



THE CORNWALL COLLEGE GROUP

Minutes of the Finance and Resources Committee meeting held on 25 November 2020 at 9am via MS Teams

Committee members present		
Karen Burrows	KB	Chair, Governor
Peter Child	PC	Governor
Tracey Hooper	TH	Governor
Geoff Warring	GW	Governor
Ellen Winser	EW	Co-opted committee member

In Attendance		
Wendy Randle	WR	Clerk to the Corporation
Adrian Ford	AF	Vice Principal Group Operations
Graeme Sinclair	GS	Director of Finance
Bob Harris	BH	Estates Manager

		Action
1	<p>WELCOME, APOLOGIES AND DECLARATIONS OF INTEREST</p> <p>Apologies were received from Martin Bailey and John Evans. Bob Harris, the Estates Manager, was welcomed to the meeting.</p> <p>There were no further declarations of interest to those on the members' register of interests; Peter Child reminded the committee of his ongoing interest in Cornwall Marine Network.</p>	
2	<p>MINUTES OF THE MEETING HELD ON 24 JUNE 2020</p> <p>The minutes and confidential minutes of the meeting held on 24 June 2020 were considered. Other than amendments required to the spelling of Ellen Winser's name and declaration of interests, the minutes were agreed to be a true and correct record of the meeting. The Clerk to the Corporation would arrange for these to be signed by the committee chair.</p> <p>MATTERS ARISING</p> <p>A report updating on actions from previous meetings had been circulated prior to the meeting; there were no outstanding actions that would not be covered under agenda items.</p>	WR
3	<p>FOR REVIEW AND PRESENTATION TO BOARD - Property Matters</p> <p>The confidential property matters report had been circulated prior to the meeting. Further information on property sales and grant funding contained in the confidential minutes.</p> <p>Future Farm.</p> <p>The Estates Manager was invited to update the board on Future Farm. Two hundred cattle have moved onto the site, they were reported to be calm indicating the cows have settled into their new environment. The building has been handed over uncompleted; TCCG are being supported with snagging via telephone, with the Dutch contractors who returned home due to Covid-19. After discussion it was agreed that the lessons learnt from this project would be reported back to committee.</p>	

	<p>A committee member asked if the previous problems with slurry have been resolved. It was reported that Environmental Health were comfortable that the introduction of the Future Farm facility would solve the current issues and the drainage at lower farm is being resolved with Capex funding.</p> <p>After discussion it was agreed that an overview of grants being applied for and grants awarded would be an agenda item for the next meeting.</p>	<p>AF/ WR</p>
<p>4 4.1</p>	<p>FOR REVIEW AND PRESENTATION TO BOARD - Finance Matters</p> <p>Financial Update (including Management Accounts, Cashflow, Debtors and Creditors, and Forecast at October 2020) – Confidential</p> <p>The September and October monthly statements had been circulated prior to the meeting, further detail contained in the confidential minutes.</p> <p>Other highlights from the management accounts;</p> <ul style="list-style-type: none"> ▪ Staffing levels are being reviewed due to the significant increase in student numbers. ▪ No need for an overdraft due to good cash flow. ▪ EU and other project income was down against profile, as was DBS and CCMS. The committee were assured that the CCMS finances have been reviewed by the CCMS board who expect the year end budgeted profit to be achieved. ▪ The forecast has been adjusted mainly due to retaining DBS. Reduced projects income of 300k and increased premises expenses due to ensuring TCCG remains Covid-19 safe have been offset by savings in transport costs and depreciation. <p>Discussions took place on the reporting of CCMS and DBS finances, it was agreed that DBS and CCMS will be included on income and expenditure reports in time for the next meeting. Further information contained in the confidential minutes.</p> <p>Cashflow is currently performing better than profile and stands at £9.3m. This improvement is partially due to timings, including HE allocations received early and capital expenditure not yet incurred.</p> <p>4.2 Financial Risks</p> <p>The committee considered the financial risks to the organisation. The two key risks were the Adult Education budget, which could turn around with the government incentives to encourage people to retrain and Apprenticeships, which are down as expected.</p> <p>After discussion the committee requested information on the following areas moving forwards;</p> <ul style="list-style-type: none"> ▪ detail on staff costs; as the biggest cost for the organisation, to include progress against budget, staff movement and potential future costs. The committee were informed that staffing will be reviewed as part of the Balanced Scorecard agenda item at each meeting. ▪ capital expenditure; historically there had been no capital expenditure, TCCG now has its first capital budget of £1.3m which will be reported to this committee. ▪ Information on cash flow which reflects incoming land sales. <p>4.3 ESFA Health Assessment 2019/20 and 2020/21</p> <p>TCCG has been graded as good. The VP Group Operations stated the need to focus on what the EBITDA would need to be for good/outstanding college. TCCG would like to retain cash reserves of £3m to £3.5m going forward. A discussion took place on the careful balance of class sizes and staff utilisation.</p> <p>4.4 ESFA November return (submission due to ESFA 27/11/2020)</p> <p>This return is based on the cash flow and forecast figures in the accounts; this would be circulated after the meeting.</p>	<p>AF</p> <p>AF</p> <p>AF</p>

8	<p>ANNUAL AGENDA ITEMS FOR FUTURE MEETINGS</p> <p>In light of the committee adding two extra meetings to the meeting schedule, the Committee Chair, the VP Group Operations and Clerk to the Corporation had considered the key report schedule at the agenda planning meeting; revisions had been circulated prior to the meeting to include focuses for the two additional meetings added. After discussion the following amendments will be made;</p> <ul style="list-style-type: none"> ▪ Include review of monthly financial information to all meetings. ▪ Add the Treasury Management policy to the September meeting. ▪ Include committee self review in September meeting ▪ Remove the financial report from the September meeting. ▪ Capital allocation and post project expenditure review in January. 	WR
9	<p>DATES OF NEXT MEETINGS</p> <p>10 March 2021, 9am 19 May 2021, 9am 23 June 2021, 9am</p>	

Karen Burrows, Finance and Resources Committee Chair.....

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