



THE CORPORATION OF WALTHAM FOREST COLLEGE
FINANCE AND RESOURCES COMMITTEE
MINUTES OF THE MEETING HELD ON 19 MARCH 2024

MEMBERSHIP

Youness Abidou (Chair), Paul Butler (Vice Chair), Remi Iyun, Amir Seyyad, Leon Smith, Janet Gardner (Principal), Darren Talbot (co-opted member)

In Attendance

Abena Rodman-Tay Deputy Principal Finance and Resources (DPFR)
Nadeem Khalif Director of Business Innovation and Partnerships (DoBIP) (Items 133- 136 only)

Clerk to the Corporation:

Naomi Shoffman Director of Governance (DoGov)

133. WELCOME AND APOLOGIES FOR ABSENCE

The Chair welcomed everyone to the meeting. There were no apologies.

134. DECLARATION OF INTERESTS

There were no issues included on the agenda for the meeting in which they had a personal interest relative to the College.

135. FINANCE AND RESOURCES COMMITTEE MEETING HELD ON 5 DECEMBER 2023

The minutes of the meeting held on 5 December 2023 were agreed as a correct record.

136. COMMERCIAL ACTIVITIES AND STRATEGIC PARTNERSHIPS

The DoBIP presented the report, the list of subcontractors for the year 2023-24 and a summary of each provider. There are no concerns with performance, and all will meet their contract by the end of the year. The Committee was advised that there are no changes to the providers being used to deliver this year as they are all still in contract.

A member asked for and the DoBIP provided for an explanation of how the percentage value is calculated.

A member asked for and it was agreed to add a headcount and qualifications of the learners for next report.

A member asked about the management fee the DoBIP clarified how this is applied.

The Committee Noted:

- The current subcontracted activity for the year 2023/2024 as of R07.
- That the proportion of subcontracted activity between providers may vary according to stakeholder demand but is unlikely to increase in its overall value for the year.
- The mechanisms used by the College to monitor and support the quality and compliance of all subcontracted activities.

137. THE 31 JANUARY 2024 MANAGEMENT ACCOUNTS AND UPDATE FOR POSITION THIS YEAR

The DPFR presented the management accounts and provided summary details of the College's actual income and expenditure, balance sheet and cash flow forecast, compared with budget. She then highlighted the following points:

- The Cash balance at 31 January 2024 and cash days, against the FEC targets.
- The Financial Health Score is a strong 'Good'.
- The key risks that may impact the financial position and the mitigation actions being taken which will be monitored by the Committee.
- The result shows a surplus for the year to date.

A member asked what element of the reserves is restricted. The DPFR advised there are no restrictions on the cash reserves and gave an example of what would be restricted in line with the new ONS guidelines.

A member observed that income and expenses are not quite aligned and asked if the College is where it should be and also asked about the T Level recruitment. The DPFR explained that the budget profiling in the management accounts is usually split equally over 12 months in some cases but in most cases split using previous years trend of delivery and actual income is based on income that has been delivered based on ILR for that month. Some expenses are front loaded but will even out over the year. There are some areas where the costs are higher than budgeted for and the table in the report provides additional comments on this as some are to do with additional income in year. In addition, there are planned delivery for the year for semester 2. The DPFR said she is confident that will get to our full allocations. The funding allocation is looked at line by line and monitored on a monthly basis. If an area is not recruiting, actions are taken immediately in the meeting to mitigate this risk by reallocating the funding to ensure it is utilised where best needed. With T Level if the under recruitment numbers are still higher than enrolled on T Level there could be a further clawback which at R14 which is in October 2024. A provision has already been made in the management accounts against this potential clawback. The Principal added that going forward when the College has an A Level offer, we can divert students to T Levels if they do not have the right qualifications for A Levels. The Principal then updated the Committee on January recruitment.

A member noted the impact of the additional bank interest on the year end surplus as it is a very good return on the cash investments. There was a conversation around additional cost needed till year end and the impact on the current forecast. The DPFR explained how the staffing forecast is done in a prudent manner. There is also still a contingency left in the forecast. She confirmed that interest is not included in the financial health score calculation.

The Chair asked about the staff costs as he wanted to check there will not be any surprises and whether that is a risk we need to identify. The DPFR explained that not all income has come through yet and the forecast is based on worst case scenarios. As part of the next budget, we will be looking for a more flexible way of recruiting staff to minimise agency spend. If agency costs become an issue, we will bring this back to the Committee.

A member asked whether with the new treasury management policy if we have maximised the interest – and any lessons learnt. The DPFR explained that the College has taken a phased approach, starting with short and medium term and going forward will look at long term investments. She confirmed we are maximizing what is currently available but will get more with the long term investment which the next phase.

