



WEST NOTTINGHAMSHIRE COLLEGE
FINANCE & ESTATES COMMITTEE

Minutes of the Finance and Estates Committee meeting held on Thursday 30th January 2020 at 5.30pm.

GOVERNORS PRESENT: Paul Frammingham, Chair
 Andrew Cropley, Principal/CEO
 Charles Heaton
 Tony Westwater

ALSO IN ATTENDANCE: Maxine Bagshaw, Clerk to the Corporation
 Gavin Peake, Director of IT and Estates
 Jon Fearon, Finance Director
 Mike Firth, ESFA observer
 Sean Lyons, Chair of the Board of Governors

ACTION by whom	DATE by when

1 DECLARATIONS OF INTEREST

The Chair reminded everyone present to declare any interests that they may have on agenda items planned for discussion. Standing declarations were noted.

2 WELCOME, INTRODUCTIONS AND APOLOGIES FOR ABSENCE

Apologies for absence were received from Kate Truscott. The Clerk took the opportunity to advise that Kate Truscott would be standing down from this Committee and would be joining the Standards Committee instead. The Chair asked that the Committee's thanks and appreciation be passed on to her in relation to her contributions and added value.

3 MINUTES OF THE MEETING HELD ON 28TH NOVEMBER 2019

The minutes were reviewed and it was agreed that they were an accurate record of discussions.

AGREED: to approve the minutes of the meeting held on 28th November 2019.

There were no matters arising.

Signed :  Chair

Date:

ACTION PROGRESS REPORT

The Committee noted the content of the update provided. In relation to line 4, the Finance Director explained that repayment profiles had not yet been agreed with the ESFA and the bank, therefore he had been unable to update the cashflow forecasts as agreed. He confirmed that the new 3-year model has some assumptions included. There is broad agreement that the college can repay £1.8 million in 19/20, but that the two other repayments are not yet confirmed. He explained that Lloyds, in theory, agree to these repayments, but that they are dependent upon the sale and certainty regarding the BKSB sale price. The ESFA observer indicated that he was also looking at the framework for repaying exceptional financial support: this was in terms of the system and process to be followed. The Finance Director confirmed that the 3-year model includes the assumption that the college will have disposed of BKSB by 1st August 2020. He advised that, on the assumed sale price, the college will then be in a position to repay the ESFA additional amounts. The assumed sale price pays down a significant proportion of the college's debt and will reduce the ongoing interest repayments.

The Committee questioned whether the assumed sale price is reasonable. The Finance Director confirmed that it is and in particular should be cross-referenced with the value that had been agreed for the aborted part sale. He confirmed that the business constantly delivers £1.5 million profit and has a +40% EBITDA. The company has a good track record, therefore there is no reason to believe that the assumed sale price cannot be achieved.

AGREED: to note the content of the update provided.

MONTHLY MANAGEMENT ACCOUNTS – DECEMBER 2019

The Finance Director drew the Committee's attention to the detailed information provided, and key matters noted were:

- The college continues to perform well.
- Turnover is broadly on track.
- Apprenticeships is the only area not in line with planned growth.
- The college has not yet built in to the accounts the additional funding rate increases. The assumption is +£240k, however, it could be in the region of +£380k. The college has taken a prudent approach.
- In relation to AEB, carry-in learners are now included. This means an additional award, with an increase of revenue at circa £700k.
- The college has released £300k of revenue that was held back until the outcome of the ILR audit was known.
- Staff expenditure is still below budget and the college has not yet released the contingency in relation to this, but it will be

Signed : _____ Chair

Date:

reduced in the reforecast.

- There have been some revisions to figures over the year to show expenditure more accurately.

In relation to staff expenditure, the Committee questioned why the decision had been taken to reduce the contingency. The Finance Director explained that it was being released to support additional staffing required. He provided the Committee with assurance that additional staffing agreed is on the basis of a detailed granular exercise undertaken and is particularly in relation to temporary staff. In general discussion, it was confirmed that the college has utilised temporary teaching managers this year: for example, the VP Curriculum and Quality and Assistant Principals.

The Committee questioned whether there was confidence regarding the line titled 'ERASMUS'. The Finance Director expressed the belief that this will come through.

