

Date	12 September 2016	Clerk to the Corporation
Venue	Board Room, City Campus	Tel: 0114 260 2620 Fax: 0114 260 2601 val.struggles@sheffcol.ac.uk
Present	Gil Vasey - Chair Ian Brown - until 9.15 am Paul Corcoran Chris Linacre Richard Wright	
In attendance	Andrew Hartley, Business Development Director - for agenda item 4.6 Jason Pepper, Executive Director, Finance and Resources Alison Shillito, Clerk to the Corporation designate Heather Smith, Executive Director and College Principal Val Struggles, Clerk to the Corporation Darren Tidmarsh, Executive Director, HR & SRIS	

Minute	Action
16/6/1	Apologies for absence Apologies for absence were received from Sally Neocosmos
16/6/2	Minutes of the meetings held on 4 July 2016 The minutes were agreed as an accurate record.
16/6/3	Declaration of interest No declarations of interest were recorded.
16/6/4	Matters Arising and Action Record <u>1 Action Record</u> The Committee noted that discussions are taking place with other regional colleges to provide benchmarking information in respect of some operational functions. A report will be provided for the next meeting ED F&R 7.11.16 The action record will be updated to reflect comments made and business transacted at this meeting and reissued with the agenda for the next meeting. Clerk
	<u>2 Matters Arising</u>

Minute 16/4/7: IT/MIS 'Route Map; and 5 - 10 year strategy

The Committee received a report on work in progress noting that a position statement will be presented to the next meeting. The outcomes from meetings held or planned (with 'Circle IT', Microsoft, and Google) will be used to inform the future strategy. On the basis of feedback obtained to date, a 3 -5 year strategy is more realistic than a 5-10 year one. In addition the College was advised to adopt an approach based on what currently works well or will improve learning outcomes prior to determining the technological solution needed to support this approach (which also reduces overheads).

**ED F&R
7.11.16**

Members were informed that over the summer, a number of PCs have been upgraded, the JANET network capacity has trebled and the Tribal EBS dashboard purchased. In addition search consultants have been selected for the recruitment of a Chief Information Officer.

Financial Performance

16/6/5 Condition of Funding - scale and financial impact for 2017/18 - Confidential

Details of the Education Funding Agency's (EFA) condition of funding (CoF) criteria for students' attainment of GCSE Maths and English were outlined in the report, together with the circumstances under which some learners might qualify for exemption. Issues highlighted during the presentation and discussion of the report are recorded in a separate confidential minute.

Governors were reassured that a report on action taken, based on lessons learnt, will be submitted to the Planning and Performance Committee. However the main concern continues to be the key challenge of engaging students to ensure their attendance and achievement in Maths, English or Functional Skills.

**College
Principal
19/9/
2016**

16/6/6 Enrolments 2016/17 - early indications

A verbal report was provided of the latest enrolment data -

- i) 16-18 year olds - 5207 enrolled compared with 5477 planned, with some variances across curriculum areas. A further 250 learners were expected to enrol in the next few days, and all will need to be retained until 'day 42' to secure EFA funding.
- ii) 19+ year olds - currently there were 839 enrolled compared with 1046 planned, however with ongoing enrolments it was anticipated that the overall planned numbers will be achieved. In particular there had been high demand for ESOL courses.
- iii) Enrolments on Access programmes overall were currently 10% below plan with particular low numbers in some areas, which will be kept under review.
- iv) Enrolments for HE programmes were a concern with the College experiencing strong competition from the local universities

(which had made a number of unconditional offers). The sub-contracting model with Sheffield Hallam University, for Engineering Higher apprentices, was one which the College could seek to replicate in other areas. Recruitment to programmes validated by Birmingham University and the OU was in line with plan probably due to the lack of local competition. Governors advised that the College should seek to identify its unique HE offer including career progression pathways.

A detailed report on enrolment will be prepared for the Governing Body meeting on 10 October which will include an analysis of the impact of consolidating 'A' level provision at Hillsborough campus and the programme choice of students directly affected.

**College
Principal -
GB 10
October**

16/6/7 Monthly Management Accounts - July 2016 and departmental performance 2015/16

The Monthly Management Accounts for July, circulated to all Governors for information with a covering letter at the end of August, were presented together with a commentary on the financial performance of curriculum and business support departments for the 2015/16 financial year. During the presentation and discussion the following points were highlighted:

