

**Non-Confidential Minutes of the Finance and Resources Committee Meeting
held on Tuesday 7 October 2025 at 4:00pm by Virtual Attendance**

Corporation Members	Appointed as	Chair/Vice	Apologies
Martyn Thomas	Independent Member	Chair	
Jim Harris	Independent Member		(until end of Item 7)
Emma Middleton	Independent Member		
Robert Knight	Independent Member		
Neil Cunningham	Staff Governor		
Danny Metters	Ex-officio		
In Attendance			
Sallyanne Pearson	Director of Governance		DG
Stephen Kelly	Chief Financial Officer		CFO
Kate Calvert	Chief People Officer		CPO
Helen Wooldridge	Vice Principal Growth, Planning and Performance		VPGPP
Beth Curtis	Vice Principal Riseholme and Business Development		VPRBD
Joanne McGowan	Head of Finance		HoF

(2025/26/F&R1)

1 Welcome and Apologies

The Chair opened the Meeting and welcomed everyone. Around the table introductions were undertaken. Apologies were offered for Ashleigh Penny (HR Director) who was unable to attend.

2 Declarations of Interest

(a) Consider and declare, as required, amendments to the Register of Interest

(the Register of Interest: Corporation Members, Executive and Director of Governance, was included in the Meeting Pack)

- Helen Wooldridge: Appointed to Children and Families Partnership Board
- Emma Middleton: Daughter is attending the College as a Student.
Director & Shareholder of C F Middleton Property Limited

The DG confirmed the Register of Interest would be updated.

(b) Consider and declare conflicts of interest to items arising as part of the evening's business

None raised

3 Minutes and Actions Arising

(all minutes detailed and the ancillary action summaries were included in the Non-Confidential or Restricted Confidential Meeting Pack)

(a) Minutes

Non-Confidential and Confidential Minutes of Committee Meeting held on 1 July 2025

The Non-Confidential and Confidential Minutes were **APPROVED** as a true and accurate record of the Meeting.

(b) Action Summary

The Action Summary was discussed. The Committee **RESOLVED** all actions as complete or included on the Agenda for the evening's business.

4 Finance

4.1 Financial Management Report and Management Accounts

(the Executive Summary Report and the Monthly Financial Accounts up to 31 July 2025, were included in the Meeting Pack)

- **Financial Management Report and Management Accounts as at 31 July 2025**

The CFO explained that the forecasted deficit position of £1m had been reduced to a deficit of £864k as at end July 2025. The College's cash position and balance sheet were reported as strong.

The Committee noted the reduction positively but moved discussions forward to the current financial audit process and the updated 2025/26 financial forecast; noting the swing from a positive surplus position of £658k to a £263k deficit position. The Committee asked for an update on the financial audit and whether the “swing” would give rise to a “going concern” matter. The CFO confirmed that the External Auditors had attended the previous Audit Committee Meeting; noting good progress. The CFO reported however, at this stage, that a “technical” going concern was possible.

The Committee enquired whether the suspension of the Operating Surplus to Total Debt Service Covenant (Santander Loan Agreement) had been closed off in completeness in readiness in readiness for the 2024/25 financial audit. The CFO confirmed it had and that no Waiver Letter was required for 2024/25. However, the CFO added that the suspension only applied for one year (2024/25) and the forecasted deficit for 2025/26 would breach the same covenant at the 2025/26, year-end, as forecasted at this point in time.

The Principal explained that a new Contribution Dashboard was being developed to provide clearer insights into key cost centres, overall financial performance and year-end projections. It was explained that this tool will also support easier financial analysis of academic contributions by area, helping to assess the viability of programmes. Where relevant, it will also include financial analysis of commercial activities that serve as educational tools or resources. The updated dashboard is to be segmented by campus (Riseholme and Bishop Burton), enabling better identification of under-recruitment and potential deficit areas.

The Committee **received the Management Accounts** and the **verbal updates**.