The Committee noted that there was provision within the accounts for 'restructure payments' and questioned what this relates to. The Finance Director confirmed that the college has had some redundancies this year as part of the ongoing reviews but that they are not large scale. He also advised that some staff were offered trial periods in alternative roles as part of the restructure exercise undertaken last year and, in a number of instances, staff have now made the decision to leave on a redundancy basis. He confirmed that, potentially, part of this contingency will not be spent.

- Strong EBITDA
- Exceptional items predominantly relate to BKS
- In relation to line 31, the sector recommendation is 8%; the college is at 7.9% so is 'there or thereabouts'.

He confirmed that, overall, there is a good, strong performance with no areas of significant concern.

The Committee challenged in terms of the use of temporary staff and questioned the timescales for addressing this. The Principal provided an update on the permanent recruitment processes, but indicated that the college will still have further spend on temporary posts in year.

The Committee agreed that they would find it useful to see a staff structure chart which also details the level of budget responsibilities and the number of staff managed, particularly in relation to senior and middle managers.

The Committee were given assurance regarding the robustness of the staff recruitment processes, including executive oversight. It was explained that one of the reasons for the additional staffing requirements was the fact that the college has seen a 15% increase in

Principal /
FD

Feb.
2020

Signed : _____ Chair

Date:

the number of students taking maths and English.

A question and challenge from one member of the Committee was in relation to staff costs. Page 13 suggests that the year to date actual is ahead of the target, however the management accounts suggest that spend is below budget. It was explained that subcontractor activity distorts the position. The Committee questioned whether they should be worried that the year to date actual is ahead of target. The Finance Director expressed the view that this was not a concern and that, at this point in time, the college is capturing all of the costs but has not provided for all of the income anticipated, i.e. a prudent approach has been taken.

The Committee made the observation that the page 10 cash flow forecast does not include any repayments to the ESFA. The Finance Director confirmed that the reforecasts will model in the repayments. The Committee were pleased to see that the overall forecast position is not too far out. The Finance Director advised that he is refining when the college is drawing down cash from BKSB, and that this is being utilised to repay the loan that the college has with the company.

The Committee requested that student number data also be included in the management accounts in future. It was noted that this has been provided historically but appears now to be omitted (the Finance Director was referred back to the May 2019 management accounts as an example).

FD

Monthly

AGREED: to note the content of the management accounts presented.

6 JANUARY PAY REPORT

The Committee were happy to note the content of the information provided and all agreed that it was pleasing to see a positive position.

The Finance Director confirmed that he has released the first amount of contingency to go towards the pay award agreed. He reminded the Committee that the award was on a nonconsolidated basis. He advised that some funding increases will help to strengthen performance against pay costs. He confirmed that the report shows that the college remains on track in relation to its most significant expenditure line. It was noted that the spend on temporary staff is trending downward.

AGREED: to note the content of the update provided.

7 SUBCONTRACT UPDATE

The Finance Director explained that the yearend forecast assumes an overall spend of £3,575k which equates to £4,468k at full ESFA value.

Signed : _____ Chair

Date:

This is broken down as:

- ESFA AEB £4,099k
- London AEB £164k
- 16-19 £200k
- Apprenticeships £5k.

Approximately £1,040k of potential franchised activity is still to be allocated. If all recommendations within the report presented to the Committee are agreed, this will drop to £604k. The accounts to period 5 have fully provided for five twelfths of £4,468k value.

The ESFA allocation has increased by over £500k due to additional funding being available; this is the main factor contributing to the high level of unallocated franchise activity. In-house delivery, as an alternative to further franchise activity, and a number of avenues are being pursued to grow in-house provision.

In general discussion, it was explained that the increase in allocation was not assumed/known and also that the college did not originally allocate all of its funding, as it took out a major subcontractor early in the year because of process and procedure concerns. Therefore, the college has a combination of unallocated and additional funding that it has to utilise or will lose the grant.