- i) The Management Accounts, which will form the basis of the 2015/16 Financial Statements, forecast a year end outturn of £873k compared with the budgeted year end operating surplus of £2.484m. Excluding the exceptional items of income and expenditure, the operating outturn would be £842k.
- ii) Overall income for the full year was £3.7m less than budgeted and this had been partly mitigated by positive variances in both pay and non-pay expenditure. However the provision for SY Pension fund charges had been increased due to the recently announced revaluation of the deficit and changes to the accounting standards. The pension fund deficit continues to be a sector wide issue and it was anticipated that there could be further increases in contribution rates.
- iii) Details were provided of recent discussions with Barclays Bank and AIB (regarding the loan covenants), both of which continue to be supportive. The former confirmed that there will be no withdrawal or repricing of the loans and had requested a profile of in-year financial performance prior to the next review.
- iv) In respect of the balance sheet, the cash flow forecast anticipates total repayment of £1.66m to HM Revenue and Customs in respect of the disputed Lennartz scheme (VAT). The College intends to appeal against this tax assessment which has been received recently.
- v) KPMG have commenced the first stage of the year-end audit and the draft financial statements for 2015/16 will be presented to the next meeting together with an explanation of the changes to the accounting standards and the consequences (if so requested by members). Indications are that the College will

- continue to be considered as a viable going concern.
- vi) In relation to departmental contribution, members noted the actual contribution for individual departments compared with their budgeted contribution together with the commentary provided to clarify the reasons for variances. For 2016/17 Maths and English will be a separate cost centre with the corresponding changes to accounting for the delivery costs.

16/6/8 Sheffield Student Trust Fund - Report on 2015/16 income and expenditure

This item was deferred to the next meeting.

**EDF&R
7.11.16**

16/6/9 Completion of Norton sale

Following some minor changes to the planning consent, it was anticipated that the sale will be completed between November 2016 and January 2017. AIB's revolving credit facility will continue to be available to the College should there be any further delay to completing the sale.

Ian Brown left the meeting at this point.

16/6/10 Feasibility Study into the implementation of a philanthropic fundraising activity - Confidential

Details of the discussion are recorded in a separate confidential minute.

16/6/11 Subsidiary Companies

It was reported that the Committee will receive at the next meeting the Service Level Agreement Contract and Business Plans 2016/17 for each of the three subsidiary companies.

**EDF&R
7/11/16**

Following the Governing Body's consideration of the Internal Audit Review Report, management's responses to the recommendations will be presented at its meeting on 10 October in respect of governance arrangements of the subsidiary companies.

**EDF&R
10/10/16**

In relation to the College's sponsorship of the UTCs, members were informed that their accounts will not be consolidated with those of the College as this is precluded in the Academies Handbook.

16/6/12 Strategic Developments

The Chief Executive informed the Committee that aligned to the Business Plan 2016/17 - 2017/18 the revised internal executive reporting structure has been implemented and at future meetings the Committee will receive reports on the following strategic developments - Human Resources; Marketing and Business Development; Technology.

The first meeting of the Strategic Change Programme Board is

scheduled for 12 September and the Teaching, Learning and Assessment Improvement Plan will be a standing agenda item, with subsequent reports to the Planning and Performance Committee.

The Operations Review Board, chaired by the College Principal, will monitor the performance of curriculum and business support areas.

Chris Linacre, as Chair of the Learning Together Review, provided feedback on the recent Teaching and Learning meeting he attended, commenting that a common theme is staff engagement

16/6/13 Committee's annual report for the Audit and Risk Assurance Committee

The Committee noted the requirement, under the Joint Audit Code of Practice, for the annual report of the Audit and Risk Assurance Committee to provide an opinion on "*the adequacy and effectiveness of the College's audit arrangements, its framework of governance, risk management and control and its process for securing economy, efficiency and effectiveness*". In this context member considered the report, which included a summary of the ' high level risks identified in the Risk Register, its terms of reference and the level of assurance which it could provide to the Audit and Risk Assurance Committee taking account of the issues considered during 2015/16, as evidenced in the minutes of meetings.

Subject to including reference to the Committee's consideration and monitoring of capital projects, the Committee agreed to submit the Annual Report to the Audit and Risk Assurance Committee for its consideration.

**Clerk
for
26/9/16**

16/6/14 Any Other Business

There were no other items of business

16/6/15 Review of meeting

Members were invited to submit comments to the Chair on the new format and content of the agenda.

Members

16/6/16 Chair's closing remarks

On behalf of members the Chair thanked the Clerk, who will be retiring at the end of October, for her support to the Committee.

16/6/16 Schedule of meetings for 2016/17

Monday 7 November 2016 at 8.00 am in the Boardroom, City Campus
Monday 5 December 2016 (Joint with A&RA) at 8.00 am, Boardroom, City Campus
Monday 16 January 2017 at 8.00 am in the Boardroom, City Campus
Monday 13 March 2017 at 8.00 am in the Boardroom, City Campus
Monday 8 May 2017 at 8.00 am in the Boardroom, City Campus
Monday 5 June 2017 at 8.00 am in the Boardroom, City Campus
Monday 3 July 2017 at 8.00 am in the Boardroom, City Campus