4.2 Update on the 2 Year Financial Forecast

(the Update to the Financial Forecast Paper was circulated to the Committee on Monday 6 October 2025)

The CFO explained that the 2-year Financial Forecast and CFFR had included a number of positive assumptions that forecasted a £658k surplus position for the 2025/26-year end.

The CFO updated the Committee; noting the following assumptions had not come to fruition and had adversely impacted the forecast:

- the awarding of an in-year growth allocation for 2025/26 (-£165k);
- capped financial impact from HE Fees at £200k (as provided for in the proposal put to it at the Corporation Meeting). The actual financial impact from under recruitment in HE is now £400k with additional financial impact accruing from an ancillary impact to residential and catering income (£450k).

The CFO added that the College had not met its T Level allocation (as a consequence of entry requirements) and although students had been retained and allocated to Level 2 and 3 programmes, this had resulted in a T Level clawback of £160k.

The revised 2025/26 financial year end position was reported to be a deficit position of £263k.

The total drop in income, to that forecasted in the CFFR, is now circa £720k.

The CFO noted this was a fluid position at this point in time in the year.

The Chair paused to confirm all Members had received and reviewed the paper circulated on Monday 6 October 2025. Members confirmed they had and the DG noted it was now included in the Meeting Pack for completeness. The Chair outlined and summarised, for the benefit of the new Members on the Committee, that a surplus position of £658k had been forecasted for the year ending 2025/26; adding that this had now swung to a deficit position of £263k being a £921k difference from the original forecast.

The CFO clarified that the second year of the 2-year forecast (2026/27) had not been finalised but it forecasted a significant surplus as a result of the 2025/26 growth; circa £800/£900k. **The Chair noted the success in having recruited over allocation for FE; demonstrating growth albeit just outside of the in-year growth funding threshold.**

There was a detailed discussion about the ongoing decline in HE recruitment and its significant impact to residential and catering income. To address this, the CFO explained that a HE Recruitment Strategy and Residential Strategy were being developed and the financial impact was being mitigated through increased commercial activities and enterprise initiatives. **The Committee asked whether the continued decrease in HE recruitment remained a sector wide trend.** The Executive Team explained that all Universities were lowering their entry criteria; meaning greater competition across the sector.

Discussion moved to staffing costs and the £230k which had been included in the forecast to scaffold the FE growth and teaching resources required (as provided for in the proposal previously put to Corporation). It was confirmed that this had now increased to £416k. Reasons for the increase were explained to be a result of:

- the introduction of course tutor roles
- increased hours for English and Maths
- disproportionate growth across curriculum areas – which would require an area-by-area review
- the creation and appointment to new posts in commercial and marketing to maximise income generation linked to the growth and financial recovery strategies

The CFO reported that the £200k contingency fund had been utilised to offset the decline in income and increase in staff pay.

The CFO outlined mitigating actions the Executive Team were introducing to reduce the deficit position, as follows:

- review current staffing requirements
- utilise unsold student rooms to raise additional income
- rent out the “Palouse” house located on campus
- capitalise, where possible, on apprenticeships
- increase income from commercial events and review commercial activity running at a loss
- introduce non-pay efficiency savings
- utilise capital funding further to undertake estates maintenance projects
- bring forward identified fitness for purpose opportunities

The VPGPP provided an overview of works undertaken, to date, around reviewing current staffing requirements as a result of the disproportionate growth; noting confidence that efficiencies could be made through staff redeployment and amalgamating groups where appropriate.

The Committee discussed the expectations of the Corporation; noting the Committee had to undertake appropriate financial scrutiny to ensure financial viability. To support with this, the Committee requested indicative financial figures or projected savings be assigned to each of the proposed mitigating actions - to provide a robust, financially modelled, forecast and a small year-end surplus. The Committee went on to refer to the update on the Financial Recover Strategy provided; noting no quantitative financial detail was included and asking if this could be provided in readiness for the Corporation Meeting to provide assurance.

