



THE CORNWALL COLLEGE GROUP

Minutes of the Finance and Resources Committee meeting held on 10 March 2021 at 9am via MS Teams

Committee members present

Karen Burrows	KB	Committee chair
Peter Child	PC	Governor
John Evans	JE	Principal/ Governor
Ian Tunbridge	EW	Governor
Geoff Warring	GW	Governor
Ellen Winser	EW	Governor

In Attendance

Wendy Randle	WR	Clerk to the Corporation
Adrian Ford	AF	Vice Principal Group Operations
Bob Harris	BH	Estates Manager
Lisa Pill	LP	Project Development Manager
Graeme Sinclair	GS	Director of Finance

		Action
1	WELCOME, APOLOGIES AND DECLARATIONS OF INTEREST Apologies were received and accepted from Martin Bailey. There were no further declarations of interest to those on the members' register of interests.	
2	MINUTES OF THE MEETING HELD ON 27 JANUARY 2021	
2.1	The minutes and confidential minutes of the meeting held on 27 January 2021 were reviewed, there was one typo. Subject to amendment, the Committee agreed the minutes to be a true and accurate record of the meeting. The Clerk to the Corporation would arrange for these to be signed by the Committee chair.	WR
2.2	MATTERS ARISING A matters arising report had been circulated prior to the meeting; there were no outstanding actions that would not be covered under agenda items. It was updated that the need for the annual reporting of legal costs would be considered by the Finance and Resources Committee at the May meeting.	WR
3	FOR REVIEW AND PRESENTATION TO BOARD: PROPERTY MATTERS	
3.1	Estates Strategy The Estates Strategy had been circulated prior to the meeting, the strategy is required as part of the Transformation Fund application. The document focusses on the St Austell and Camborne campuses where investment is required; the College have assumed the market and demographic data which remains consistent with the information shared previously with the Board. The Strategy would be considered in detail at the subsequent Special Board meeting.	

<p>3.2</p>	<p>FE Capital Transformation fund projects proposal</p> <p>A copy of the proposal and stage one application had been circulated prior to the meeting. The Committee commented on the repetition within the application, suggesting the inclusion of examples such as the 14-16 year olds provision and references to the Strategic Intent and LEP priorities could add value to the application. The VP – Group Operations explained that some repetition was required as individual sections of the application would be reviewed and scored by different people.</p> <p>It was reported that the application assumes the DfE and College plans for the St Austell campus, noting DfE representatives plan to attend the next Board meeting 24/03 to update further.</p> <p>In response to Committee questions it was noted that master plan for the Camborne site had been completed in 2008 and that the College had been satisfied with the quick turnaround on work recently completed by the external project managers. The aim of the project will be to create a ‘heart’ for the Camborne campus, once achieved the Penhaligan building would be outside of this; any decision for sale would be a Board decision. In response to Committee concerns around site safety it was noted that Colleges are public spaces, with a public footpath running through the middle of the Camborne campus; a more centralised campus will make easier to ensure site safety.</p> <p>Reflecting on the lessons learned from the project management of Future Farms, a Committee member highlighted the need to ensure satisfactory design and a clear purpose which the design meets prior to investment; the Committee agreed the need for a small working party to oversee large projects.</p> <p>The application pack would be considered further at the subsequent Special Board meeting.</p>	
<p>3.3</p> <p>3.3.1</p>	<p>Property Matters</p> <p>A confidential paper had been circulated prior to the meeting. Further information is contained in the confidential minutes.</p>	
<p>3.4</p>	<p>Internal Controls and Project Management for Future Farm</p> <p>The Committee received the report circulated prior to the meeting. The committee noted the issues reported in the document and emphasised the importance of learning the lessons so that projects can be managed much more effectively. It was reported that the College plan to implement a robust project management framework for the group going forward. In response to Committee members’ questions it was understood that there are project management skills in house and that the College delivers project management training. The Committee were pleased with the recommendations presented in the document.</p>	
<p>3.5</p>	<p>Capital Projects update</p> <p>The Committee received the paper circulated prior to the meeting, there were no questions.</p>	
<p>4</p> <p>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 January 2021)</p> <p>It was reported that the forecast remains in line with the accounts circulated for the January meeting, noting that the adjustments due to Covid considered at the January meeting had been incorporated. The College have assumed full clawback of the Adult Education budget though await an announcement on whether there will be a reduction in the tolerance; this could be a benefit of £1m and therefore an increase in cash flow of £1m. In response to a Committee member’s question the College are currently achieved 78% of the Adult Education budget, assuming the same tolerance as last year the College will stand to benefit.</p> <p>The Income and Expenditure tables were reviewed, noting the increased visibility of the Concorde costs. The following highlights were noted;</p> <ul style="list-style-type: none"> ▪ In Apprenticeships and HE income is forecast to be higher than Budget. 	

