

Chair	David Surdeau
Corporation Members	Bobby Seagull, Danny Ridgeway, Femi Olatidoye, Lorraine Reader, Lloyd Johnson, Martin Cumella, Joanne Roxburgh, Paul Stephen (Principal)
In Attendance	Deputy Principal: Jamie Purser Executive Director, Strategy & Innovation: Matt Fawcett Chief Operating Officer: Judith Abbott
Clerk to the Corporation	Judith Nelson

Item No	Item of business
PRELIMINARY PROCEDURAL MATTERS	
1.	Chair's Welcome & Opening Remarks The Chair welcomed and thanked all for their attendance.
2.	Apologies For Absence <ul style="list-style-type: none"> ▪ Danny Ridgeway ▪ Bobby Seagull
3.	Declaration of Interests Martin Cumella in respect of the Learning Revolution Trust
4.	a. Minutes of the Last Meeting held on 02 February 2022 The minutes were approved as a true and accurate record. Matters Arising and Action Points from the Meetings All matters arising formed part of the agenda.
ITEMS FOR CHALLENGE, MONITORING & REVIEW	
5.	Financial Update: <p>a. College Management Accounts Governors received an update on the management accounts for 6 months to 31 January 2022:</p> <ul style="list-style-type: none"> i. The College has recorded a year to date (YTD) EBITDA surplus of £1,287k which is 8.3% of income; £73k better than YTD budget and £285k better than prior year. ii. 16-18-funded learner number was 1,745 compared with a funding allocation of 2,006. This reduction is now reflected in our funding allocation for next year, of 1,752 learners. iii. Income year to date is £15.6m which is £600k worse than budget though £1.3m better than prior year. This is primarily due to under-delivery YTD of GLA AEB (£882k), iv. It is estimated that the College has avoided a gas and electricity cost increase of £600k (100% of our budgeted energy cost) by not going to market in September 2021. v. Completion date now for the sale of Mark Street is now confirmed as 29 March 2022. vi. Income charges and cost challenges - the unions are being consulted with regards to the staff consultation / restructure programme. <p>b. 2023 Budget Planning Benchmarks and Funding Allocations Governors noted the key points:</p> <ul style="list-style-type: none"> ▪ The draft 'bottom up' budget will be tested against 2023 budget planning benchmarks prior to finalisation and submission for Board approval. The annual curriculum planning process has commenced, which will drive the 'bottom up' budget. ▪ The targets build on the outcomes forecast for the current year (2021) and would strengthen the College's 'Good' financial health from a forecast 180pts this year to 210pts next year.

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	<ul style="list-style-type: none"> ▪ The College anticipates it will set a regular self-funded “summer works” capital budget of circa £800k which will primarily be utilised to continue upgrading the IT infrastructure and on estates capital maintenance including continuing a programme of lift and rest-room upgrades. This is less than the budget set for 2021/22, recognising the College has pulled ahead some of the 2022/21 capital budget into this year, to pay for additional costs of fit-out for the HTQ project and network infrastructure to meet Cyber Essentials Plus. Larger capital projects that fall outside the scope of self-funding will be managed to minimise impact on cash days. ▪ The College has received an ESFA allocation for 1,752 16-19 learners next year, which is down from 2,006 learners this year, 2,025 learners in 2019/20 and 2,033 learners in 2018/19. Further measures to reverse this declining trend has been taken, through strengthening its schools outreach activities and Marketing department, together with refreshing the curriculum. It will also have more attractive facilities for September 2022, specifically the new IT laboratories funded by the Higher Technical Qualifications grant and new science laboratories/refurbishment of G Block funded by the T Levels Wave 3 grant. ▪ The allocation is made up of 1,618 funded as mainstream bands and 134 funded as T Levels. Within the 1,618 mainstream learners there are 130 High Needs places which has increased (from 109). ▪ Whilst noting the learner number is reduced by 254, the allocation reflects only a modest year on year reduction in programme funding, of £400k. This is due to funding for an extra 86 T Level learners that attract higher funding due to more teaching content in the programme, together with funding for an additional 40 hours teaching per full time learner and a small increase in base funding rate. <p>c. Draft Budget 2022/23 Governors noted the key points:</p> <ul style="list-style-type: none"> ▪ The College has modelled a ‘top down’ budget based on known funding information (16-18 allocations; indicative GLA AEB allocations; procured AEB final year income profile) together with reasonable assumptions for other income streams based on experience. ▪ The draft budget is highly directional and subject to change as the curriculum plans and bottom-up budgets are developed; final GLA AEB funding allocation; increasing energy costs; outcome of the consultation / restructuring programme with staff. ▪ IoT activities have been separated out, to give clear focus on the contribution of this key sector to the College’s overall performance. The IoT draft budget is based on the business case for the IoT – this needs considerable updating before a final budget is submitted. ▪ The IoT is forecast to make a loss in its first year, primarily due to lagged funding on any 16-18 learners that will be funded in arrears. ▪ Staff costs reflect additional costs for recent decisions (pay increases, lecturers’ pay etc.) but have not been modelled at a detailed level. ▪ Non pay costs had assumed 70% increase in utilities costs based on assumptions, which is now out of date. ▪ General Consumables includes a contingency of £500k. ▪ The draft budget meets all the benchmark targets and would achieve Good financial health with a score of 220 points. <p>Including the IoT, the draft budget:</p> <ul style="list-style-type: none"> ▪ Income is £36.6 million ▪ EBITDA surplus is £2.2 million ▪ Staff costs are 60% of adjusted income ▪ Year-end cash is £9.5 million or circa 100 cash days (note this does not include any potential endowment from Newtec)
6.	<p>Institute of Technology & timebound, in year, College projects update The IoT is the flagship project is making really good progress, in readiness for the launch in September 2022. The lease agreement will be signed in April.</p> <ul style="list-style-type: none"> ▪ Website is now live with 105 applications. ▪ Main internal recruitment drive will take place 22 March 2022. ▪ Employer engagement is going well and the Principal has been engaging with employers from the shipyard and marine. ▪ There is particular interest around civil engineering and the curriculum pathways and staffing skills matrix are set.

