

WEYMOUTH COLLEGE CORPORATION
Minutes of the Board Meeting held on 10 July 2018

Members Present:		In attendance:	
Richard Noah	Chair	Sue Ratcliffe	Clerk to the Corporation
Nigel Evans	Principal	Jenny Stiling	Associate Member (Apologies)
Rosie Darkin-Miller	Vice-Chair	Phil Templeton	Vice Principal
Jane Nicklen		Julia Rogerson	Vice Principal (Apologies)
Stephen Prewett	Apologies	Kelly Bush	Vice Principal
Ian Hollows		Liz Hurst	Director of Finance
Steve Webb	Apologies		
Andy Matthews	Apologies		
Mike Byatt	Apologies		
Lyn Bourne			
Rod Davis			
Peter Vowles			
Megan Barnes			
Joanne George			
Alex Wyatt	Apologies		
Garion Campbell- Armstrong	Apologies		

Apologies for Absence

45/2018 Apologies for absence was received and accepted from Stephen Prewett, Steve Webb, Andy Matthews, Jenny Stiling, Mike Byatt, Alex Wyatt and Garion Campbell- Armstrong student governors, Julia Rogerson, Vice-Principal.

The Chair expressed his thanks to all board members and staff for their contributions during a difficult year. Congratulations were also expressed to all for maintaining such high standards and outcomes for students in a difficult financial situation.

Declarations of interest

46/2018 The staff members declared an interest in any budget discussion concerning a pay award for staff.

Notification of Any Other Business

47/2018 No additional items of other business were notified.

Minutes of the meeting held on 22 May, 2018

48/2018 the minutes of the meeting held on 22 May, 2018 previously circulated, were confirmed as a correct record and signed by the Chair.

Principal's Report

49/2018 The Principal presented a written report, previously circulated. Members highlighted and discussed the following items:

i) Funding for Looked After Children

Members were pleased to note funding has been secured through the Virtual School, £4k towards the Prince's Trust 2 programme - facilitating better progression from Prince's Trust onto

mainstream programmes, and £11k for additional tutorial programmes aimed at giving extra support to the College's Looked after Children for the first few weeks after the start of term.

ii) Meeting with Allied Irish Bank

A new relationship manager has been appointed by our Bankers, Allied Irish. At a recent introductory meeting, we had the opportunity to share our presentation on the current financial position and the TU Application. It was a positive meeting which highlighted the need to keep all partners up to date with progress.

iii) Dorset LEP Pipeline Projects

It has been brought to our notice that some funding may be available through Dorset LEP. They are asking initially for small proposals for consideration to be funded through underspends and other projects in the pipeline when they get additional funding, which is expected to replace that previously received through the EU. These projects must be ready to go, with a deadline of 28 September 2018. There was a positive meeting recently to look at submitting the College engineering development ideas. Information was also made available on two information events. Members commented that they were unaware as information was not known locally but felt it was a good opportunity to perhaps address lack of investment in West Dorset.

Financial Report 2017-18

50/2018 Members received the P10 report and The Director of Finance verbally presented draft P11 figures, which had further improved the position by £100k. This had come through non-pay savings. Staff continue to try to save what's left in budget without causing problems in the curriculum. Members noted we were now nearing where we will be at end of year. A final P11 report would be circulated as soon as it was completed. Members noted some uncertainty on income remains, ESIF being the most difficult.

If the FRS17 figures are removed, we would have made a small surplus. However cash flow still remains extremely tight. Members noted:

- Much better High Needs position, better relationship being built with DCC and payments are being received.
- A loan payment is due to the ESFA, but we are in the position of we pay them, when they pay us. Members noted we expect to meet the £200k due this month with a further £165k in August and September. However, now as we enter the TU process, we should talk to the ESFA about what happens about making the due payments? If we pay them, it might be harder to get back, than if we don't pay.

KPI Performance Report

51/2018 The Board received the current performance report noting little movement as we near the end of term. The Principal highlighted an error with some enrolment figures and it was agreed a revised version would be prepared and circulated.

Report from Student Governors

52/2018 In the absence of the Student Governors. No report was available.

Audit and Finance Meeting - 26 June 2018

53/2018 i) The Board received the draft minutes of the Audit Committee and Finance Committee joint meeting held on 26 June 2018. The Chair explained the Committee had agreed that an annual report on activity under the new GDPR regulations would be presented to the Committee.

ii) Internal Audit Plan. The Board received and approved the recommended 15 days of internal Audit.

iii) Audit Planning Letter The Board received and confirmed the Planning Letter from Moore Stephens and were pleased to note the fee was to remain the same as last year.

iv) Future of the Audit and Finance Committees.