The Finance Director drew the Committee's attention to the list of proposals in relation to specific contractors, and it was noted that:

- ATT – this is highlighted as a medium risk. Due diligence has been extended due to poor historic success rates; as a result, starts have not yet commenced. ATT is, however, likely to be able to fill this contract value. The Committee questioned whether there was an alternative provider, if they are not to be utilised. The Finance Director explained that the company appears to currently be choosing who it draws its funding down from first, as it does have contracts with other colleges.
- Deere Apprenticeships is progressing well.
- Essential Site Skills – progressing well and performance against profile supports a small increase. It was explained that this is quite a niche market.
- Inspire and Achieve Foundation – adult provision marginally behind, but 16-19 provision is performing well and needs an increase.
- Linden Management is performing well and requires an increase, however, it is performing poorly in London. It was explained that there is a separate contract that exists in relation to London. It was described as a small contract that does not relate to core provision, therefore there is a small financial risk/impact if it does not improve.
- One to One Support – outstanding queries regarding programme design have now been resolved; as a result, the contract requires an increase. It was explained that they have

Signed : _____ Chair

Date:

very positive employment progression statistics.

- Qualitrain is performing well, due in part to supporting major manufacturers with recruitment; therefore, the contract requires an increase.
- White Rose – due diligence complete, recruitment underway and the number of starts is being monitored.
- The Development Fund – due diligence is underway.
- Chameleon School of Construction – this is one of the college’s new providers and has made a very positive start in terms of activity. There is the potential that they will require an increase in the future and that there are also opportunities for partnership delivery, particularly short community courses.
- Trackwork limited is showing good progress, with 95% of apprentices going on to employment in the rail industry.

The recommendations for contract changes therefore apply to Essential Site Skills, Linden Management, One to One Support, Qualitrain and Inspire and Achieve.

The Committee were also asked to consider the contractual commitments from previous years, where there is a liability if the apprentices pass. It was confirmed that the amounts detailed would only be paid once the apprentices pass, and assurance was given that students are being supported until they complete.

AGREED:

- a) To note the content of the update provided
- b) Approve the contract increases proposed.

8 UPDATED 3-YEAR FINANCIAL PLAN

The Finance Director introduced this report and drew the Committee’s attention to the new ESFA financial monitoring and forecasting process. Key significant changes from the previous approaches were explained and noted. In terms of preparing the forecast, he advised that there were a number of key aspects, including:

- A conservative EBITDA increase proposed; this will then allow the college to invest in quality.
- The adjusted position provides for healthy earnings.
- Loan repayment amounts are the ‘worst case’.
- Cap ex would need to be released at various points in the year and would only be released if the college has earned sufficiently to spend.
- There is an improving cash generation position.
- Key element is to reduce debt through the sale of BKSB.
- Aim is to get to financial health categorisation of ‘good’ by the end of 2022.
- Appendix 1 gives more detail and shows that 16-18 revenue is significantly improved. Governors’ attention was drawn to the 16-19 funding table. It was noted that the college will not

Signed : _____ Chair

Date:

receive final funding allocations from the ESFA until the end of February, however, the forecast does include some assumptions that have been tested with ESFA colleagues.

- There are two areas where the college will lose an element of funding; these are:
 - a) £390k in relation to the maths premium pilot, and
 - b) Up to £75k improvement funding with Leicester College.
- The college is taking a cautious approach to apprenticeships, particularly because of the growth cap in relation to non-levy.
- Forecast assumes that AEB income stays constant, however, it is known that the college will lose provision in London in 2022.
- The forecast has taken out £1 million income for HE, however, to offset this, rent revenue has been included. It is expected that there will be a neutral impact to the bottom line in year 1, but that the college will see increases thereafter.
- The college's wage bill is anticipated to decrease because of the TUPE arrangements to NTU

The committee's attention was drawn to section 3 of the report, which provides the summary data.

He described the current situation as a high level review and confirmed that it builds upon where the college currently is. He advised that he has taken a cautious, rather than optimistic, approach and that the key points are:

- EBITDA is in line with sector norms, and
- The college is able to generate sufficient cash to continue to service debt.

In terms of the model to be submitted to the ESFA, he advised that the team has not yet been able to make the balance sheet work for this meeting as there are some limitations on the model provided by the ESFA. The model has been changed repeatedly and colleges are now on version 6. He explained that, to build the balance sheet, there needs to be 80 lines of data inputted in to the system. This has been a challenge and a new version is to be released imminently. He confirmed that all of the sensitivities surrounding the appropriate covenants will be considered and tested when the balance sheet is completed.

