



Notre Dame

CATHOLIC SIXTH FORM COLLEGE

NOTRE DAME SIXTH FORM CATHOLIC COLLEGE

Minutes of the Finance and Physical Resources Committee meeting held in college on
Wednesday 26 June 2024 AT 5.00PM

PRESENT David Wright (Chair)
 Justine Barlow (Principal)
 Matthew DiClemente
 Richard Hall

The quorum for a committee meeting is a minimum of two governors excluding the Principal.

IN ATTENDANCE: Denise Hark- Clerk to the Corporation
 Karen Petrillo – Director of Finance and Operations (DFO)

The meeting was opened with a prayer.

1.00	APOLOGIES FOR ABSENCE AND MEMBERSHIP MATTERS	ACTION
1.01	There were no apologies for absence received from governors. (Apologies for absence had been received from Ann Marie Mealey subsequent to the meeting).	
2	DECLARATION OF INTERESTS There were no declarations relating to any agenda item.	
3 3.01	MINUTES OF THE LAST MEETING Minutes from the Finance and Physical Resources meeting held on 21 February 2024 had been included with the papers for the meeting. They were agreed as a correct record for signature by the Chair.	
4 4.01 4.02 4.03	REVIEW ACTIONS AND MATTERS ARISING The move to the new college payroll provider had been successful. The DFO noted that this had resulted in a saving of £700 per month. The Chair thanked all those involved in the smooth transition. Further to minute 6.2 of the previous meeting, the DFO forwarded the Space Utilisation report to governors via email, and this had been discussed at the Strategic Away Day. The planned maintenance review (Minute 6.01) was identified as an action from the last external audit. The DFO noted that the report is thorough and highlighted areas where the college would need to invest over the next 10 years. The report had costed £5.1m on maintenance over this period. The report had advised expenditure of £318k in the first year, however, the Estates Manager had advised that £150k should be included in the budget for maintenance next year. The Principal noted	



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	<p>that estimates had been based on work carried out by external contracts, however, the new Estates team has a vast amount of expertise with the majority of them coming from trades backgrounds.</p>	
4.04	<p>The DFO noted that the External Auditor had asked for a breakdown of costs for 12 months and had been satisfied with the proposals.</p>	
4.05	<p>The Principal commented that it would be interesting to see the maintenance costs for Hume House and 3-5 St Mark's Avenue as there is a reluctance to invest in that part of the estate if the buildings are going to be replaced, however there will need to be some refurbishment.</p>	
4.06	<p>Q: Will the planned maintenance report be looked at on a year-on-year basis as it would be good to know if there are areas that the college will not be addressing in the later years? A: This is a more planned approach as the college did not previously have anything at this depth. The auditors were comfortable with the report and the report had been commissioned from a position of strength. The college will not spend £357k for replacing the heating in Hume House if it is going to be demolished.</p>	
4.07	<p>Q: How much did the plan cost? A: It cost £16k. The assessors were on site for 3 or 4 days during the Easter holidays.</p>	
4.08	<p>Q: Will the Estates Team be increasing in size? A: No, it will remain the same size with 5 staff.</p>	
4.09	<p>The DFO noted that the college would go out to quotes for the work to ensure best value.</p>	
5	FINANCE REPORT	
5.01	<p>The DFO presented the key features from the finance report:</p>	
5.02	<p>April figures showed a working forecast of £721k with a £962k outturn. The difference on income had included additional funding for Ukrainian students. £10k received for T-Levels has been released from deferred income following submission to the DfE to show how the funding had been spent.</p>	
5.03	<p>Savings on staff was based on vacancies that couldn't be filled. Some of this had been offset against the extra cost for supply. The college had been unable to recruit cleaners and a couple of teachers. One member of the maths department has been on long-term sickness absence and this position is being covered by supply.</p>	
5.04	<p>There were 2563 students on roll in September 2023 with the college being funded for 2507 due to lag funding. Next year funding will be received for 2563 students,</p>	