	<ul style="list-style-type: none"> ▪ Income remains consistent with previous months ▪ Overspend in staffing against original budget due to agency staff, though this is not expected to continue, increased student recruitment and the DBS provision. ▪ Overspend in Covid costs due to additional lockdowns <p>The cash flow forecast was shared noting this would be dependent on the debt position. A new credit controller has been appointed and a worker has been engaged to chase debts to drive this down. A Committee member noted that the three month debt figure was higher; it was noted this has reduced since the circulation of the paper.</p> <p>The Committee were keen to explore how the College have reached the £380k loss of income due to Covid. It was reported that this figure had been calculated based on comparisons to the previous year, noting the likely Covid impact on summer and weekend training and HE provision.</p>	
4.2	<p>Fees policy for 2021/22</p> <p>The policy had been circulated prior to the meeting. The intention of the new policy is to outline how fees will be collected and what action will be taken should the College not receive payment; the policy will provide clearer guidance for Finance and Curriculum. It was noted that the Curriculum and Quality have not viewed this policy. The Committee agreed to recommended the Board approve the policy and delegate future approval of the policy to the Finance and Resources Committee.</p>	KB/ WR
4.3	<p>HE Fees for 2022/23</p> <p>A document had been circulated prior to the meeting, noting this had been reviewed by the HE Committee. A Committee member suggested that if the proposed changes were adopted it would be useful to know what impact these would have on income; this request will be contained in the exec summary which will be presented to Board. A Committee member reflected on the fees in comparison to other south west providers; it was noted that the HE committee had debated this and were satisfied with the College's proposals.</p>	GS
4.4	<p>Balanced Scorecard/ KPIs update</p> <p>The document had been circulated prior to the meeting. There were no major concerns to report, the following highlights were noted:</p> <ul style="list-style-type: none"> ▪ Funding for the work based placements; just before Covid a restructure was put in place to improve this area, the impact of Covid on progress was noted; this area will continue to be monitored as this will form a significant part of T Levels. ▪ Staff numbers; the College appointed additional staff to support the increase of 400 students and ensure a Covid secure environment. In response to a Committee member question the College plan to achieve the forecast. A further comment is contained in the confidential minutes. <p>A Committee member requested an explanation of the colour coding noting disparity between progress and colour coding; this will be reviewed prior to circulation to Board.</p>	AF
4.5	<p>Financial Regulations amendment</p> <p>An amendment to the Financial Regulations had been circulated prior to the meeting. It was proposed that the authorisation thresholds for disposal of assets is revised in line with the new management structure. The VP Group Operations informed the Board that a comprehensive review of the regulations will be completed. The Committee recommend the approval of the amendment to the Board.</p>	KB/ WR
4.6	<p>Overdraft renewal</p> <p>The overdraft renewal had been circulated prior to the meeting. In response to Committee members questions, the College will challenge the level of security requested. A discussion took place on whether there was a need to request a higher overdraft and the flexibility this could</p>	AF

	provide. The Committee agreed that at the next review the extra security would be considered. The Committee agreed to recommend to Board the approval of the overdraft renewal.	KB/ WR
5	DELEGATED MATTERS FOR DECISION BY, OR INFORMATION OF, THE COMMITTEE - FINANCIAL APPROVALS	
5.1	Approval of orders over £25,000 ex VAT – and recommendation of over £100,000 to Board Detail of the orders requiring Finance and Resources Committee approval due to being over £25,000 had been circulated prior to the meeting. The Committee approved the orders. The Committee agreed to recommend the order linked to Student Transport for £165,200 for Board approval.	KB/ WR
5.2	Asset disposals There were no asset disposals to report at this meeting for the period 25 November 2020 to 28 February 2021.	
5.3	Debtor write offs The report was received and the Committee agreed to write off the 13 debts totalling £32,042 as detailed in the report. A Committee member requested the debtor write off totals be checked. The Committee were assured that the Terms of Reference indicate that the Committee have delegated responsibility to write off debts under £50k.	GS
5.4	Overseas expenses None to report	
6	Sustainability update The Committee received a sustainability update via a presentation from Rebecca Ridd who was welcomed to the meeting. RR highlighted the College's brief which had been to conduct an environmental audit and propose an action plan that aligns with the climate action roadmap for FE Colleges. Details of the three phases of the project were shared with an update on progress made. It was noted that the College have set up a Sustainability Committee and subgroups, with the student voice feeding into these. It was noted that the Lead Governor for Sustainability attends the Sustainability Committee. The presentation will be shared with the Committee. The Committee were keen to ensure a future agenda item for a Board meeting on sustainability.	WR/ KB
7	Receive FE Commissioners Letter and revised Benchmarking Definitions The letter and revised benchmarking definitions had been circulated prior to the meeting. The VP Group Operations noted that the main change reflected borrowing as a percentage of turnover which use to be a soft target and has now changed to the debt service ratio which is an improved measure. It was noted that the operating surplus has been downgraded from 5% to 1% which is a more accurate measure; the College have not achieved this.	
8	DATES OF NEXT MEETINGS 19 May 2021, 9am 23 June 2021, 9am The time for future meetings will increase to 2 hours unless otherwise stated.	

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

Date.....