

Minutes of the Finance and Resources Committee Meeting held Virtually on Thursday 10 December 2024 at 3.00 pm

| Corporation Members | Appointed as | Chair/Vice | Apologies |
|---------------------|----------------------|--------------|------------------------------------|
| Martyn Thomas | External Governor | Chair | |
| Ian Sackree | External Governor | | |
| Jim Harris | External Governor | | |
| Peter Phythian | External Governor | | <i>Apologies</i> |
| Neil Cunningham | Staff Elect Governor | | |
| Danny Metters | Ex-Officio | | <i>From Estate Strategy Update</i> |

| In Attendance | Position | Apologies | Present From / Until |
|-------------------|-------------------------|------------------|----------------------|
| Sallyanne Pearson | Director of Governance | | (DG) |
| Kate Calvert | Chief People Officer | | (CPO) |
| Ashleigh Penny | HR Manager | <i>Apologies</i> | (HRM) |
| Steve Kelly | Chief Financial Officer | | (CFO) |
| Joanne McGowan | Head of Finance | <i>Apologies</i> | (HoF) |

| | | |
|--------------|---|--|
| (2425.2) 1 | Welcome and Apologies for Absence | |
| | The Chair opened the Meeting. Around the table introductions were taken. The attendance of the HRM and the HoF was acknowledged and welcomed. Changes to Committee Members were noted, including the appointment of Peter Phythian (External Member) and Neil Cunningham (Staff Elect Governor). | |
| (2425.2) 2 | Declarations of Interest | |
| (2425.2) 2.1 | To consider and declare , as required, amendments to the Register of Interest and any Conflicts of Interest <i>Reference was made to the document entitled “Register of Corporation Members & Clerk Interests” included in the Agenda Pack.</i> Nothing raised. | |
| (2425.2) 2.2 | Declarations of Interest to items arising as part of the evening’s business Nothing raised. | |
| (2425.2) 3 | Minutes of the Previous Meeting | |
| (2425.2) 3.1 | Receive and approve the Non-Confidential Minutes from the Meeting held on Thursday 10 October 2024 <i>All Minutes noted were included in the Agenda Pack.</i> The Minutes were confirmed as a true and accurate record. The Committee APPROVED the Minutes. | |
| (2425.2) 3.2 | Receive and resolve the Action Summary and Matters Arising <i>Reference was made to the Finance & Resources Committee Action Summary – 10 December 2024 included in the Agenda Pack.</i> The Committee noted and reviewed the Action Summary and its updates. Actions were RESOLVED and are detailed in Appendix 1 to these Minutes. Matters arising included, Action Point (2425.1)6: the CFO confirmed the Audit Committee had discussed the Procurement Act and the changes it would necessitate to the Financial Regulations alongside the changes to increase monetary thresholds requiring three quotes and tenders which would also be included. The CFO explained that the Audit Committee had also supported the exploration of increasing the number of credit cards/purchasing cards which, if approved, would also need to be reflected in the revised draft Financial Regulations. Proposals for the change in the quotes/tender and the number of credit/purchase cards is being put to the next Corporation Meeting. | |