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	although it is likely that there will be 2715 on roll at census. The DFO noted that student numbers would be capped in 2025/26 following the space utilisation report.	
5.05	The ONS population projection shows that the population in Leeds is likely to grow in the next few years.	
5.06	A 3-year CFFR forecast was presented which showed a surplus of £962k this year reducing to 216k next year as there would need to be additional staffing for the increased student numbers and this would be affected by lag funding. The surplus would increase again in 25/26 to £700k and remain at the same level in the following year.	
5.07	Core programme funding based on the bands had increased by 1.71% for 2025/26 and 1.62% for the following year.	
5.08	Q: Where did these figures come from? A: From an ASCL document.	
5.09	An allowance for a staff pay award for 2024/25 of 5% had been built into the budget and 3% for the following year.	
5.10	Q: How was this figure arrived at? A: Colleges put in an estimated figure into the budget until agreements have been made at national level. Last year an estimate had been included for 5% and the actual increase had been 6.5%. The college had received funding for the amount over 3.5%.	
5.11	Depreciation and FRS102 figures had been left at the same level as last year.	
5.12	Exam costs had been increased on a pro rata basis taking into account the increased student numbers.	
5.13	Capital Expenditure Forecasts £2.5m had been built into the budget for capital works, £250k for an IT refresh and £250k for capital projects.	
5.14	Q: How are curriculum developments, including AI, pulled together with IT development? A: This is managed through the Network Manager. He works with the curriculum teams to look at the provision of need in classrooms. An example of this is interactive boards being rolled out in all classrooms to enhance the learning and teaching experience.	
5.15	Q: How does this support you in putting together a forecast?	



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	<p>A: The Network Manager meets with the DFO to discuss requirements and gives an indication of requirements 12 months in advance. For all software packages he interrogates the system to check that they are still being used.</p>	
5.16	<p>The cash balance is healthy at £5m, this will reduce to £3.7m next year as £2.5m for the work on the hall will be funded from reserves.</p>	
5.17	<p>The bank loan was reducing and would be £803k by the end of the year.</p>	
5.18	<p>Q: Why was the bank loan taken out? A: This loan had been used to build the Cuvilly building in 2013.</p>	
5.19	<p>The Chair pointed out that following the ONS reclassification colleges can no longer have new commercial loans. The college has a good long-term relationship with Lloyds, and they have been consistent in underpinning and supporting the college. The Chair suggested that the committee could look at the pros and cons of paying off the loan early. It was noted that the interest rate for one of the loans was 4.685%. The DFO added that there may be early redemption charges for early repayment.</p>	
5.20	<p>The Chair asked if the college has a Treasury policy. The DFO said that there was not a separate policy, but it was referred to in the Financial Regulations.</p>	
5.21	<p>The Chair requested that the DFO considers putting together a Treasury policy, consistent with what the college is currently doing to give the Board more confidence that the money is being invested and managed to achieve the best potential.</p>	
5.22	<p>The DFO reported that all the bank loan covenants had been met and noted that one of the covenants was to having borrowing less than 7%; borrowing is currently less than 1%.</p>	
5.23	<p>The college's Financial Health Rating based on the CFFR will be Outstanding and would remain at that level for the next 3 years.</p>	
5.24	<p>Q: Has the Financial Health rating always been Outstanding? A: No. It has varied between Good and Outstanding over the years.</p>	
5.25	<p>The government has continued to fund the increase for Teachers' pensions contributions which rose from 16.48% to 23.48% and then to 28.68%. This has only been guaranteed until July 2025. The DFO noted that this represented a huge risk for the sector. This is the biggest risk for the committee to have an overview of, however, the college has no control over this area.</p>	



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5.26	A governor commented that from the perspective of a teacher working in a sixth form college was more desirable than working in a school as they don't have any additional duties. All staff are degree-qualified in the subject they teach which is also an advantage. The Principal noted that there are fewer subject specific teachers in some areas which has made the recruitment process competitive.	
6	PREMISES AND ESTATES UPDATE The DFO reported on the following areas: 6.01 There had been an issue with the chairs in the St Elizabeth's building which were breaking repeatedly. This had been raised with the supplier who lent 100 more sturdy chairs. The DFO noted that due process had been followed and the supplier was in breach of contract as the chairs were not fit for purpose with 70 out of the 256 chairs having broken. £12k had been retained from the project finances for the chairs. 6.02 A meeting had taken place with Lodestones for the T-Level Law Court building work. They had knocked down the wall between the two classrooms and had found some asbestos under the screed, this was controlled and disposed of safely. 6.03 Tenders had been received which was lower than the £650k grant. The DFO had asked the DfE whether the scope of the work could be improved as only £522k would be required to complete the work, however, all correspondence had been paused during purdah following the announcement of the general election. 6.04 Q: What is the actual cost of the original specification? A: Around £450k with the curtain walling costing £70k. The first part of the work, which is in the specification, will be carried out. 6.05 The DFO noted that Lodestone would not be able to carry out the work as part of the August project but would do this in October if approval from the DfE is received. 6.06 The Chair reported that the Board had approved the first-floor project in principle at the December 2023 Corporation meeting. The work was expected to cost around £3m but this is now lower. 6.07 The DFO had contacted the ESFA to discuss what was planned, to ensure that the transaction was not classed as novel or contentious and they had said that this work can be done as it will come out of the college reserves. 6.08 Q: How long will the work take? A: It would take 16 weeks and would start after the last open event in the autumn term.	



