



APPROVED BY THE CHAIR

THE CORPORATION OF EALING, HAMMERSMITH & WEST LONDON COLLEGE

Meeting	Finance & General Purposes Committee
Date and time	6 pm, Tuesday 18 June 2024
Venue	Virtual meeting
Members	Phillip Kerle (Chair); Jonathan Roe; Karen Redhead.
In attendance	Anil Nagpal (Chief Operating Officer); Matt Fawcett (Deputy Principal, Planning, Partnerships and Projects); Richard Ward (Director of Governance).

No.	Item
1	Attendance & apologies Apologies were received from Ian Comfort and Chris Taylor.
2	Declarations of Interest The Chair declared that he was a governor at Orbital Colleges South.
3	Minutes <i>Resolved, That the minutes of the meeting held on 19 March be approved.</i>
4	Matters arising The Committee noted that the one matter arising from the previous meeting relating to the commentary on the strategic risk register had been completed.
5	Management accounts The Chief Operating Officer spoke to the College's management accounts for April 2024. The College was reporting an adverse variance of £268k, with a forecast end of year operating surplus of £31k. The sensitivity analysis in Appendix 3 to the management accounts set out a number of risks to which the College was currently exposed, and action was being taken to address them across the College. The College was performing well against the financial KPIs and assessing as having 'Good' financial health although the score was towards the bottom of the range at 180 points. The Committee discussed the methodology for the financial health score, and a governor asked how close to 'Requires Improvement' the College currently stood. The Chief Operating Officer clarified that a reduction of 10 points would take the College to 170 points which was the top of the 'Requires Improvement' range. The Chief Operating Officer noted that the position being reported on was as at the end of April, since when action had been taken to mitigate the risks set out in the sensitivity analysis. The Committee was presented with a summary table of how the financial health score was calculated. ¹

¹ Reproduced on page 4

No.	Item
	<p>The Chair noted that there was £1.3m of risks to the bottom line at the end of the year, and asked how confident the College was that they would be addressed. The Chief Operating Officer confirmed that this represented a worst-case scenario and that if they all materialised, the end-year deficit (including FRS102 pension liability) would move to £3.9m from £2.6m. The Chief Operating Officer reiterated that concerted effort was being made within the College to tackle the emergent risks through communications to budget holders and senior leadership meetings. The Chief Operating Officer reminded the Committee that the College was implementing a business partnering arrangement, and continuing with the cautious devolution of greater responsibility to budget holders. He concluded by noting that a meeting of London college finance directors organised by the Association of Colleges had shown that many colleges were experiencing similar pressures.</p>
6	<p>Confirmation of going concern</p> <p>The Chief Operating Officer reported that the College's current cash position was strong and that it was able to cover its current liabilities. This would be reported to the Board on 2 July by the Chair.</p>
7	<p>ESFA confirmation of financial health</p> <p>The Chief Operating Officer presented correspondence between the ESFA and the College to the Committee, which related to the ESFA's review of the College's financial statements for 2022/23. The ESFA had confirmed that the College was in 'Good' financial health, and had asked for information on the progress made by the College in response to recommendations made by external auditors.</p>
8	<p>Financial plan</p> <p>The Chief Operating Officer presented the College's draft financial plan which had been prepared in line with the College Financial Forecasting Return (CFFR). It covered a three year period starting with the current financial year (2023/24). The College had taken into account the Managing Public Money framework and the College financial planning handbook in the preparation of its financial plan and CFFR. The CFFR was a detailed financial model an11(e)11(l)-4()5(a)-.4(e)-11(g)11(e)</p>

No.	Item
	<p>The Committee queried the impact of proposed reduction in capital expenditure on the College, particularly during the third year of the plan. [REDACTED]</p> <p><i>Resolved, That the financial plan be recommended to the Board for approval.</i></p>
9	<p>Settlement payments - Confidential</p> <p>[REDACTED]</p>
10	<p>Subcontracting</p>

No.	Item
14	Next meeting The next meeting of the Committee was scheduled for Tuesday 17 September at 6.00 pm.

