

News from the FE Corporation meeting, 25 February 2020

This was a special meeting, called to consider the Integrated Financial Model for Colleges' submission in advance of the deadline for return on 28 February 2020.

Integrated Financial Model for Colleges

Governors considered the documentation required by the Education and Skills Funding Agency, which provided a first draft budget ahead of curriculum and other budgetary planning processes, including planning for the capital programme. The final budget would be presented to the Finance, Employment and Estates Committee and FE Corporation in July.

The model showed increased income, primarily as a result of increased base funding as well as confirmation of continuing funding to support increased Teachers' Pension Scheme contributions. Governors discussed action to minimise the impact of over-delivery against the non-devolved allocation for Adult Education Budget.

Planned expenditure included a 2% staff pay award, increased exam and assessment costs and a capital programme at £300 k. Ongoing consideration was being given to ways of reducing reliance on partners in light of the success of in-house provision.

Overall, there was a surplus budget position and a planned increase in the cash position. The college would continue to achieve a financial health rating of good and would be compliant with banking covenants. The staffing ratio would be in line with national expectations.

A financial plan for 2021-22 was also provided, indicating a very small surplus budget.

Governors approved the submission of the IFMC in line with the ESFA deadline.

Energy Centre Update

Governors received an update on the project to develop a district energy centre with financial support from the European Regional Development Fund (ERDF). A decision on the award of ERDF funding was expected by early March. An invitation to tender had been issued and around 11 submissions were expected by the deadline of mid March. Consultancy support was also being procured in respect of the tender process. The time-critical nature of the project was recognised and governors also noted financing arrangements in respect of the 40% contribution by the college.

Governance Matters

Governors reappointed Frances Hoy for a term of four years.

Governors also noted action in relation to Corporation leadership succession planning, the review of Corporation skills and experience and a potential expression of interest in governorship. Governors also considered governor training and development activity, governance self review and plans for a Governor Strategy Event in April. Governors agreed that the 'News from the FE Corporation' should be published on the website to ensure transparency about the work of governors and raise the profile of governance.

Other matters

Governors received feedback from a meeting of the Remuneration Committee at which the performance and terms and conditions of the Principal, Senior Post Holders and the Clerk had been considered.

Best wishes from the Board

Kate Roe, Principal

Sarah Thompson, Clerk