| | | |
|------------------------------|---|--|
| (2425.2) 4 | Finance | |
| (2425.2) 4.1 | Financial Management Report and Management Accounts | |
| (a) | <p>Receive and advise the Corporation on the Financial Management Report including Management Accounts (up to end October 2024)</p> <p><i>Reference was made to the Monthly Financial Accounts to 31 October 2024 included in the Agenda Pack.</i></p> <p>The CFO presented the Management Accounts up to end October 2024.</p> <p><i>This item was taken as confidential</i></p> | |
| (2425.2) 4.2 (2425.2) 4.3 | Verbal update on material points arising & ESFA's Report on the CFFR & Dashboard (Items taken as one) | |
| | <i>This item was taken as confidential</i> | |
| (2425.2) 5 | <p>Members' Report & Financial Statements including the Regularity Audit Report</p> <p><i>Reference was made to the "Report and financial statements for the year ended 31 July 2024" circulated in the Agenda Pack.</i></p> <p>The CFO provided an update on the Members' Report and Financial Statements. The CFO confirmed that the Auditors had not, when producing the draft Report and Financial Statements circulated, identified any significant risk regarding bank covenants or the College being a "going concern".</p> <p>The CFO explained however that the Auditors would now receive the October Management Accounts showing the forecasted deficit of £618,000; which had now increased further to £700,000. The CFO reported that he would be meeting with the Auditors to discuss the updated financial position. It was explained that it was likely that the College would now breach bank covenant(s) and the Auditors would require a statement around "going concern" to be inserted into the Annual Accounts and Financial Statements.</p> <p>Discussion was undertaken around the forecasted deficit position in comparison the maximum deficit position allowed under the terms of the existing bank covenants. It was noted that although not material in value it was indicative of a growing deficit position.</p> <p><i>Part of this item was taken as confidential</i></p> <p>The Committee praised the quality of the Financial Statements and the Auditors' Report, noting the significant effort involved in its preparation. The CFO highlighted the positive feedback from the Auditors regarding the audit process and the quality of the Annual Accounts and Financial Statements.</p> <p>The Committee noted the updates provided under Agenda Items 4 and 5 and are to feedback to the Corporation as part of its Meeting.</p> | |
| (2425.2) 6 (2425.2) 7 | <p>Estate Strategy Update</p> <p>Capital Investment Proposals (items taken as one)</p> | |
| | <p><i>Reference was made to the Estates Strategy Update and its Appendix included as part of the Agenda Pack.</i></p> <p>The CFO provided an update on the Estate Strategy which is currently being reviewed with the new Principal and Executive Leadership Team. The CFO reported ongoing uncertainty around capital funding but noted positive indications from the last budget</p> | |

announcement. Reference was made to Higher Education Capital Grant Funding which could be explored and accessed pending strong business cases from the College.

Danny Metters entered the Meeting

The CFO talked to the Committee through the paper provided outlining allocation of grant funding to projects and amendment to specific projects detailed in the Estate Strategy.

The CFO explained that discussions were being undertaken by the Executive Team to enable a proactive approach to the development of estates; moving away from the more reactive, maintenance, approach currently in place.

The Committee noted the updated proposals and requested, for the clarity, the timescale of the Estates Strategy. The CFO explained that projects had been assigned to the back end of the five-year programme until funding became available but added that the College would have an opportunity to bid for such funding. **A Governor put forward the value of ensuring business cases were comprehensive with a strong curriculum and green technology focus to offer viable, trailblazing investable opportunities.** The Principal concurred with the point raised, adding that collaborative, innovative discussions had already commenced especially around the area of land where the old pig building were being demolished. **A Governor also opened a discussion around the viability of installing solar panels on some of the College's estate.** The Principal added that such possibilities were being explored but farmland was utilised to feed its own stock and a balance needed to be struck.

Human Resources and Organisational Services

(2425.2) 8 People Strategy

The CPO provided a PowerPoint Presentation to the Committee (saved in the record as Tabled item 1)

The CPO presented an update on the People Strategy noting it was in its final year but had been refreshed in light of the appointment of a new Principal.

The CPO confirmed that the Strategy had been developed in consultation with the Staff Council, the Senior Leadership Group, Governors and informed by staff consultation, staff surveys and findings from Investment in People. Current priorities were outlined including staffing, culture and ethos, non-pay benefits and developing effective leadership to deliver high-performing teams. Key initiatives noted included engaging staff in the new vision, mission and values initiative enhancing recognition programmes and launching a leadership development programme.

A Governor commented on the need for continuous application of the strategy and the need to identify “measurables” to evidence and track progress and impact. It was put forward that developing leaders and high-performing teams was a long-term process and would need to be tracked over an extended period. The CPO acknowledged the point; adding that it was a multi-year programme but a real buy-in from members of staff had been seen during the collaborative mission, vision and values work. The Principal referred to changes introduced to the management structure and collaborative open management forums which had helped identify gaps in skills and confidence and helped create transparent objectives and accountability across the entire management structure.