The Committee Noted:

- **The Management Accounts to 31 January 2024.**
- **The key financial risks being managed, and the mitigating actions being taken by the College.**

138. UPDATE ON PROGRESS WITH THE CAPITAL PROJECTS

The DPFR presented the update on each of the three elements within the capital projects that the College is currently undergoing as follows:

- **West Wing Project:**
 - Overall, the project remains on target for completion by October 2024.
 - Phase 1 was successfully handed over the College in January 2024.
 - Phase 2 is on site and making good progress hand over in May.
 - Phases 3 and 4 are being planned in greater detail with focus on how the works will integrate with the Colleges enrolment programme later in the year.
 - The project remains within budget with a healthy £420k + VAT contingency remaining.
 - Update on Performance Bonds – This matter is nearing completion in the next two weeks.

- **T level capital project:**
 - Jigsaw have been appointed by the College following a competitive tendering process administered by Tenet. Works on site have commenced to prepare the area for the new facility and is targeting end March 2024. Jigsaws work should commence during and or directly after.
 - Both the equipment and capital budgets remain within budget.

- **Post 16 Capacity Funding:**
 - The college has successfully grown post 16 learners year on year leading to a capacity issue.
 - The College’s proposal to develop unused swimming pool area and adjoining storage space and transform this area to an open plan flexible teaching space and a computer suite has been approved by the DFE. The project team issued a restricted tender on the 10th of January 2024. Three Contractor tender returns were received on March 7, 2024. The design team is commencing the tender evaluation process for the technical and commercial responses.
 - The tender evaluation report will be issued on March 19, in accordance with the Leadenhall Strategic Programme. This will then be reviewed with the College management team before contractor is appointed. Due to the value of the contract. The College will need Corporation approval which will be via Chair’s action as previously discussed and agreed with Corporation members due to the project timelines.
 - The total approved budget for the project is set at £4 million including VAT with 0% match funding.

A member asked about the College’s capacity to oversee the projects – The Principal and DPFR outlined the strategy for growth and proposed new appointments to increase capacity to support the DPFR.

A member asked if the Post 16 Capacity Funding Project contingency is sufficient- The DPFR said no, and this has already been raised with the project team but agreed to wait for the tender to come back and review the figure once we know what the real cost is. College has agreed a list of value engineering items with the project team to help improve the contingency if need be.

A member asked that the external PM provides the costs against percentage completion so we can track this for all projects. This was agreed. Also agreed was the request to cut out/strike through the risks that have already fallen off.

The Committee Noted the report.

139. HEALTH & SAFETY UPDATE

The DPFR presented the Health and Safety Update for Term 2 highlighting the following:

- The Health and safety management plan which covers risk assessment (including those carried out for capital works) and other processes and procedures.
- The Internal Inspections outcomes
- The number of accidents involving staff and students were reported. 1 Riddor incident
- Mandatory health and safety training undertaken by all new employees.

- Emergency Preparedness
- In-house health and safety training delivered for relevant staff including first aid, fire marshal, duty manager and risk assessments have been updated.
- Termly fire drill and Health and Safety meetings have been held.
- Consultation With Staff – Health & Safety Committee
- The Health and Safety Policy for 2023/24 will be reviewed in March 2024. Other existing health and safety related policies and procedures have been reviewed and are still appropriate.

A member asked about three year trends and the Principal advised these are included in the annual report.

A member observed the majority of the accidents were in one area. The DPFR said this was not surprising given Construction is a big department and the nature of the work being done.

A member asked if the College is capturing all near misses? The DPFR said there is a lack of reporting in that area, all staff have mandatory training on that, but she agreed the number is quite low.

The Committee noted the report.

140. REVIEW OF RISK REGISTER – FINANCE RISKS

The DPFR presented the College Risk Register, highlighting the changes since the last report.

As requested at the last meeting, she has where possible added in the cash impact of identified risks and will develop this going forward. At the request of the Audit and Risk Committee an explanatory note has also been added detailing how different risk are assessed by each set of auditors and the college.

A discussion ensued around other potential risks.

The Committee received and noted the updated College Risk Register.

141. ANY OTHER ITEMS OF URGENT BUSINESS

NONE

142. DATES OF FUTURE MEETINGS

14 May 2024, 25 June 2024

143. ITEMS TO BE ADDRESSED AT FUTURE MEETINGS OF THE FINANCE AND RESOURCES COMMITTEE

The Committee is asked to note that the agendas for future meetings will include the following items: As per agreed business cycle for 2023/24.

144. ACTION POINTS ARISING FROM THIS MEETING OF THE COMMITTEE

18.52 finish

These minutes have been approved by the Finance and Resources Committee and signed by the Chair as a correct record.

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Signed

Date