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	<ul style="list-style-type: none"> ▪ Specialist equipment has been agreed, with the added pressured of inflation rates. Eastern Europe will have the longest leading time to order kit, in light of the current affairs in Ukraine / Russia. ▪ There is a requirement to spend the HTQ fund by 31 March 2022 and work has commenced on the creation of the 4 digital rooms around the College. ▪ The College is part of two successful bids to deliver training under the Mayor's Sector Academy scheme. One relates to healthcare, led by the North East London Health and Care Partnership, with the College identified as the prime training provider, responsible for delivering training packages that will lead to 500 job outcomes out of the project's 750 target. The second relates to green skills, led by London South East Colleges Group, with the College (as one of 8 training providers operating across the Local London sub-region) responsible for 85 job outcomes. Whilst both contracts have strong potential (job outcome payments are additional to any AEB drawdown) the projects are both in their infancy, with governance, joint working and participant recruitment/destination pathways all in development. The Executive Director is working on the Mayors Academy press release for the website. <p>Governors were pleased to note the positive impact the Mayors Academy would have on the Barts hub initiative, which is an encouraging endorsement for the College's direction of travel.</p>
7.	<p>Staff Survey Results 2022</p> <p>Governors were pleased to note 300 College staff completed the survey this year, with a good level of uptake and engagement, compared to previous years' 35%. There was a reasonable high level of satisfaction and pride from staff. Staff were made clear the survey would be anonymised, which alleviated any potential anxieties of completion.</p> <p>The Principal continues to hold the bi-weekly virtual staff meetings, which enables staff the opportunity for questions and answers. The Principal has also started to attend face to face (where possible) cross College staff team meetings.</p>
8.	<p>T Levels Capital Fund Wave 4 Grant Applications</p> <p>Governors noted the following pertinent points:</p> <ol style="list-style-type: none"> i. The College is requesting Finance & Resources Committee approval to submit two capital grant applications to the T Levels Capital Fund Wave 4, by the deadline of Friday 11 March 2022. ii. The College has commissioned AA Projects to prepare and submit the grant applications on its behalf, who have a good track record of success at previous waves, including securing £938k of grant funding for the College in Wave 3 (G Block refurbishment). One application is to refurbish W Block, the workshops, at Stratford Campus. The project cost is £2,996k, based on a detailed Stage 2 costing prepared by AA Projects. The grant application seeks to draw down grant funding for both the Engineering and the Digital T levels, a combined sum of £2,050k. iii. The other application is to refurbish a wing of the 5th floor at East Ham to create a state-of-the-art Management Centre. The project cost is £854k, based on a detailed Stage 2 costing prepared by AA Projects. The grant application seeks to draw down £500k of available grant funding for the Business and Management T levels. iv. Both applications are in line with the Estates Strategy and if successful would improve the condition of the estate (80% of which is Category C condition), reduce running costs and save carbon. v. Across the two projects, the College is proposing to commit £1.27 million, the majority (circa £800k) of which will come from the 2023 'summer works' budget and the remainder from efficiencies in other areas. vi. The COO advised that the overall cash flow projection has not changed any of the operating projections for future years but will mitigate the poor capital estate. <p>ACTION: The COO to present a schedule / tracker on the cash flow projection for next year to the 6 July 2022 Finance & Resources Committee.</p> <p>RESOLVED: The Finance & Resources Committee unanimously approved the submission of the two T Levels Wave 4 capital grant applications.</p>
9.	All noted the next meeting was scheduled for 06 July 2022 @ 6pm