The CFO responded as follows, in response:

- indicative financial figures / projected savings could be assigned to each of the proposed mitigating actions outlined and provided in readiness for the Corporation Meeting as a tabled item;
- aligning financial figures to the Financial Recovery Strategy was a significant task, requiring accuracy and detailed analysis. It was noted that the turnaround time to complete this work ahead of the Corporation meeting was too short to ensure the Executive Team’s full confidence in its robustness or to conduct the level of data analysis needed to underpin the proposed expectations.

The Principal added that works had commenced on both the mitigating actions and the actions detailed in the Financial Recovery Strategy but added that it would not be possible to provide accurate financial modelling on all elements set out achieving a 2025/26-year end break-even position - to satisfy bank loan covenant requirements – was forecasted to be met.

Following further detailed consideration and discussion, the Committee RESOLVED the following two key documents be prepared for the Corporation’s scrutiny. Given the limited turnaround time, it was acknowledged that these may need to be tabled at the meeting. The requested documents are:

- **a breakdown of indicative financial figures or projected savings aligned to each of the mitigating actions outlined in the Update to Financial Forecast Paper; and**
- **a modelled second year of the two-year financial forecast.**

The CFO reiterated to the Committee that an opinion on whether the College remained a “Going Concern” would need to be provided to the College Auditors noting. The CFO put forward that the Committee may have to convene a Special Meeting to further consider the matter.

The Committee noted the updates received and **RESOLVED** that it was unable to advise the Corporation on the two-year financial forecast and 2025/26 budget fully, at this point in time, noting it looked forward to receiving the requested updates at the Corporation Meeting.

4.3 Student Association Accounts

(the Executive Summary Report and Student Association Accounts 2024/25 were included in the Meeting Pack)

The CFO presented the Student Association Accounts for 2024/25, noting that the Student Association (**Association**) remained in a financially strong position. The CFO explained the Association had not utilised its reserves over a period of years; noting it had been agreed that it would contribute towards the Bishfest event resulting in a net deficit position of £9,104 for 2024/25. The CFO confirmed it retained a strong balance sheet with net assets of £10,000.

The CFO reported that £1,200 had historically been allocated to HE photo commissions but explained that the minimum number of students had not been met and, as such, the £1,200 had been released back into the operational budget.

The CFO noted the recommendation that a £1k grant be awarded for the 2025/26 period.

The Committee noted the update and received the Accounts. It was **RESOLVED** that the Committee would **ADVISE** the Corporation to **APPROVE** the Student Association Accounts and the grant of £1,000 to the Association.

5 Annual Procurement Report

(the Annual Procurement Report August 2024-July 2025 was included in the Meeting Pack)

The CFO presented the Annual Procurement Report, detailing direct award spending, tender information and updates on the Procurement Act.

A Governor referred to capital items funded by “UKFVS” relating to agricultural machinery and asked for clarification on this. The VPRBD explained this related to the UK Food Valley Bid that the College had successfully secured £625k capital investment for equipment purchases. **A Governor sought assurance that the funding had been received noting the high value amounts.** The VPRBD confirmed prompt payment; adding they had secured additional funding from them. The CFO explained that projects such as this could create cash flow implications owing to the initial outlay being incurred by the College but that was not the case in this event.

The Committee **received** and **considered** the Report which will be provided to the Corporation for its oversight.

