

<b><u>NORTHERN SCHOOL OF CONTEMPORARY DANCE</u></b>		
<b><u>FINANCE COMMITTEE</u></b>		
<b>Minutes of the meeting of the Finance Committee held on 1 December 2020 via Zoom.</b>		
<b>Present:</b>	Ben Mitchell (Chair), Tina Gill, Pam Bone, Peri Thomas and Sharon Watson	
<b>In attendance:</b>	Keith Bartlett (Advance HE), Director of Finance and Resources, Vice-Principal and Clerk to the Governors.	
<b>Apologies:</b>	None	<b>Action</b>
<b><u>DECLARATIONS OF INTEREST</u></b>		
<b>F20/33</b>	<p>The Director of Finance and Resources declared an interest in relation to her role as a Trustee of the West Yorkshire Pension Fund.</p> <p>The Chair welcomed Keith Bartlett to the meeting, as part of the Review of Governance Effectiveness, along with the Vice-Principal.</p>	
<b><u>MINUTES OF THE LAST MEETING</u></b>		
<b>F20/34</b>	The minutes of the meeting held on 6 October 2020 were reviewed and approved as an accurate record.	
<b><u>MATTERS ARISING ON THE MINUTES</u></b>		
<b>F20/35</b>	<p>The Chair reported that the Chair of the Board had resigned and the process of appointing a replacement was now underway. It was also noted that the CEO of CDD had resigned, and that there would also be a new Chair of CDD Board in the new year.</p> <p><i>Insurance (Minute F20/05)</i> The Director of Finance and Resources confirmed that a paper on insurance would be brought to the next meeting.</p>	
<b>F20/36</b>	<b>RESOLVED: That Director of Finance and Resources submit insurance information to the next meeting.</b>	<b>Director Finance &amp; Resources</b>
<b><u>FIVE-YEAR FINANCIAL PLAN 2021/22- 2025/26</u></b>		
<b>F20/37</b>	<p>The five-year financial plan had been circulated which was a key part of the OfS application. The Committee noted and discussed the following points:</p> <ul style="list-style-type: none"> <li>• The student numbers had been forecast forward and the student number plan had been circulated alongside the five-year financial plan.</li> <li>• The MA fees were likely to be increased and reasonable assumptions had been made about those increases.</li> <li>• OfS guidance had clearly stated that the ISTA funding should not be included and a consultation process was taking place to be completed by July 2021.</li> <li>• A loss was therefore forecast for 2021/22 without taking into account any cost savings, but it would reduce as new courses came on line.</li> <li>• The School continued to have reserves and cash in the bank.</li> <li>• The deficit before cost savings would not be sustainable in the long term and cost savings of 5% had been targeted, amounting to around £200k. The School would, however, need to commit to this and commence work on identifying those savings quickly.</li> <li>• It was hoped that there could be a more optimistic outlook in terms of the pension fund deficit and whilst this affected the reserves, it did not impact on the operating position.</li> </ul>	

	<ul style="list-style-type: none"> <li>• The application numbers for 2021/22 would be reviewed in January 2021 but there was confidence that the School could recruit to target.</li> <li>• The student number plan showed a steady growth of courses with a practical rationale and the Vice-Principal confirmed that the growth targets for the next three years were realistic. Following a query about how the figures for future student numbers had been arrived at, it was reported that the current year's figures had been taken as a starting point, and the School had a good understanding of the usual trends which were used each year to make accurate predictions.</li> </ul> <p>A question was asked about whether consideration had been given to the possibility of a third wave in the pandemic and the Director of Finance and Resources reported that the School had continued to operate through the lockdown with very few positive Covid cases. The School had been emphasising transferable skills with students during this period to make best use of the time.</p> <p>In response to a question about the property implications of increasing student numbers, it was reported that the school was looking at temporary alternative space. Members noted that a rent figure had been included for those courses which could not be delivered in the existing building. The Principal reported that spaces within the locality, which were community facilities, were being explored but that the new courses proposed were less studio intensive. Members agreed that the School should continue to seek to invest in its long-term property strategy and the Director of Finance and Resources confirmed that the rentals had break clauses and would be temporary arrangements.</p> <p>The Committee agreed that it would be preferable to show a break-even point by the end of the period and requested that the forecasts be amended to increase the cost savings in 2020-21 to £150k and to £250k in subsequent years. This would allow a break-even point by 2024-25 and subject to these amendments, the Committee recommended the five-year financial plan to the Board.</p> <p>Members agreed that it was important to emphasise that this was a conservative budget and that the School was in a good financial position whilst delivering high cost activities.</p>	<b>Director Finance &amp; Resources</b>
F20/38	<b>RESOLVED: That the Five-year Financial Plan 2021/22 – 2025/26 be recommended to the Board for approval, subject to the amendments agreed.</b>	
	<b><u>DATE OF THE NEXT MEETING</u></b>	
F20/39	<b>26 January 2021 at 6pm (subsequently cancelled)</b>	
	The meeting closed at 6.55pm	

<b>Signed</b>	
<b>Date</b>	