A question and challenge from the Committee was whether or not the amount provided for cap ex is enough. The Director of IT and Estates expressed a view that it is within the forecast period but that there will be a point in time when cap ex needs to be increased because of the age of the buildings. He advised that, currently, 95% of the estate is in category A and B and that this is because of previous good investment.

The Committee questioned whether there were any upsides factored in to the forecast. The Finance Director indicated that, at this point in time, the intention is to be very prudent, for example in relation to growth expectations and assumptions. The committee were advised

Signed : _____ Chair

Date:

that construction provision is an area of growth opportunity, however, before this can be progressed, the college has to resolve the current position in relation to quality and staffing. The Committee were reminded that 16-18 numbers are lagged, therefore income in relation to this is secured for next year. He confirmed the intention to revise the risk register against the numbers included within the reforecast. He confirmed that the final budget for 20/21 will be set in July 2020 as normal and therefore this should be considered as an opportunity to undertake an early review.

The Committee considered the estimated 16-19 funding table, and it was noted that there is nearly a 10% in revenue. It was explained that there are some new areas of revenue: for example, Level 3 maths and English. There is also growth based on student numbers and this, combined with an improvement in some funding rates, leads to the increased revenue.

The Committee asked what the worst case position is in terms of sensitivities. The view expressed was that obtaining a grade 4 for apprenticeship provision and subsequent removal from RoATP would significantly affect the projections.

The Committee considered the process for approving the final document for submission, and it was agreed that an update would be provided to the Board meeting in February 2020 with the request then that delegated authority be given to this Committee to finally approve at the next meeting on 27th February 2020. The Chair of the Board of Governors made the observation that the forecast seemed to take a prudent approach, therefore, it was likely that the Board would be comfortable with the recommendation to delegate. The Finance Director confirmed that he would share the full model detail with Committee members as it is developed, and that this would include the narrative and the changes/trends. It was agreed that the full current model would be circulated immediately after this meeting and then the updated full pack would be issued two weeks prior to the February 2020 meeting.

FD

Feb.
2020

FD

13.02.20

The Committee acknowledged that the EBITDA was not predicated on growth and that this was an important assumption. A challenge from the Committee was that they would wish to see internal stretch targets in addition to a prudent budget. They expressed the view that it was important to constantly look forward and assess what this may mean.

The Committee discussed demographic growth opportunities and were advised that, for this area, growth associated with demographics is not significant and potentially would only mean 50 extra students a year. What the college needs to do is look at improved progression and reduced attrition instead of relying upon demographics.

The Committee felt that the forecast presented was a reasonable start

Signed : _____ Chair

Date:

and were satisfied with the process proposed to finalise before the submission deadline date at the end of February 2020.

AGREED: to note the content of the update and draft reforecast position as presented.

9 ILR AUDIT MANAGEMENT LETTER

The Finance Director introduced this item and confirmed that it was presented to this Committee, as well as the intention to share with the Audit Committee, as it addresses some financial risks previously reported. Key matters brought to the Committee's attention were:

- The ESFA audit manager provided verbal feedback, which concluded that the college has made substantial progress compared to college historical audits. The error rate was very low on standard elements of the samples and was satisfactory. This will lower the college's risk rating within the ESFA. This means that the college is less likely to be audited again on the basis of risk, however, it could be selected for a random audit.
- The 2018/19 audit, however, had a number of additional targeted tests where the ESFA will be seeking full recovery rather than the standard approach of recovery when the error is above 5% of funding. In these areas the ESFA found a number of apprenticeships where the college could not prove sufficient off the job evidence, and a small number of ineligible learners.
- This will lead to a recovery of approximately £120k. The college had provided £300k for this within the 18/19 accounts. When the final number is issued by the ESFA, the college will release the provision.
- The college now has a monitoring process in place for identifying off the job hours: this is identifying a much smaller error rate in 19/20.

In general discussion, a challenge from the Committee was in terms of the importance of maintaining the positive position. They all agreed that the college needs to maintain the high standards through its own internal controls. Assurance was given that off the job training statistics are improving month by month. Staff have responded really well to the audit outcomes, and this has been recognised by the senior team.

AGREED: to note the content of the ILR audit management letter.

10 RISK REPORT

The Finance Director introduced this item and confirmed that there were no major changes since the last meeting. It is his intention to change the register regarding ILR risks when the final letter confirming the clawback amount is received. In relation to this, he confirmed that the next exercise for the college is to seek some clawback from subcontractors to offset the position.