6 Financial Strategy and Implementation Monitoring

6.1 Growth: Implementation and Impact Update

(The Executive Summary Report entitled “Growth: Implementation and Impact Update” and associated papers were included in the Meeting Pack)

The VPGPP summarised that quality outcomes had been included in the Growth Strategy; with an intention of leveraging student performance data as key recruitment and growth driver. The Committee’s attention was drawn to the following points and more detailed analysis is to be provided to the Curriculum and Quality Enhancement Committee:

- FE Achievement Rates have declined slightly from 82% to 81%, below in-year forecasts and National Average; attributed to courses which had unit rather than full course accreditation and shifts in grade boundaries for English and Maths
- Apprenticeships Achievement has increased by 11% comparatively to the previous year; being 8% above National Average
- Student satisfaction across FE and HE have improved

It was summarised that initiatives and actions from the Growth and Financial Recovery Strategy had successfully reduced the 2024/25 forecasted deficit position from £1.2m (as forecasted in the summer term) to £864k and five success measures had been exceeded. However, recruitment targets remain under success measures at 99% for FE and HE at 76%.

The VPGPP explained that a revised two-year Growth Strategy was being consulted on and developed and would be provided to the Corporation for their consideration at the Strategic Sprint.

The Committee agreed to **note** the report and **advise** the Corporation as required.

6.2 Financial Improvement: Implementation and Impact Update

(the Executive Summary Report entitled “Update on the Financial Recovery Strategy Actions” and associated papers were included in the Meeting Pack)

The CFO outlined changes made. It was confirmed that the document would be updated to reflect the “Update to the Financial Forecast Paper” (as circulated 6 October 2025) and confirmed that the indicative figures requested would be included in readiness for Corporation review.

ACTION: CFO to update the Financial Improvement Strategy once indicative figures are aligned to the mitigating actions and an update provided to Corporation

The CFO emphasised the importance of the Finance Team now being at full strength, the continued strong capital position and the revised bank loan covenants. The Principal and HoF reiterated the introduction of a financial reporting dashboard which would be utilised for Governors and Budget Holders. The Principal also confirmed, through discussion with the Chair of the Corporation, that monthly Management Accounts would now be provided to Governors for their review between 15 to 20 days following the month end.

The Committee agreed to **note** the report and **advise** the Corporation as required.

7 Estates

(the Executive Summary Report entitled “Estates Strategy Update” and associated papers were included in the Meeting Pack)

The CFO provided an update to the Estates Strategy, which had been approved in July 2025. Reference was made to a 1.2 million capital condition grant (received in 2024/25) which could be used to “maintain” the College. Reference was made to the Corporation’s approval of utilising the remaining balance of the grant (over the next three years), as follows:

2025/26: £400k (Year 1)

2026/27: £400k (Year 2)

2027/28: £331k (Year 3)

It was noted however that the cost of all priorities identified in Year 1 exceeded the £400k allocation provided. The CFO therefore noted its request to transfer £200k from Year 3 to Year 1 to enable improvements to the campus infrastructure sooner:

2025/26: £600k (Year 1)

2026/27: £400k (Year 2)

2027/28: £231k (Year 3)

Discussion was undertaken about the added value to students and staff through the modernisation of the campus. Following discussion, the Committee **RESOLVED** to **ADVISE** the Corporation to the transfer of £200k from Year 3 of the Capital Condition Grant to Year 1.

The CFO added that, following review of the additional financial information to be provided to the Corporation, it may also advise that Year 3 in its totality (£231k) be transferred to Year 1. A proposal is to be provided directly to the Corporation if this is the case. The CFO confirmed that if this was approved, Year 3 works would be self-funded.

The Minor Works Budget is to be utilised as follows:

- IT
- Sustainability (utilised against the Salix Projects)
- New Human Resources System (*ordered*)
- Upgrading the College Gyn Facilities (*ordered*)

The CFO outlined recent refurbishment works across the Campus as a whole; noting the Corporation would have an opportunity to view these prior to the Corporation Meeting. Particular reference was made to the improvements made to the Higher Education areas, noting HE needed its own bespoke identity.

