

WOKING COLLEGE

MINUTES OF THE MEETING OF THE FINANCE & POLICY COMMITTEE HELD ON THURSDAY 22 JUNE 2017

Chairman: Mr. L. Oates*

Mr B. Freeman*
Mr R. Hales*
Mr J. Moffat
Mr. C. Moon
Mr J. Nayler*
Mr R. Volo*

* Present

In Attendance:

Ms K. Mercer - Finance Director
Mrs H Meredith - Clerk to the Corporation

1.	APOLOGIES FOR ABSENCE AND QUORUM AND APPOINTMENT OF MEETING REVIEWER	ACTION
1.1	Apologies were received from Mr Moffat and Mr Moon. The Clerk confirmed that the meeting was quorate.	
2.	DECLARATION OF INTEREST BY MEMBERS AND SENIOR POST HOLDERS	
2.1	There were no declarations of interest at the meeting.	
3.	MINUTES OF THE MEETING OF 1 MARCH 2017	
3.1	<u>Accuracy.</u> The minutes were accepted as an accurate record and were signed by the Chairman.	
3.2	<u>Matters arising.</u> The Finance Director reported that the new SFCA paycales are not affordable for the College for 2017-18 and so are not included in the draft budget for 2017-18. The College hopes to include these in the budget for 2018-19. In response to a question from members the Principal confirmed that this will put the College in line with other Sixth Form Colleges in Surrey.	Finance Director
	<u>Item 4.2.3</u> The Review of Reserves Policy was deferred until after conversion to an Academy.	Finance Director
4.	MANAGEMENT ACCOUNTS	
4.1	The Finance Director presented the cumulative management accounts for the period to May 2017 and took questions from members on these.	
4.2	After discussion it was <i>agreed to recommend to the Corporation</i> approval of the management accounts.	

5.	DRAFT BUDGET 2017 / 2018 5.1 The Finance Director presented the Draft Budget and took questions from members. The Finance Director made clear that this was the underlying 12 month budget to 31.7.18 and did not include the VAT saving that would arise on academy conversion. 5.2 After discussion it was agreed to recommend to the Corporation approval of the draft budget and capital budget for 2017-2018. The Chair of Corporation thanked the Finance Director for preparing the Budget.	ACTION
5.2	FIVE YEAR PLANNED MAINTENANCE REPORT 5.2 The Principal agreed to provide an update report on this to Autumn term Corporation meeting.	Principal
6.1	DRAFT TWO YEAR FINANCIAL FORECAST TO 2018-19 6.1.1 The Finance Director presented the draft Two Year Financial Forecast. The Finance Director explained that the College is required to submit a two year forecast to the ESFA by 31st July 2017. 6.1.2 The Finance Director took members through two scenarios; one assuming remaining as a college and one assuming conversion on 1 st September to an academy. 6.1.3 Members noted the forecast that the College will maintain an Outstanding financial status grade during the budget period based on the ESFA automated scoring with either scenario. As the college is currently planning to convert on 1 st September the academy version will be submitted. 6.1.4 After discussion it was agreed to recommend the Two Year Financial Forecast to the Corporation for approval. The Chair thanked the Finance Director for preparing this.	
6.2	ACADEMY BUDGET 6.2.1 The Finance Director explained that the College is required to submit a budget to 31.8.18 six weeks after becoming an academy. The budget will be different to the budget as a college as not only will the VAT saving be included but academy budgets do not include depreciation and release of deferred grant income. 6.2.2 An academy cashflow for the 12 months to 31.7.18 (assuming conversion to an Academy on 1st September) was reviewed by members. 6.2.3 It was agreed to recommend the Academy budget to the Academy trustees for approval.	
7.	EFA COLLEGE FINANCIAL HEALTH GRADE 7.1 The Finance Director presented the EFA Financial Returns Feedback Letter and the committee noted that this was Outstanding for year ended 31 July 2016 based on the outturn forecast as confirmed following their review of the audited financial statements. The underlying financial health grade based on the financial plans 2015/16 to 2017/18 was also Outstanding. 7.2 The Finance Director reported that the EFA Key Financial Indicators Dashboard had not	

	been updated but other benchmarking data was reviewed under Item 8.	ACTION
8.	BENCHMARKING DATA	
8.1	Members reviewed the KPMG FE Financial Statements Benchmarking Report for 2015-16 based on data from their 70 college clients including Woking College which KPMG had presented to the recent Audit Committee meeting. KPMG had confirmed that the College's position in the benchmarking data was broadly as expected for a small sixth form college. The Chair was pleased to see that the College data was in line with other small colleges, apart from pay expenditure to income ratio.	
8.2	The Finance Director confirmed that the College management accounts include additional, more relevant, benchmarking data from other Sixth Form Colleges.	
8.3	Members received and reviewed the Woking College financial performance indicators.	
9.	BIDS TO CONDITION IMPROVEMENT FUND	
9.1	The Principal reported that the College submitted a CIF bid for 2017/18 for £56K to cover essential roof repairs. Unfortunately, the bid was not successful although the College has appealed against the outcome. The result of the appeal will not be known until July 2017. The College is currently planning how much of this work it will need to include in its 17/18 maintenance budget and is taking advice in relation to future funding bids.	
10.	DATE AND TIME FOR NEXT MEETING	
10.1	<p>The committee meeting dates for the next year following conversion to an academy had not yet been fixed.</p> <p>This was the last meeting of this Committee as currently constituted (before conversion to an Academy) and was the last meeting for Mr Oates as Chair and for Mr Hales and Mr Nayler as members of the committee.</p> <p>The Principal thanked them all and particularly Mr Oates for his work as Chair. Mr Oates thanked the Finance Director and Clerk for their work.</p>	
	<p>The meeting closed at 7:40 p.m.</p> <p>H M Meredith Clerk to the Committee</p> <p>Signed:Date:.....</p>	