Signed : _____ Chair

Date:

In general discussion, the Committee questioned how the arrows are agreed. It was explained that these represent changes from each Audit Committee meeting. The Committee felt that it was important to explain this so as to better clarify/understand the movement points.

AGREED: to note the content of the update provided.

11 **EXCEPTIONS REPORT – ANY AREAS OF CONCERN**

The Finance Director introduced this item and reminded the Committee that this was a termly report requested to flag any areas of concern, which could include contribution analysis, staff utilisation, class sizes, quality, etc. He confirmed that the areas of concern have now been reduced to five and provided assurance that the issues are seeking to be addressed through the planning processes.

The areas of concern are:

- Health and Social Care Apprenticeships – activity is down in this area due to issues over retention of apprentices and eligibility for apprenticeships. The team are remodelling provision to increase the adult education budget in year and into 20/21. Margin is down from 71% to 7%. He confirmed that this provision was going through significant review in terms of the offer, with the intention to increase learner loans and AEB. He confirmed that there is a need in the area for the college to deliver on this, therefore an alternative approach needs to be developed. He confirmed that the college is at the end of the tail of unfunded learners and the focus will be on AEB and adult learners going forward.

(Sean Lyons left the meeting at 7pm)

- Hospitality apprenticeships – income is down significantly, due again to retention of apprentices and eligibility. The team is looking to create a mix of new 16-18 provision and AEB. Margin is down from 38% to 36%. He advised the committee that staff knew the position would not be strong and, as a consequence, the college has altered some of its offer: for example, training in relation to being a production chef rather than commis chef. The team are looking to offer part-time day release programmes, which would be free to employers. A similar position is being developed in relation to plumbing.
- Fab and weld – this area is small but has a low margin of 10%: the college is reviewing its 16-19 offer in 20/21. He explained that the college is looking not to offer a pure fab and weld qualification, but to instead integrate it into other curriculum areas/courses. The college is exploring the option of looking at the equipment being a general resource to a number of curriculum areas.

Signed : _____ Chair

Date:

- Joinery – this area has been impacted by poor 16-18 recruitment: margin is down from 54% to 34%. The college is reviewing how this links to property maintenance to improve efficiency. He confirmed that the curriculum design is being reviewed with a need to address low recruitment and also the need to utilise temporary staffing. The college is looking at a multi-trade offer to aid recruitment and job progression.
- Catering – this area has had weaker recruitment for 16-18s: the margin was low at 45%, but is achieving 34%. The intention is to review the 20/21 curriculum design and offer more AEB. He explained that catering is a high cost provision with high costs associated to estates maintenance. The college is looking at different types of delivery. It was noted that Refined is currently making a profit and, in theory, if the college gave them back this profit, this would assist in improved levels of contribution.

It was confirmed that the five areas of concern should be taken within the context that there are 25 areas of provision. A challenge from the committee was 'not to strip out the things that make the college most attractive to learners'.

In terms of catering, it was explained that the college has one production kitchen and three learning kitchens. On the basis of current recruitment there are just too many bays in the learning kitchens to support learner numbers. The college also has the challenge of connecting up the other food outlet offers on site.

AGREED: to note the content of the update provided.

12 FINANCIAL REGULATIONS AND PROCEDURES REVIEW (INCLUDING A REVIEW OF FRAUD AND CAPITAL EXPENDITURE/PROJECT PROCEDURE)

The Finance Director explained that the review of the Financial Regulations had been undertaken, with a specific focus on ensuring that:

- a) Anti-fraud, bribery and corruption processes and policy are updated
- b) Provide clarity on the colleges capital approval processes.

He explained that an Anti-fraud Bribery and Corruption Policy has been created as a separate document, with key responsibilities set out in section 6. In considering the document, a challenge from the Committee was whether or not there should be a section relating to 'all staff', as all staff need to be alert and have responsibility to report any suspected or known fraud. It was agreed that this would be added prior to final submission to the Board for approval. The Committee considered the checklist provided at page 11 and queried whether the college would be able to respond positively to each of the questions. It

FD

Feb
2020

Signed : _____ Chair

Date:

was agreed that the Audit Committee would be invited to receive a compliance report on this at their next meeting.