The Audit Committee Chair referred the Board to the minutes of the meeting held on 26 June 2018 and the recommendation to the Board to:

- Dissolve the Finance Committee.
- Ask Finance Committee members to join the Audit Committee, increasing the total membership to 7. The Chair and Principal cannot be members but may attend meetings.
- Review the Audit Committee Terms of Reference to ensure the requirements “to assess and provide the corporation with assurances on the adequacy and effectiveness, the control processes for the efficient use of resources, the solvency of the institution and the safeguarding of assets.” are clearly identified.
- The Committee meet 4 times a year rather than the current three, and
- Specific task and finish groups be established by the Board, as required for any specific function that is deemed necessary rather than having a fixed and scheduled Finance committee.

RESOLVED to agree to the recommendation in principle, but the Committee to be called **Audit and Finance Committee**, meeting 4 times a year as recommended, to retain an element of financial scrutiny, providing the Board with additional scrutiny for external purposes. All in favour.

Application to Transaction Unit

54/2018 Due Diligence Quotations - The Director of Finance reported that the quotations sought for the Due Diligence work required for the TU Submission had been considered by the Audit and Finance Committee on 26 June 2018. Five companies had responded to a clear specification that work on the detail will need to be undertaken with the TU to clarify their requirements. A verbal summary was given to the Committee and the Board confirmed their recommendation to appoint RSM for this work. All in favour.

Budget and Financial Plan 2018-19

55/2018 The Director of Finance presented a written report and updated the Board on the outcome of a helpful discussion at the Audit and Finance Committee meeting discussing what an application to the TU would look like and what The Budget for 2019-20 would look like. The question was asked, should we present a budget that would need to be refreshed when any application is made and accepted, or should we prepare one that showed no TU income? However, the bid would include what we want to include then revise the budget as necessary, depending on the outcome.

The figures show it is impossible to stick to the loan payment profile and the figures show that without assistance our expenditure will start to overtake our income quite quickly, in fact within two or three years. Whilst it is important to be open and honest and build the application to outline what

we want to address, such as a backlog of issues, which will provide an opportunity to move forward, develop and grow and staffing costs with 1% per annum pay award and national and minimum wage requirements. Members emphasised the importance of making sure we request enough, this is a one off opportunity. For example, £700k backlog in IT addresses student need, but not staff need. There is no capital allowed in the application process. The Director of Finance highlighted our tactic would be to ask for the return of the loan payments. We were meant to pay £1million in the current year, we would have paid £670k. We are asking to write off loans. If the worst happens we'd have paid 79% of the loan. Over 2019/20, it will be a big ask to manage to repay a further £297k.

Members felt the report successfully sets the scene. In the TU application there is additional pay spend. We need to demonstrate we can't manage, but showing what we need to show. The process is now to work with RSM and the TU to develop the figures and then come back to the Board in September for final approval of the proposals to submit. Discussion is also taking place as to whether the Allied Irish loans have any significance. The closing date is 28 September 2018, funding ends in March 2019.

Members supported the financial direction as presented and discussed and agreed to receive the 2019-20 budget figures as they are submitted to the ESFA by the end of the month.

Lyn Bourne left the meeting.

Governance Items

56/2018 i) Introduction to the Governors' Virtual Office

The Clerk gave a short demonstration of the new Governors Virtual Office and showed an introductory video. The resource will be used from the first meeting in the new academic year.

ii) Membership

- a) The Board approved a further one year term for Mrs Jenny Stiling as a Co-opted Associate Member.
- b) The Chair offered best wishes and the thanks of the College and the Board to Ian Hollows, who was moving out of the area. It was anticipated this would be Ian's last meeting.

iii) 2018-19 Meetings Calendar

- a) After approving changes to the Audit and Finance Committee, the four committee meetings were agreed as 20 November 2018; 15 January; 5 March and 11 June 2019.
- b) The 18 September 2018 was confirmed as a full Board Meeting to finalise the application to the Transaction Unit and all remaining meetings on the calendar were confirmed.

Any Other Business

57/2018 There were no additional items of other business.

Date of Next Meeting

58/2018 The next meetings were confirmed as Tuesdays 18 September 2018 and 9 October 2018

Confidentiality

59/2018 It was Confirmed that the next meeting would be held on 9 October 2018. However there would be an extra meeting on 18 September 2018, with the main focus on the TU application.

Signed _____ Chair

18 September 2018