Jim Harris left the Meeting

8 Commercial and Enterprise Strategy

(The Executive Summary Report entitled “Commercial and Enterprise Strategy” and associated papers were included in the Meeting Pack)

The VPGPP presented the updated Commercial and Enterprise Strategy including financial information, highlighting the importance of commercial income growth. The strategy sets a KPI of 6% growth for the year, **excluding** equine commercial. The VPGPP confirmed that a separate Equine Commercial Strategy was being developed and would not be included in the 6% KPI Growth figures, until further clarity and surety could be determined.

A Governor enquired whether all financial implications and upfront costs/expenditure had been taken into account in the Financial Targets set out. The VPGPP confirmed they had.

The Committee received the Commercial and Enterprise Strategy and Implementation Plan and is to advise the Corporation to **APPROVE** the same.

9 Marketing Strategy and Implementation Monitoring

(the Executive Summary Report entitled “Marketing Strategy and Implementation Monitoring” and associated papers were included in the Meeting Pack)

The VPGPP provided an update. The VPGPP highlighted the importance of marketing in driving income and student recruitment, noting the College was seeking to recruit a Marketing Director and an additional Marketing Officer. The new brand rollout is in progress and the “enrol now” campaign for 2025 is closing for FE and HE - although recruitment continues for Apprenticeships and Adult Learners.

Research is being conducted with current FE and HE learners around national recruitment to inform the national recruitment campaign; which will focus on direct mail and digital activity. The prospectus for 2026/27 is set for print and the first open day is scheduled.

The Committee noted the recruitment to the Marketing Director post and queried whether this had been successful and a start date confirmed. The VPGPP outlined timescales for interviews; noting start dates would be dependent on notice periods.

The Committee **noted** the update to the Marketing Strategy and Implementation Plan.

10 Sustainability Strategy and Implementation Monitoring

(the Executive Summary Report entitled “Sustainability in Action – Update September 2025” and associated papers were included in the Meeting Pack)

The VPGPP provided an update on the Sustainability Strategy, approved in July and reported progress in staff and student awareness, completed and ongoing projects linked to Salix funding and specific reductions in waste management and increased recycling.

The VPGPP also reported that the College had been shortlisted for a prestigious “Green Gown” award its transfer of some ground maintenance equipment to solar powered engines.

The Committee **noted** the update to the Sustainability Strategy and Implementation Plan.

11 ICT Strategy and Implementation Monitoring

(the Executive Summary Report entitled “ICT Strategy and Implementation Monitoring” and associated papers were included in the Meeting Pack)

The VPGPP provided an update on the ICT Strategy noting its alignment with the agreed funding timeline. Highlights and actions were outlined. A significant change noted was the need to purchase a new HR system due to the current system nearing the end of its support period. The procurement process has been completed and a supplier appointed. The tendering process has now been finalised.

The Committee **noted** the update to the ICT Strategy and Implementation Plan.

12 People and Culture Strategy

(the Executive Summary Report entitled “People & Culture Strategy 2025 – 2028” and associated papers were included in the Meeting Pack)

The CPO outlined the new People and Culture Strategy, noting it was an iteration of the previous strategy covering 2023 to 2025. The Strategy was summarised; noting its focus on staff engagement and feeling valued, which had significantly improved according to recent staff surveys. The CPO noted areas for improvement and development remained but confirmed these areas had been embedded into the revised Strategy provided for consideration. The Strategy is based on the college's new vision, mission, values, strategic aims and objectives, including KPIs around People. Key areas of focus include communication, enhancing staff engagement, improving recruitment and retention, recognise and reward (including non-pay) staff and developing leadership and promoting work smarter systems including AI support. The CPO went on to explain the aim of developing and embedding a culture of high performance to add real impact, positively, to student performance and experience.

It was noted that Angela Moran as Link Governor to People and Culture had been consulted in the draft prior to circulated with the Committee Meeting Pack.

The Committee received the People and Culture Strategy and Implementation Plan and is to advise the Corporation to **APPROVE** the same.