FD

Feb.
2020

Save for the one change requested to section 6, the Committee were happy to put forward the Anti-Fraud Bribery and Corruption Policy as presented for Board approval.

In relation to the capital approval process, it was acknowledged that current capital requests are limited and the application process for this was set out. A key part of the process is for applicants to show the impact on the curriculum. Requests for capital expenditure are used as part of the curriculum planning process. The Finance Director explained that it was really important to pull out staff ideas on new ways of working, therefore the process devised is as simple as possible. It was explained that capital spend is now based upon 'replacing failures', but that this will change over time as the college builds up its reserves.

A challenge from the Committee was that, when the college is able to invest more, Governors would want more visibility. The Finance Director confirmed that he would include a note within the management accounts through the 'additions'; this will detail the plans as they crystallise. A challenge from the Committee was that there is still only one approval process within the Financial Regulations. They acknowledged that, at the moment, it is low risk because of the low spend, and made the observation that this would need to be considered for the future. It was noted that the limit for approval of capital spend, without reference to this committee and the Board, is £150k. The committee indicated that they would wish to start to see detail of expenditure set out either within the management accounts or reports to this Committee.

FD

Monthly

The Committee asked what the process was in terms of financial commitment for leasing and hiring. The Finance Director confirmed that the same process would be used and that decisions would be taken on value, i.e. the total commitment over the anticipated period.

He drew the Committee's attention to section 4 of his report, which sets out additional minor changes proposed to the Financial Regulations. The most significant of which is the change to the process for lots of repeat transactions, as set out on page 36.

Considering the discussions as a whole, the Committee were satisfied with the capital approval process in place and were also happy to put forward the proposed changes to the Financial Regulations for Board approval.

AGREED:

- a) To note the content of the update provided,
- b) Recommend that the board approve the Anti-fraud, Bribery and Corruption Policy, and

Signed : _____ Chair

Date:

- c) Recommend that the Board approve the proposed amendments to the Financial Regulations as set out.

13 **SUBSIDIARY COMPANY MANAGEMENT ACCOUNTS**

These were provided for;

- a) BKS Ltd
- b) VBSS Ltd

In relation to BKS, the FD confirmed that the company remains broadly on track and is only £20k currently off budget (management accounts for the period ending 31st December 2019). The company is doing better than the prior year and is increasing its customer base against stiff competition.

In relation to VBSS, this is an in-house staffing organisation. From the data, it can be seen that this was the most significant area of staff savings, given the restructures in 2018 and 2019. This is a significant move and reflects the change in the business.

AGREED: to note the content of the update provided.

14 **CONSTRUCTION CENTRE - HEALTH AND SAFETY UPDATE**

The Director of IT and Estates presented this item and confirmed that it had been requested at the last meeting following concerns raised regarding health and safety risk assessment compliance. Key matters brought to the Committee's attention were;

- An external health and safety consultant was used on this occasion as the college's internal health and safety advisor was unavailable (not at work). The consultant has visited key departments and met with a variety of staff responsible for risk and COSHH assessments.
- The consultant has delivered training and has advised staff on how to reduce their own workload by producing a workplace risk assessment that covers a variety of tasks previously covered in individual assessments. In addition, the consultant has advised on the production of individual assessments for high risk activities.
- The consultant is happy with the progress and outcomes of these activities. The internal health and safety advisor will provide follow-up visits during 2020 to ensure that practices now in place are followed.

In general discussion, the Committee were advised that the college is now happy with what is written and the next stage is to be assured regarding what is happening in practice and compliance. It was confirmed that staff are positive about the new approach and process. There are only a few risk assessments now outstanding. It was described as an improving situation, however it was acknowledged that

Signed : _____ Chair

Date:

it is not 'perfect' yet.

The Committee questioned the approach taken with visitors. It was explained that they walk within identified safe walkways/areas and are very often accompanied. The Committee were advised that there is an improving culture in terms of challenge, with both staff and students being vigilant regarding the use of proper safety equipment.

AGREED: to note the content of the update provided.