A Governor noted the importance of the Corporation understanding the timeline and tracking progress and noted, positively, the upcoming leadership programme.

| | | |
|---------------|---|--|
| | <p>A Governor also noted the importance of maintaining momentum and celebrating successes. The Principal agreed, noting new marketing campaigns were being developed to promote the College's achievements and celebrate its successes. The Committee noted the reporting provided</p> | |
| (2425.2) 9 | Staff Voice | |
| | <p><i>Reference was made to the Staff Council Constitution included in the Agenda Pack</i></p> <p>The CPO explained that the Constitution, as drafted, noted that it needed to be provided to the Corporation. Discussion followed as to whether this was required.</p> <p>A Governor commented that it was useful for the Constitution to be provided to the Committee to provide a level of assurance; with Governors no longer attending Staff Council Meetings given the number of mechanisms already in place to feed back staff voice. A Governor put forward that there would be real value in the Principal himself leading the Meetings to ensure buy-in. The Principal explained that the Staff Council had requested more frequent meetings. Attendance and leadership of the meetings have been extended to include all Executive Team Members to reinforce a consistent “team” message. The Principal added that there was now a focus on how feedback and outcomes of Staff Council Meetings was being disseminated to the wider staff voice and it was noted that the Staff Council was evolving to tackle broader college issues.</p> <p>The DG underscored the importance of the Staff Council in providing valuable feedback and ensuring that staff voices were heard at the governance level; outlining the appropriate section of the Terms of Reference. The Chair concurred on the value of the Staff Voice, emphasising the need to maintain high-quality discussions at the Staff Council and to ensure that staff felt their voices were valued.</p> | |
| (2425.2) 10 | Equality, Diversity and Inclusivity | |
| (2425.2) 10.1 | <p>Report and Position Statement (Workforce) (2023/24)</p> <p>The CPO presented Equality, Diversity, and Inclusivity (EDI) Report. The Report indicated that the College's staff is predominantly female, with a higher proportion of females in academic, leader and management roles compared to the sector average. The staff's age range is slightly younger than the sector average.</p> <p>In terms of ethnicity, the Report shows that only 3% of the staff are from non-white groups, which is lower than the sector average but reflective of the College's geographical location. The CPO explained that there had also been a proactive approach in increasing the number of staff declaring a disability and progress had been made.</p> <p>The Student EDI Report suggests that although overall success rates have improved, there is a 5% gap between students with protected characteristics and the overall student body. Reducing this gap is included as a key focus for the College's Quality Improvement Plan.</p> <p>The Committee noted the Report.</p> | |
| (2425.2) 11 | Annual Reports 2023/24 | |
| | <i>All Reports were included as part of the Agenda Pack.</i> | |
| (2425.2) 11.1 | <p>Transport</p> <p>Extensive discussion was undertaken on the financial implications and operational challenges of student transport and the College’s free bus service.</p> <p><i>Part of this item was taken as confidential</i></p> | |
| (2425.2) 11.2 | <p>Sponsorship of People/Events</p> <p>The Principal presented the Report. A Governor noted that a clear strategy on sponsorships and impact needed to be developed to allow for analysis of</p> | |

| | | |
|---------------|---|--|
| | returns/impact from investment. The Principal agreed, stating the Sponsorship Strategy was being reviewed to align with the Marketing and Commercial Enterprise Strategies. The conversation highlighted the importance of having a structured approach to sponsorships to ensure they provide value and align with the organisation's broader objectives. | |
| (2425.2) 11.3 | Hospitality | |
| | The Principal presented and summarised the Report. The Principal explained that free room hire was provided if there is a reciprocal benefit, such as guest speakers for students. The Committee noted the Reports. | |
| (2425.2) 12 | Any other Urgent Business | |
| | Nothing raised. | |

There being no further business the meeting closed at 4.51pm

Chair _____

Name _____

Date _____

Appendix A

| Min Ref | Title | Action Point | Person/s Responsible | Action Taken |
|----------------|---|--|-------------------------|---|
| (2425.1)4.2(a) | Update on the 2 Year Financial Forecast | <ul style="list-style-type: none"> • DG to ensure that student retention and withdrawals (within the first six weeks of the academic year) is included as part of the next Curriculum and Quality Enhancement Committee Meeting | DG | Complete. |
| (2425.1)6 | Procurement Report | <ul style="list-style-type: none"> • DG to include the increase in concessionary days to the next Governance, Search and Remuneration Committee Meeting • CFO to provide an amended version of the College's Financial Regulations to the Audit Committee which will incorporate changes required in readiness for the introduction of the Procurement Act as well as an uplift to the monetary threshold for quotes and tenders | DG DG CFO | Complete Complete Carried Forward: See Update |