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<p>6.09</p> <p>6.10</p> <p>6.11</p> <p>6.12</p> <p>6.13</p> <p>6.14</p> <p>6.15</p> <p>6.16</p> <p>6.17</p> <p>6.18</p> <p>6.19</p>	<p>Q: Have we already got quotes for the work? A: Not at this stage. The work programme is a month behind schedule.</p> <p>Following recommendation by the FPR Committee the proposal would go to the Corporation meeting for approval before the tender process could commence. The Chair noted that the Board had wanted evidence prior to giving final approval. Action: A paper setting out the details of the project to be circulated to governors following this meeting.</p> <p>The next stage in the process will be to instruct AHR for a feasibility study at a cost of £33k, prior to going out to tender.</p> <p>A CIF bid had been submitted for heat source pumps in Hume House. AHR had made the application and had received feedback on how it could be strengthened. The Estates Manager, who is a heating engineer by trade, has been tasked with looking into a heating solution for the building.</p> <p>Quotes have been received for electrical vehicle charging points from CPC and Podpoint, with CPC providing the cheaper quote. The four electric vehicle charging points would be open to the public.</p> <p>Q: What is the potential income generation from the charging points? A: The charge to the college is only 16p per kilowatt hour, and some providers charge 85p per kilowatt hour.</p> <p>Q: How do the charges work? A: The company would send out the payment, less a fee. The Diocese, as the landowner, would have to agree to the installation.</p> <p>Switchshop have carried out a comprehensive survey regarding the wi-fi upgrade which is not adequate for the site. Four quotes had been received for the work with the quote from Switchshop at £98k coming out the cheapest. This would futureproof the site.</p> <p>Q: Has this work been factored into the budget? A: Yes, it has been costed into the budget.</p> <p>AGREED: To proceed with Switchshop for the wi-fi upgrade to take place over the summer holiday.</p> <p>Summer Holiday planned work</p> <p>The HR department would be moving offices and the area at the side of the canteen would be redeveloped and used as the Careers office with the old careers room</p>	<p>DFO</p>
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<p>6.20</p>	<p>becoming a classroom. This work would be carried out by the in-house Estates Team.</p> <p>A quote has been received for a full painting and decorating refresh at Hume House at a cost of £40k. Two more quotes would be sought for this work.</p>	
<p>7</p> <p>7.01</p> <p>7.02</p> <p>7.03</p> <p>7.04</p> <p>7.05</p> <p>7.06</p> <p>7.07</p> <p>7.08</p> <p>7.09</p> <p>7.10</p>	<p>REPORTS</p> <p>Health and Safety Annual Report</p> <p>The Health & Safety Annual Report had been circulated with the papers for the meeting.</p> <p>The DFO reported that the trend in terms of health and safety issues was continuing on a downward curve. A positive Internal Audit report had been received for Health & Safety.</p> <p>A Fire risk assessment had taken place and the colleges was addressing the issues highlighted to ensure that it is fully compliant.</p> <p>The Link Governor for Health & Safety reported that he had attended the latest Health & Safety meeting in college.</p> <p>Marketing Annual Report</p> <p>The Head of Marketing reported that the department had had good investment with the CRM system having been purchased on a 3-year contract.</p> <p>Q: Are the individual systems now linked up? A: Yes, but there is still some work to do putting the platform on current students and applicants into one area. Eventbrite and the old marketing email software would be removed.</p> <p>Q: How much documentation is sent out in printed format? A: There are still some areas such as sending out Christmas cards, and information around experience days are posted alongside emails and texts being sent to ensure everyone receives the information.</p> <p>The Chair noted that the measure of success of marketing would be through the number of applications.</p> <p>The Head of Marketing noted that the department would refine the departmental strategic plan for 2025-28 as this could be more ambitious now that there is an Assistant Marketing Manager in post.</p> <p>The Chair thanked the Head of Marketing for his informative report.</p>	



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8	POLICY REVIEW The following policies were presented for approval:	
8.01	Health & Safety policy statement There had been minor amendments to the policy. The Health & Safety policy is approved .	
8.02	Financial Regulations The Chair requested that the document makes explicit reference that the college abides by the ESFA Financial Handbook. The DFO agreed to update the document before being presented for approval by Corporation. Action: DFO The Financial Regulations are recommended for approval by Corporation, subject to the amendment highlighted above.	DFO
9	ANNUAL WORK PLANNER	
9.1	The committee work planner for 2024/25 was received and approved.	
9.2	The Chair noted that in addition, each committee's role in monitoring the risk applicable to their area would be a standing agenda item.	
10	ANY OTHER URGENT BUSINESS There were no items of Any Other Business raised.	
11	DATE AND TIME OF NEXT MEETING Wednesday 11 September at 5.00pm.	

The meeting closed at 6.55pm