15 SITE SECURITY

The Director of IT and Estates drew the Committee's attention to his written report, and key matters noted were:

- In June 2019, a paper was presented to the Board detailing options to improve security on all college sites. This detailed 56 external doors across Derby Road and a number of options to improve security. The Board approved the first option which involved securing the majority of these doors.
- The paper also identified a progressive set of actions which could be implemented should the need arise to further improve site security.
- The site risk assessment has not identified an increased threat level on the college sites, however, both student and staff continue to express feelings of unease at the very open site and large number of entrances (now 14 at Derby Road).
- Since last reporting in June 2019, the college has secured the vast majority of fire doors with a combination of magnetic locks, alarm doors and one-way push bars. These allow for exit in case of emergency, but prevent entry and normal use. The 56 doors have been reduced to just 14 ways of entering the buildings.
- Following discussions with the executive team and in response to student and staff concerns, the college has decided to add door entry systems (contactless) to 13 of the remaining 14 entrances. Each separate building will be protected by a door entry system and the main Derby Road building will be reduced from six to three entrances, with 2 of these 3 supporting contactless door entry systems.
- Only the main bridge entrance to the college (access point 8) will not at this point be secured with a door entry system as visitors and students have to pass by a staffed reception point. We will not implement barrier systems at this time (option 2 presented to Board) but will trial the door entry systems for the remainder of terms 2 and 3.
- The college anticipates securing this additional security feature in mid- to late-February on all college sites and they will function with the existing ID badges that students wear.
- On the plan provided the main entrances utilised by staff and

Signed : _____ Chair

Date:

students are 8 and 14.

The Committee were advised that, as an interim measure, door security has been commissioned and the intention is to introduce the next steps very rapidly. The Committee all agreed that what was presented was a proportionate response and that in the interim two security guards are on site, predominantly at the entry points.

AGREED: to note the content of the update provided.

16 **DATA RETENTION POLICY**

The Director of IT and Estates presented the updated policy and confirmed that he has worked with committee members to finalise. As an overview, emails will be kept for 90 days save for senior staff emails, where they will be retained for a year. It was acknowledged that the college is under a legal obligation only to keep personal data for 'as long as the college needs it'. He confirmed that the JISC version of the data retention policy has been utilised as this has been checked and agreed by solicitors on behalf of JISC.

AGREED: to recommend that the Board approve the Data Retention Policy as presented.

17 **AOB**

There were a number of matters discussed as AOB.

1) Committee Membership

The Clerk drew to the Committee's attention the fact that membership was now down to four: Paul Frammingham, Andrew Cropley, Charles Heaton and Tony Westwater. This takes account of Kate Truscott's move to the Standards Committee. The terms of reference currently provide for quorum of four, which means that a meeting would be unable to progress if any one Governor had to apologise. The Committee were satisfied that membership of four was appropriate and that there were all of the relevant skills required. They did, however, agree that reducing quorum to three would be less of a risk. The Clerk confirmed that a quorum representing 75% of membership was more than many committees.

AGREED: to recommend that the Terms of Reference be amended to provide for quorum of three rather than four.

2) Meetings 20/21

The Clerk advised that she was currently planning the calendar for next year and the proposal put forward is that, in any one month, there would be scheduled either an F&E Committee or a Board meeting. This

Signed : _____ Chair

Date:

would provide for F&E Committee meetings in September, November, January, April and June and Board meetings in October, February, March, May and July. The Committee felt that this was an appropriate spread and would ensure that there was a monthly opportunity to discuss any matters requiring review and decision.

3) Financial notice of concern

The Principal confirmed that the college would be receiving a new financial notice of concern shortly. This will take account of actions no longer required, and part and parcel of this is that the college has been advised that it will come out of 'supervised status', which is a real positive.

4) Protocol for the provision of papers

Committee members indicated that, when papers are provided late, they struggle to undertake adequate preparation. It was agreed that all report writers would use their best endeavours to provide all reports one week in advance but that, if this is not possible, they will communicate with committee members to clarify when the outstanding reports will be available.

18 **CONFIDENTIAL MINUTES OF THE MEETING HELD ON 28TH NOVEMBER 2019**

The minutes were reviewed and it was agreed that they were an accurate record of discussions.

AGREED: to approve the confidential minutes of the meeting held on 28th November 2019.

There were no matters arising.

19 **DATE AND TIME OF NEXT MEETING**

The Clerk confirmed that the next scheduled meeting is Thursday 27th February 2020 at 5.30pm.

Meeting closed at 8pm.

Signed : _____ Chair

Date: