a real terms percentage increase as well as the increase to the minimum wage.
- v) It is unlikely that the pay claims will be settled before Easter 2025. The SFCA have submitted a case for judicial review.
- vi) The financial health of the college remains Good.

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

RESOLVED: That the Accounts for September 2024 be received.

## **10. BUDGET 2024/2025**

Mrs Blackburn introduced a paper in relation to the budget for 2024/2025 that had been circulated to Governors prior to the meeting.

The main changes to note since the budget was approved in June 2024 were:

- a) High Needs income will increase from £350,000 to an estimate of £530,000 following the completion of negotiations with Local Authorities who are responsible for funding the students.
- b) Pay Awards – An initial announcement for the pay award for school teachers for 2024/2025 was 5.5%. The Government has decreed that FE institutions will not receive the additional 3.65%

support to subsidise an increase of similar magnitude for our sector. Many colleges will not be able to support a pay award of 5.5% and the initial offer from the SFCA is around 2%. The college have included 5% for the pay award in the budget. The current estimate for the minimum wage for April 2025 is between £11.82 and £12.39 per hour, £12.42 has been included in the budget (Government confirmed at £12.21). Currently a £50,000 reduction in actual teaching cost is being shown compared to the budget set in June 2024.

c) Employer's National Insurance - An increase of 1% in the Employer's NI would cost the college an additional £45,000.

d) Facilities Costs – It is not yet known what the additional costs for the new building will be, therefore, there may be some movement in the overall costs.

The budget would be reviewed in January 2025. This updated report will be provided for the Governing Body meeting on 26 November 2024.

## **11. DRAFT STATUTORY ACCOUNTS 2023/2024**

Mrs Blackburn introduced the draft Statutory Accounts for 2023/2024 that had been circulated previously to Governors. It was noted that the Audit Committee had also considered the draft Statutory Accounts at its meeting on 4 November 2024 in respect of Governance. Mr McGee as Chair of Governors had also attended the Audit Committee meeting.

Mrs Blackburn advised Governors that DfE and ESFA introduced new controls for the college on 29 November 2022. At the time the ESFA also indicated that there were plans to introduce a college financial handbook in 2024. The college has reviewed its policies, procedures and approval processes in line with these new requirements to ensure there are systems in place to identify and handle any transactions for which DfE approval is required.

Mrs Blackburn circulated a paper that showed the changes in the pension assets of the Greater Manchester Local Government Pension Fund of £2,527,000 to £0.00. The valuation is actuarially reviewed every year, the asset will never be realised and the college had to request a ceiling asset report. Pension disclosure in the Statutory Accounts are normally a liability, not an asset. The draft Statutory Accounts for 2023/2024 shows the actuarial loss in respect of pensions following the write off of the cumulative pension asset of £3.3m. This large adjustment has changed an operating surplus of £1.255m in the management accounts to a loss of £1.3m in the statutory accounts. Mr McGee added that the GMPF adjustments distorts the accounts, the large pension asset was an accounting asset but not a college asset which we will get any cash receipt for. He added that there are Government proposals to merge all Local Government pension funds.

All Governors were asked to check the draft Statutory Accounts for any mistakes, typing errors or any further clarifications and to advise Mrs Blackburn accordingly.

The accounts remain draft until they are approved by the Governing Body and signed by the Chairperson, Principal and the auditors.

**RESOLVED:** That the draft Statutory Accounts for 2023/2024, subject to any governor amendments be recommended to the Governing Body for approval.

## **12. FUTURE FUNDING METHODOLOGY**

Mr Pearson advised Governors that he was not aware of any proposed changes to the funding methodology. The SFCA has asked for a significant increase in funding as part of the funding review. However, it appears the Government's priority is early years funding.

## **13. CAPITAL BUILD**

Mrs Blackburn introduced a paper in relation to the new Capital Build that had been circulated to Governors prior to the meeting. The paper included photographs of the building and details of the progress made with the local planning authority to resolve a few remaining issues to ensure full compliance with planning conditions.

Mr Pearson advised Governors that the completion date for the handover is now 29 November 2024, which is 3 weeks later than planned. The building is now fully weather tight, with power, water, and drainage systems successfully installed. Mr Pearson added that the design of the swale had still to be finalised as the sides are too steep to take rain water away when there was an extremely heavy downpour, the swale should be 1 metre deep and 3 metres wide on either side.

A number of meetings have been arranged with the design and mechanical engineering teams. The cost of the building is slightly over the original budget. The priority has been to have the building completed to a good standard even if there is a slight increase in cost rather than driving the costs down and getting an inferior outcome.

Mrs Blackburn reminded Governors that the college had received DfE grant funding covering 80% of the £3,933,000 original budget. The latest estimates are that the total building costs will be £4,066,242, an increase of c£132,000, which will have to be met by the college. The grant does not cover furniture, fittings and peripheral IT, which are estimated to cost £220,000, with £45,000 allocated for furniture and fitting with the remainder for IT. The total cost is, therefore, in the region of £4,282,000, with a total cost to the college of £1,136,063.

The college has started claiming money from the ESFA for the cost of the build. At the moment £1,614,138 had been paid in relation to the grant claims, with a further £1,532,262 claimed but not yet due.

It was agreed that before the Governing Body meeting on 26 November 2024, Governors would meet to have a look around the new building.

## **14. ANY OTHER BUSINESS**

There was no any other business.

## **15. DATE OF NEXT MEETING**

11 February 2025 at 4.30pm.

Signed \_\_\_\_\_  
Chairperson

Date \_\_\_\_\_