13 Annual Human Resources and Workforce Equality, Diversity and Inclusion Report

(the Executive Summary Report entitled “Annual People Management Report” and associated papers were included in the Meeting Pack)

The CPO presented the Annual Human Resources and Workforce Equality, Diversity and Inclusion Report. The Report included detailed information on staff numbers, headcount by gender, benchmarking data, pay gap analysis, part-time working trends, age breakdown, ethnicity, disability declarations, staff turnover, retention, staff development, recruitment, employee relations, sickness, PDR compliance, and legal changes affecting employment.

The Committee received an overview of workforce demographics and reference was made to the Gender Pay Gap Report included in the Meeting Pack. The CPO explained there had been a significant increase in the number of staff working part-time, which could be attributed to the Agile Working Policy introduced approximately a year ago.

The age profile of staff was also discussed, with the average age currently at 45 – being slightly below the average for the sector. Further data was shared on ethnicity and disability. While the number of staff from non-white ethnic backgrounds has increased, it remains below the sector average. However, the proportion is broadly representative of the local population in East Yorkshire and Lincolnshire. The number of staff declaring a disability has risen significantly over the past year, following a targeted internal campaign to encourage disclosure, based on concerns of previous underreporting.

The Gender Pay Gap Report is to be posted on the College Websites.

ACTION: Gender Pay Gap to be uploaded to the College website.

Reporting continued: staff turnover has decreased slightly but continues to stabilise at a level much lower than in previous years and compares positively with sector averages. Retention remains a focus, particularly in the second and third years of employment. Staff development continues to support new starters, with efforts aimed at improving long-term retention. Recruitment processes have become more efficient, with reduced time to fill vacancies. While this is operationally beneficial, it has raised concerns about its impact on the budgeted vacancy factor. Sickness/absence systems and proactive monitoring was outlined as was a drop in the completion rate of PDRs and the “swings” in employee relations before the CPO summarised legal updates.

The Committee reviewed the results of the recent staff survey, which showed an overall satisfaction rate of 85% - a notable 10 percentage point increase from the previous year. While the response rate was slightly lower than last year, it remained strong for a staff survey. The CPO explained that the sector benchmark was now available and the College is performing well in comparison.

The Committee commended the works and positive outcomes noted. The Principal commended the efforts of the Executive Team and College Management Team; noting a more positive culture, increased visibility of senior staff and articulation, from staff, that they were proud to a member of staff.

The Committee **noted** the reporting providing and the Gender Pay Gap Report for uploading to the College Website.

14 Update on Academic Restructure

(the Executive Summary Report entitled “Update on Academic Restructure” and associated papers was included in the Meeting Pack)

The CPO provided an update on the academic restructure approved by the Corporation. The restructure aimed to bring HE and FE management together to support student progression, integrate resources with academic teams and improve student experience. It was reported that some roles were filled internally, while others were appointed externally. The CPO noted some vacancies remained unfilled due to the timing of recruitment at the end of Summer. Interim appointments, including internal appointments, have been made to ensure continuity. The update included details of new appointments and interim managers. It was reported that the restructure identified savings and addressed areas for development.

The Committee **noted** the updates without further questions.

15 Committee Self-Assessment and Annual Report

(the Executive Summary Report entitled “Committee Self-Assessment and Annual Report” and associated papers were included in the Meeting Pack)

The DG referred to the Committee Self-Assessment and Annual Report, noting the overall self-assessment of “Good”. The item was taken as read. The Committee **noted** the updates without further question.

16 Policies

(all policies referred to were included in the Meeting Pack)

Following consideration, the Committee **APPROVED** the:

- Continuous Professional Development Policy (7.27)

Following consideration, the Committee is recommending the following policies for approval by the Corporation:

- Grievance Policy (7.09)
- Procedure for Staff Performance Development and Review (7.04)
- Pay and Reward Policy (7.25)
- Travel and Expenses Policy (7.26)

There being no further business Meeting closed at 6:02pm

Chair

Name

Date
