



**CONFIRMED MINUTES OF THE
SPECIAL BOARD OF GOVERNORS MEETING
HELD ON WEDNESDAY 26th FEBRUARY 2020**

Present: Lucy Barrow, Sue Higginson (Principal), Lorraine Jones, Tim Kelly (Chair), Richard Mawdsley, Joe McArdle, Phil McKeown, Paul Smith, Jayne Winders,

In attendance: Michael Norton, Deputy Principal
Andrew King, Head of Finance
Lesley Venables, Clerk to Governors
Louise Scott-Kelly, Administrator to Governors

APOLOGIES FOR ABSENCE

138. Apologies for absence were received from Anna Barnish, Gary Doyle, Sandra Johnson, Michael Taylor and Vix Wrigley.

DECLARATIONS OF INTEREST

139. The following interests were declared:

- Lucy Barrow - on secondment to the Liverpool City Region Combined Authority.
- Joe McArdle - any matters relating to the University of Chester and as a parent of a student who attends the College.
- Paul Smith - employed by the Local Authority and that his spouse was employed at the College.

INTEGRATED FINANCIAL MODEL FOR COLLEGES

140. The Deputy Principal presented the College's draft submission to the Education & Skills Funding Agency (ESFA) of the Integrated Financial Model for Colleges (IFMC). The purpose of the Model was to improve financial decision-making through more robust monitoring and, thus, reduce the number of colleges in financial difficulty.

141. The regulations stipulated that the Model must be forwarded to the ESFA by 28th February 2020, following receipt of Board approval.

142. The Model sought to rationalise the current number of ESFA returns and was designed to replace the College Finance Record (which had been submitted in December 2019) and the Financial Plan approved by the Board in July 2019.

143. The Deputy Principal advised that this was a cash-based model. A number of accounting entries had required a 'work-around' to ensure that the Model could be submitted by the deadline. The ESFA had acknowledged that there were still errors within the

spreadsheet and that these would be resolved in the next few months.

144. Governors received the cashflow forecast from the December 2019 Management Accounts. This forecast was used to monitor the College's financial position on a monthly basis to identify any issues as quickly as possible and put in place any remedial action.

145. The Deputy Principal explained that there had been no major changes to the Management Accounts since the December Board meeting, other than the College's Financial Health rating which had been slightly reduced from a low 'Outstanding' rating to a high 'Good' rating to take into consideration potential future capital expenditure.

146. The IFMC and the College's Management Accounts had been compared and it was noted that these were almost identical.

147. The Deputy Principal reported that he would provide to the ESFA a detailed narrative on the 'miscalculations' within the Model, together with additional details from the College's Management Accounts.

148. **Resolved**
- 1 That the Integrated Financial Model for Colleges (IFMC) be approved and submitted to the ESFA.
 - 2 That a suitable narrative that identified the technical issues accompany the final version of the IFMC spreadsheet.

ANY OTHER BUSINESS

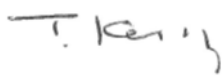
149. The Principal provided an update on negotiations with the recognised trade unions on the implementation of the minimum wage legislation, which had been approved by the Board at its December 2019 meeting. The effective date for this amendment would be 1st April 2020.

150. At the December meeting, the Board had approved a pay increase for all eligible staff. However, the impending national minimum wage legislation would have implications for staff who were at the bottom of the first three grades on the College's pay scale.

151. The Principal would continue to work with the unions and would present a detailed paper on the cross-College impact at the March Board meeting.

DATE OF NEXT MEETING – Wednesday 18th March 2020

Signed:



Date: 18th March 2020

Chair