

GRANTHAM COLLEGE CORPORATION MEETING

Minutes of the Meeting held on 18 February 2020, 17.30 Corporation Meeting Room, Grantham College

Present:

Mrs A Mosek	Corporation Chair / General Member
Mr S Welton	Corporation Vice Chair / General Member
Mr G Brewis	General Member
Mr P Deane	Principal & Chief Executive
Mr I Hyland	General Member
Mr N Manoussakis	General Member
Mr N Oxley	Student Member
Ms N Skins	General Member
Dr J Smith	General Member

In Attendance:

Mrs A Harrison	Director of Finance
Mrs T Hart	Director of Planning, Funding & Information
Dr S Peacock	Assistant Principal – Higher Education
Mrs T Scarborough	Vice Principal – Quality & Curriculum
Mrs C Temprell	Vice Principal – HR and Student Services
Mrs J Taylor-Holmes	Clerk (by phone)

Agenda: There were no changes to the agenda.

1	20/101 - Apologies for absence Apologies were received from; Mr P Cartwright, Staff Member Mrs N Halliday, General Member Mr G Hayton-Hill, General Member Mr T Radley, General Member Mrs L Platts, Student Member Mr E Ohanekwu, Student Member	
2	20/102– Confirmation of eligibility, quorum and declarations of interest No notice had been received of any Member becoming ineligible to hold office. The meeting was quorate and there were no declarations of interest in agenda items.	
3	20/103 – Integrated Financial model Mr P Deane, Principal and Chief Executive explained that the college was required to submit a new integrated financial model to ESFA by the 28 th February 2020.	

4	The new model replaces the financial plan and records previously submitted and requires corporation approval.	
5	Governors reviewed the Integrated Financial Model and the supporting documentation.	
6	Mrs A Harrison, Director of Finance presented a number of documents including the model submission and the financial plan for 2019/20, 2020/21 and 2021/22.	
7	Mrs Harrison explained that the document remained in draft and that there were a number of tabs to complete on the excel spreadsheet submission. Mrs Harrison referred Governors to the Statement of Comprehensive Income (SOCi) which replaced the income and expenditure account.	
8	Mrs Harrison explained that the previous budget had been, where possible, transferred into the new model.	
9	The model had been completed on the basis of the reforecast budget which was agreed by the Corporation Board in December 2019. The revised deficit following some further movement in the budget was now £227,000 replacing the original £126,000 deficit.	
10	The model as presented still allowed the College to maintain a Good financial health score.	
11	Governors asked what action was being taken to maintain the budget position.	
12	Mrs Harrison explained that only she or Mr Deane could sign off non-pay expenditure and agency costs/contracted costs were being tightly controlled.	
13	Mrs Harrison explained that apprenticeship income was less than anticipated however this was difficult to forecast. With the work undertaken to revise this income Mrs Harrison confirmed that this was an accurate representation of the forecast income.	
14	The project to support getting new teachers was unlikely to result in an income stream.	
15	A number of assumptions had been made including the funding rate increase which had now been confirmed and that the TPS grant which was currently covering the pension contribution increase for this year would not be received next year. There was a further assumption that there was no replacement funding for the Erasmus project. An assumption of higher occupancy in accommodation was also made.	

16	Mrs Harrison confirmed that staff cost decreases were due to some restructuring costs to achieve efficiencies.	
17	In relation to potential increases in income next year Mrs Harrison explained that assumptions around an increase in Higher Needs student income, adult loans and HE numbers had been made.	
18	Mr Deane explained that should Governors approve the forecasts in the SOCI this would be transferred into the cash flow position.	
19	Mr Deane referred to a number of errors that remained within the version presented by the ESFA and the sector concerns about the model presented.	
20	Governors discussed the potential impact on the financial health score and it was noted that the EBITDA was likely to change in future years.	
21	Mr Deane explained that the Finance and Resource Committee had considered the AoC suggested pay award of 1% or £250 (whichever was greater). The pay increase was usually introduced in April however it was agreed that this would be deferred until confirmation of the year end position and maintaining a good financial health rating. Should this be the position in August it was agreed that the pay increase would be backdated to April.	Action: August 2020
22	Governors asked if the pay increase was included within the deficit this year, Mrs Harrison explained that £12,000 had been included within the budget.	
23	Governors asked how the new model would impact on the schedule of the budget planning in future years.	
24	Mrs Harrison explained that ensuring the year end position was known was incredibly important and therefore internal budget preparations may need to be undertaken against the usual timetable.	
25	Governors approved the budget providing a £227,000 deficit for 2019/20.	
26	Governors approved the Chair and the Chair of the Finance and Resources Committee to approve the final version for submission on behalf of the Corporation Board.	

27	It was agreed that the Finance and Resources Committee would consider the timetabling for budget approval in future years.	Action: Finance and Resources Committee TBC
28	20/104 Impact on Students of Items Discussed / Agreed The whole plan is related to ensuring the College remained financially viable and continued to operate.	
29	20/105 Urgent Business / Any other Business Dr S Peacock, Vice Principal HE and Institute of Technology confirmed that tenders had been received in relation to the main contractor on the IoT and these had been under budget. Governors agreed that this was positive.	
30	There had been some minor changes to meeting dates, these were confirmed as follows;	
31	Search & Governance Committee - Wednesday 4 March 2020 - 15.30 Standards Committee – Wednesday 4 March 2020 - 16.30 Finance & Resources Committee meeting – Wednesday 11 March 2020 -17.00 Audit Committee meeting – Wednesday 11 March 2020 - 18.30 Corporation – Thursday 2 April 2020 – 18.00	
32	There being no further business the meeting closed.	

Date of next Meeting:

2 April 2020

Signed as a true and accurate record

Chairman

Date

Action Table

Agenda Item	Description	By whom	By when
20/103 – Integrated Financial model	Staff pay increase it was agreed that this would be deferred until confirmation of the year end position and maintaining a good financial health rating.	Mr Deane	August 2020
20/103 – Integrated Financial model	It was agreed that the Finance and Resources Committee would consider the timetabling for budget approval in future years.	Finance and Resources Committee / Mrs Harrison	TBC